



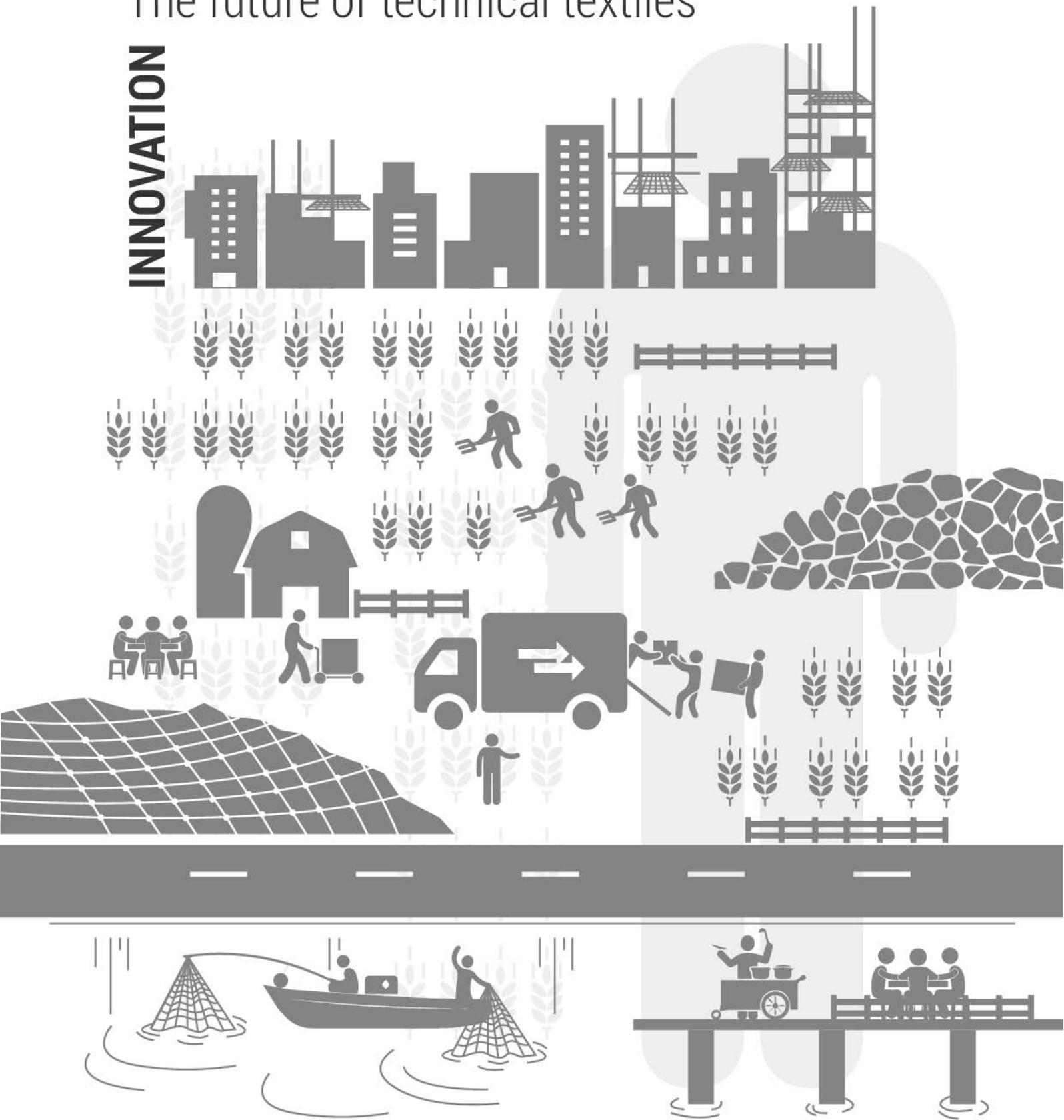
**RISHI TECHTEX**

Rishi Techtex Limited

33<sup>rd</sup> Annual Report 2016-2017

# The future of technical textiles

**INNOVATION**



*Agro-tech Pack-tech Geo-tech Protect-tech Build-tech*

# Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to fully appreciate our prospects and take informed investment decisions. This report and other communicate - written and oral - that we periodically make, contain forward-looking statements that set our anticipated results based on management plans and assumptions.

We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance.

We cannot, of course, guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. Achievement of results is subject to risks, uncertainties, and potentially inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

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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# At a Glance

## OUR EXPERIENCE



Over **3**  
decades

## OUR QUALITY CERTIFICATE



BIS IS 16008  
(For agrotexile shade nets)

## OUR EXPERTISE



- **Agro**tech

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- **Pack**tech

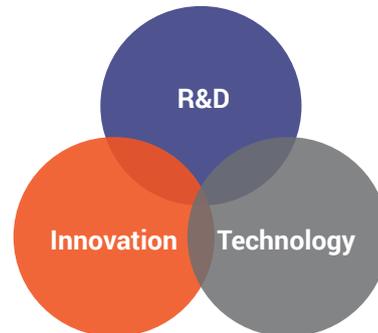
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- **Build**tech

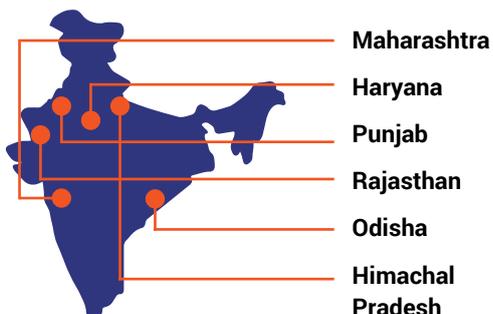
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- **Geo**tech

## OUR ADVANTAGE



## OUR PRESENCE



## INTERNATIONAL BUSINESS



- Qatar

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- UAE

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- South America

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- Africa

---

- UK



## Board of Directors

Mr. Abhishek Patel- Managing Director

Mr. Pranav J. Patel - Director

Mr. Arvind N. Nopany - Director

Ms. Sheela Ayyar - Director

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## Company Secretary

Ms. Nidhi Shah

---

## Auditors

Alladi Krishnan & Kumar

4. Marshal, Mogal Lane, Mahim, Mumbai- 400006.

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## Bankers

Canara Bank,

Tamarind Lane Branch, Calcot House, Fort,

Mumbai – 400 023.

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## Registrars and transfer agents

Adroit Corporate Services Pvt. Ltd.,

19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road,

Marol Naka, Andheri (E), Mumbai – 400 059.

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## Registered Office

612, Veena Killedar Industrial Estate,

10/14, Pais Street, Byculla (W),

Mumbai – 400 011.

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## Works

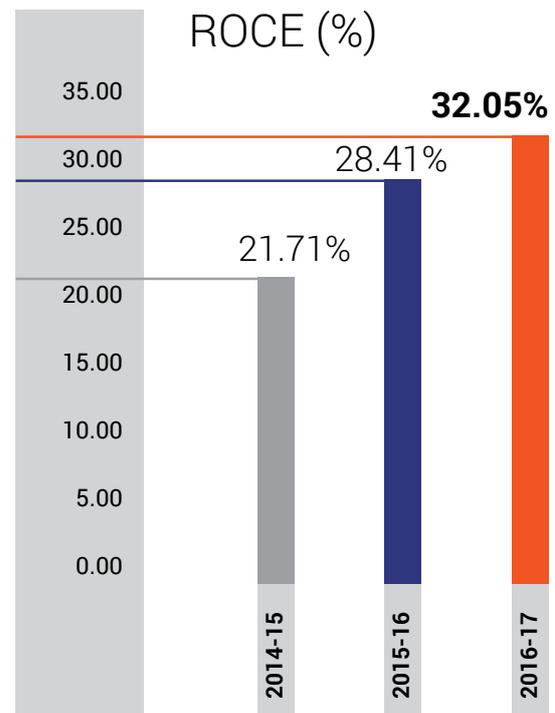
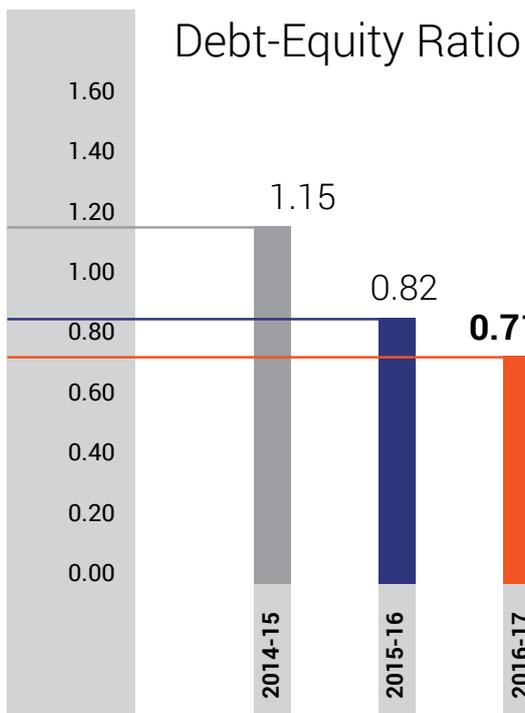
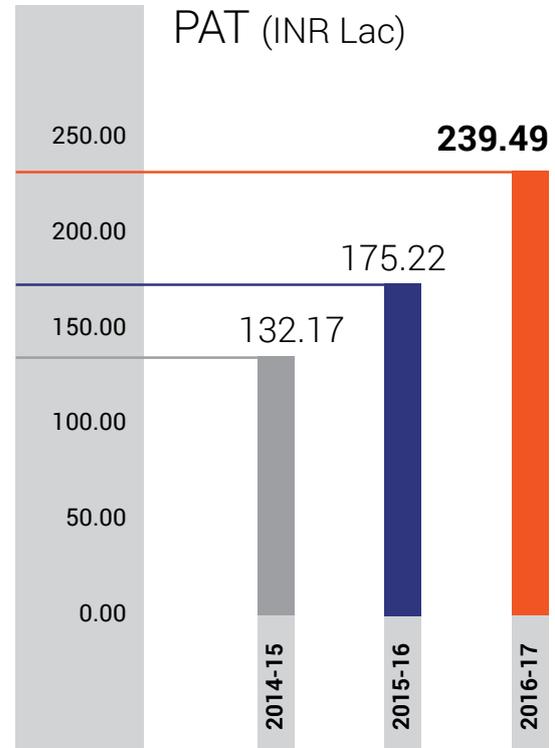
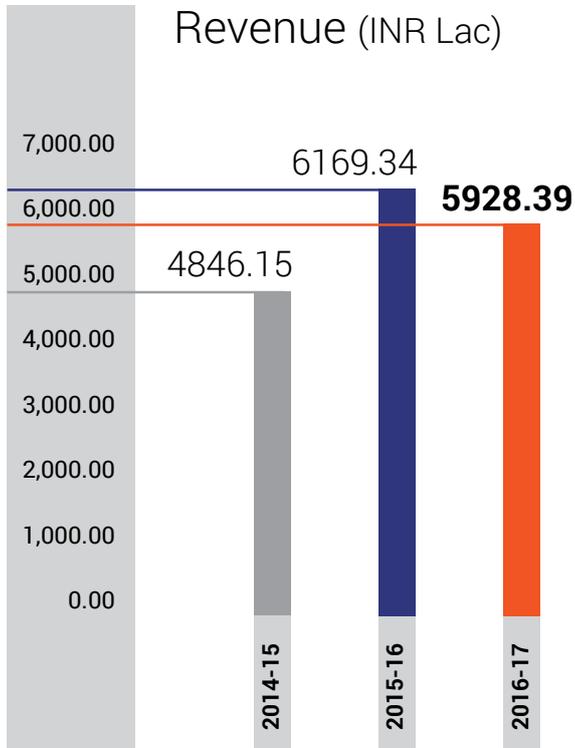
Causeway Road,

Village Kachigam, Taluka Daman

Union Territory of Daman & Diu.



# Performance Metrics





# Key Highlights



PAT Margin

**4.04%**

(increase of **37%** over last year)



Debt-Equity Ratio

**0.71**

(decrease of **0.11** pts over last year)



Earnings per share

INR **3.38**

(increase of **11.92%** over last year)



Return on Capital Employed

**32.05%**

(increase of **3.65%** over last year)



Reserves & Surplus

INR **1446.57** lac

(increase of **33%** over last year)



# Mission & Values

## MISSION

“To develop world-class technical textiles that give our customers a competitive advantage through superior quality, state-of-the-art technology and continuous innovation.”

Our three-pronged mission aims to create value for our customers, stakeholders and employees:



## OUR VALUES





# Message from the Managing Director

## Profitable Growth. Innovation for Tomorrow.

Dear Shareholders,

I write to you as I complete two years of my journey at the helm of your Company. At the outset, let me thank you for your unstinted support; it has helped me and my team withstand the turbulence faced by the Indian economy in the recent past. I am proud to report that we performed rather well, improving our profits significantly while protecting our top line from severe degrowth. As we move forward, your Company continues to be driven by three principles: profitable growth, innovation-led focus and gold standards of governance.

Permit me to discuss your Company's performance in my letter first and then share with you our macro-economic viewpoint. I believe that as stakeholders all of us need to understand how our strategy of focussing on high-margin, high-end science-led product solutions that I spoke of last year, has started yielding positive results. Indeed, by the fundamentals of our business, we are now more competitive, disciplined and excellence-oriented.

### **Our Performance: Value Creation through Value Addition**

During the past year, we continued with our strategy of driving our product mix towards high value-addition items and move away

As we move forward, your Company continues to be driven by three principles: profitable growth, innovation-led focus and gold standards of governance.





from the high volume, low margin manufacturing approach of earlier years. We had anticipated an initial slowdown of revenues during the first few quarters and sales to pick up steam during the quarters thereafter. However, early in the 3<sup>rd</sup> quarter, demonetization almost brought business to a standstill, especially with our exposure to the agriculture and rural markets where cash transactions dominate. Sales plummeted and slowdown was experienced for the second half of the year.

We had two choices. We could either return to high volume low margin job work manufacturing to make up for lost sales or stick our neck out and remain steadfast with our innovation-led R&D strategy. We plumped for the latter for two reasons: Firstly, we believe demonetization was worth the

During the past year, we continued with our strategy of driving our **product mix towards high value-addition items** and move away from the high volume, low margin manufacturing approach of earlier years.

short-term pain for long-term gains. Secondly, we felt it is prudent to pursue a 'profitable growth' strategy to protect our bottom line rather than chase growth at all cost. I personally believe that chasing growth at the cost of profits is not a great idea for our stakeholders. It reminds me of an old saying, "Revenue is Vanity but Profit is Sanity".

During FY2017, your Company's revenues stood at Rs. 5928.39 lac as compared to Rs. 6169.35 lac for FY2016. However, PAT registered a significant Y-o-Y jump of 37% to Rs. 239.49 lac in the year from the previous year's Rs. 175.22 lac. Despite our sales falling behind by a few inches as compared to last year, our profitability increased by 37%! We believe our customers appreciate the fact that we have introduced new-age, scientific applications and custom solutions both in knitted and woven products, and therefore willingly pay a premium. Another factor worth noting is that per unit profitability has gone up significantly and should continue to grow as we move towards becoming an IPR-driven science-led technical textiles player.

I accept that we missed our revenue targets as per our plans. But, I hope you will appreciate the fact that it was not entirely our doing. However, we upped our profits significantly thanks to a focus on cost rationalization, automation and high-end computerized production. Indeed, our ability to garner premium prices while simultaneously bringing down input costs through higher productivity and

a complete organizational revamp led to improved performance during the year despite top line stagnation. We will continue with our focus on profitability and bring back our top line growth projections to a 20% CAGR for the next 3 years. However, with the introduction of GST, we have a wait-and-watch policy to understand its implications and whether it will affect our top line in the short term.

### **Global Overview – Uncertainty & Disruption is the New Normal**

Two seminal events during the last year demonstrated that uncertainty and unpredictability are the new normal! UK's exit from the European Union and the US election results conclusively showed how even the best predicted and planned outcomes could be overturned by mandates bordering on socio-economic fallacies. The Middle East crisis is another example where business leaders were left helpless due to geopolitical events. (Incidentally, we learnt this first hand when a large shipment for a Qatari customer was delayed).

However, on the positive side, innovation-led thinking, disruptive technology-driven solutions and science-based customer applications are sprouting across the world regularly. Entrepreneurship is being realized through private money that is promoting more experimentation. In our business, chemical science and its applications and solutions are a key focus area for innovation



across the world. Last year saw the commercialization of our R&D efforts in the science and applications space, where customers benefitted from the end products.

### **Technical Textiles – Democratizing Usage, From Labs to Citizen's Homes**

In the last decade, the use of technical textiles has been democratized around the globe. For example, technical textiles were considered for use in high-end and inventive applications meant mostly for use in government-sponsored scientific space programmes like space suits. Today, space travel has been commercialized with Virgin Galactic becoming the world's first commercial spaceline creating a need for space suits produced on a mass scale. Now, technical textiles are widely used in agriculture (agrotech), packaging industry (packtech), sustainable infrastructure (geotech) and safety and protection (protech). Your Company's current focus is in the above four areas.

Among textiles, technical textiles have seen the maximum growth across world markets. It is expected that the global technical textile market will reach USD 160.38 billion by 2018. When it comes to volume, the world's technical textile production is projected to hit 42.2 million metric tonnes by 2020, representing a CAGR of about 4.68% from 2015 to 2020 according to a report from Technavio.

Some of the most critical unsolved

**Among textiles, technical textiles have seen the maximum growth across world markets. It is expected that the global technical textile market will reach USD 160.38 billion by 2018.**

problems challenging humankind are being addressed through the use of technical textiles. This includes increasing yields per hectare and reducing wastage, building eco-friendly and safe infrastructure, and addressing environmental concerns. Today, white goods manufacturers and consumer & health food companies are using technical textile applications to improve end-product life, make them lightweight (efficient), prevent counterfeiting and promote branding. The 4<sup>th</sup> largest decorative paint manufacturer in Asia uses our packaging solutions to ensure superior branding, mitigate counterfeiting and enable a pilferage-free experience for consumers.

### **Indian Economy – Democracy, Demography, Demand, Digitization**

In the coming years, the Asia Pacific region will witness high population growth and the potential of the

technical textiles industry will be the greatest here. The region is slated to be the world's largest market for technical industries between 2017 and 2027, accounting for more than 50% of global industry revenues. Expectedly, India and China will lead the demand momentum. India's technical textiles sector is expected to expand at a CAGR of 6.8% as against the global rate of 4.6%. According to a report by ICRA Management Consultants, the Indian technical textile industry witnessed 57% growth in value over the last five years. Further, it is projected to be valued at INR 1,16,217 crore in 2017-18. An enabling regulatory environment that will facilitate numerous technical and fiscal incentives will support the sector's performance.

Today, we have a government led by a determined and action-oriented Prime Minister who is open to innovative ideas. Public spending, especially in the areas of agriculture, inter-city road and city infrastructure, etc. is overtaking private sector plans. Additionally, the government is keen on science-led development and technical textiles form a special focus area. From starting Centres of Excellence to awareness creation and even providing machinery, space, quality control labs, etc. the government is encouraging Small & Medium Businesses to enter technical textile manufacturing. Standardization of technical textile products is another area of focus for the government. Even as the country's economic growth was



drawn back at 7.1% for FY2017, India continues to outperform major developed economies.

The above policy direction gels well with established technical textile players like Rishi Techtex, as we have developed superior knowledge and R&D-led advanced products and applications. While we become a focussed R&D and science-led business with new applications and innovations, we will create strategic partnerships with new 'micropreneurs' who have manufacturing facilities with standard quality control. Currently, about 9% of the world's total technical textile consumption is 'Made in India'. Besides the export market, technical textiles have a huge domestic opportunity as currently about 30% of our country's demand is being met by costly imports.

### **The future beckons - An Ideas-heavy, Asset-right, R&D & Innovation Company**

Let me share with you certain strategic and long-term changes that we have implemented during the year based on an outward customer focus. During the year, we launched many new products, the details of which are mentioned inside the report. However, the point that I wish to make is that today with over three decades of experience and a state-of-the-art R&D facility and latest machinery, we have created an innovation edge that very few technical textile companies have in the domestic market. We intend to become a research-based technical textiles company with a dual focus – product development of high-end

value-added solutions and a nimble customer-focussed marketing and sales organization.

We are the first Indian technical textile (public limited) company to get the BIS certificate for shade nets under IS 16008. Rishi Techtex is the first company in India to make thermal nets in-house, which so far have been imported by local players. Our research team and scientists' ability to develop complex import-substitute indigenous products proves that the organization is moving from the earlier manufacturing mindset towards a scientific temper. Our shade nets for grape growers have resulted in 33% increase in income. We launched fire retardant shade nets as part of our protech portfolio, the first by an Indian company as others rely on imports. These shade nets will be used for outdoor covering and safety purposes in stadiums and sports arenas.

Our Capex during the year was focussed on a few specific things: a) state-of-the-art machinery purchased for automation and computerised production processes b) Retooling current machinery to increase productivity, speed and quality while reducing wastage c) an asset-right strategy whereby our investments will be in high-end technology, intellectual capital and R&D labs rather than pure manufacturing. Discontinuation of job work helped us raise margins. Going ahead, once our products and applications are successfully commercialized and ready for scale up, we will look at

**Besides the export market, technical textiles have a huge domestic opportunity as currently about 30% of our country's demand is being met by costly imports.**

capable outsourcing vendors. Our capital investments will be more towards getting the best human capital rather than blocking it in plant and machinery. Also, training and development, safety and health at our plants remain a key priority.

Finally, I want to thank all of you without whose support and blessings this journey would not have been possible. I wish to leave you with an anecdote that will give you a peek into things to come. This year we experimented with a new sales channel by creating an online product presence across leading e-commerce sites. This shows our ability to think like a start-up, adopt innovate ideas, experiment with the unknown and then deliver sustainable science-based outcomes for a better, safer and more productive tomorrow.

Warm Regards

**Abhishek Patel**  
Managing Director



# Notice

## **RISHI TECHTEX LIMITED** **CIN: L28129MH1984PLC032008**

**Registered Office: 612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (West),  
Mumbai - 400 011 (T) – 022-23075677/23074585 (F) – 022-23080022  
Email: [info@rishitechtext.com](mailto:info@rishitechtext.com) Web: [www.rishitechtext.com](http://www.rishitechtext.com)**

### **NOTICE**

NOTICE is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Members of Rishi Techtex Limited will be held on Wednesday, September 20, 2017 at 10.30 a.m. at Indian Merchants' Chamber, Killachand Conference Room, 2<sup>nd</sup> floor, IMC Marg, Churchgate, Mumbai - 400020 to transact the following business:

#### **AS ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited financial statements for the year ended 31<sup>st</sup> March, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pranav Patel (DIN 00171387), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. B. D. Jokhakar & Co., Chartered Accountants (Firm Reg. No. 104345W) Mumbai be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Alladi Krishnan & Kumar, Chartered Accountants (Firm Reg. No 100282W), to conduct audit for the Financial year 2017-18 and subsequent 4 financial years, at such remuneration plus reimbursement of out-of pocket, travelling expenses, as may be mutually agreed between the Board of Directors of the Company and the said Auditors;

**RESOLVED FURTHER THAT** M/s. B. D. Jokhakar & Co., Chartered Accountants, if appointed as the Statutory Auditors of the Company, shall hold office for a period of five years, from the conclusion of this 33<sup>rd</sup> Annual General Meeting till the conclusion of 38<sup>th</sup> Annual General Meeting of the Company, subject to ratification of the appointment by Members at every Annual General Meeting held after this Annual General Meeting;

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to appoint Auditors on such terms and conditions including the remuneration as the Board of Directors may deem fit.”

#### **AS SPECIAL BUSINESS**

4. To approve re-appointment and remuneration of Mr. Abhishek Harshad Patel (DIN: 05183410) as Managing Director of the Company

**“RESOLVED THAT** pursuant to Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval



of any other authorities that may be required, the Company hereby approves the re-appointment of Mr. Abhishek Patel (holding DIN: 05183410) as the Managing Director of the Company for a period of 03 (Three) years commencing from 01<sup>st</sup> April, 2017 till 31<sup>st</sup> March, 2020 at a minimum consolidated remuneration (inclusive of all perquisites except those mentioned in Section IV of Part II of Schedule V) not exceeding Rs. 6 Lacs per month which from time to time with the approval of the Board or any Committee thereof may further be enhanced / altered/varied upto the maximum permissible limit as specified under Schedule V of the Companies Act 2013 ,and on such other terms and conditions as laid down in the agreement entered into between the Company and Mr. Abhishek Patel”.

**“RESOLVED FURTHER THAT** in the event of no profits or inadequacy of profits, in any financial year, during the tenure of Mr. Abhishek Patel, the Company shall pay Mr. Abhishek Patel, above stated remuneration as minimum remuneration.

**“RESOLVED FURTHER THAT** Mr. Jagdish Dokwal, CFO or Ms. Nidhi Shah, Company Secretary of the Company be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, including filing of returns, forms, intimations with the Registrar of Companies, Stock Exchanges, any other government, regulatory authorities as may be considered necessary, desirable or expedient to give effect to this resolution.”

Date: 27.06.2017

Place: Mumbai

**Registered Office:**

612 Veena Killedar Industrial Estate,

10/14, Pais St Byculla (W),

Mumbai-400011

**By order of the Board**  
For **Rishi Techtex Limited**

**Nidhi Shah**  
Company Secretary



## NOTES

- A. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- B. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting.
- C. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting is annexed hereto.
- D. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable.
- E. Particulars required for appointment/Reappointment of Director pursuant to sub-regulation (3) of Regulation 36 of the Listing Regulations:
- Mr. Pranav Patel retires by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers himself for re-appointment. Mr. Pranav Patel, aged 48 years is a commerce graduate with over 25 years business experience. He has been acting as Director since September, 2002. He retires by rotation and is eligible for reappointment. He is presently the Managing Director of MPD Industries Pvt. Ltd. He holds 1767 shares in the Company.
- Other information as prescribed in Regulation 36 of the Listing Regulations and as per Secretarial Standard - 2 in respect of appointment or reappointment and/or fixation of Remuneration of Directors, is given at Annexure –A to this notice.
- F. The Register of Members and Share Transfer Books of the Company will remain closed from 14.09.2017 to 20.09.2017(both days inclusive).
- G. Members/ proxies should bring the attendance slips duly filled in for attending the meeting.
- H. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the Meeting.
- I. Copies of the Annual report will not be circulated at the meeting.
- J. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
- K. Voting through electronic means (E-Voting):
1. In accordance with the applicable provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 (the Rules) (including any statutory modification or re-enactment thereof for the time being in force), the Company is pleased to provide facility to its members, to cast their vote electronically for all the resolutions proposed at the 33rd Annual General Meeting of the Company. The Company has appointed Central Depository Services (India) Ltd. (CDSL) to provide e-voting facility to its members.
  2. The voting right of shareholders shall be in proportion to one vote per fully paid equity share of the Company held by them as on the cutoff date September 13, 2017.
  3. The voting period begins on Saturday, September 16, 2017 at 10.00 a.m. and ends on Tuesday, September 19, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 13, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  4. The facility for voting by ballot or polling paper shall also be made available at the meeting and Members of the Company as of cutoff date attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The 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.



5. Sudhanwa S. Kalamkar & Associates, Company Secretaries has been appointed by the Board of Directors of the Company, as the Scrutinizer to scrutinize the e-voting and postal ballot process in a fair and transparent manner.
6. The Procedure and Instructions for e-voting are as under:
  - i. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - ii. Click on "Shareholders" Tab
  - iii. Now select the "Rishi Techtex Limited" from the drop down menu and click on "Submit".
  - iv. Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - v. Next enter the Image Verification as displayed and Click on Login.
  - vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier

#### For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digit sequence number in the PAN Field.</li> <li>• In case if the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN Field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login.</li> <li>• If the details are not recorded with the depository or company please enter member id/folio number in the Dividend Bank Details field as mentioned in the instruction 6 (iv).</li> </ul>

voting of any company, then your existing password is to be used.

- vii. If you are a first time user follow the steps given below:
- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN <Rishi Techtex Limited> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
  - xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - xviii. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - xix. Note for Non – Individual Shareholders and Custodians
    - a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
    - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
    - c. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - d. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - e. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same and send the scan copy of Board Resolution/POA to [askus@kalamkarassociates.net](mailto:askus@kalamkarassociates.net)
  - xx. In case of members receiving the physical copy:
    - (a) Please follow all steps from sl. no. (i) to Sl. No. (xvii) mentioned above to cast vote.
    - (b) The voting period begins on September 16, 2017 at 10.00 a.m. and ends on September 19, 2017 at 5.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 13, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - xxii. Any person having any grievances in connection with remote e-voting may write to Ms. Nidhi Shah, Company Secretary at the Registered Office of the Company or email her at [investors@rishitechtext.com](mailto:investors@rishitechtext.com)
7. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the meeting a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
  8. The results declared along with the Scrutinizer’s Report shall be placed on the website of the Company immediately after the result is declared and shall be simultaneously forwarded to Bombay Stock Exchange Limited.

Date: 27.06.2017

Place: Mumbai

**Registered Office:**

612 Veena Killedar Industrial Estate,  
10/14, Pais St Byculla (W),  
Mumbai-400011

By **order of the Board**  
**For Rishi Techtex Limited**

**Nidhi Shah**  
**Company Secretary**



## ANNEXURE

### Item No. 4 (As per Schedule V of the Companies Act, 2013)

#### 1. General Information :

Rishi Techtex Ltd formerly known as Rishi Packers Limited was incorporated on 7.2.1984. It is mainly engaged in the manufacture of Woven Sacks and Shade Nets. The Company has achieved net sales of ₹5928.39 Lacs during the year as compared to ₹6169.34 Lacs in the previous year. The Company has earned a profit of ₹239.49 Lacs in the year as compared to a ₹175.22 lacs earned in the previous year. The company has no foreign investment or collaboration.

#### 2. Information about the appointee:

Mr. Abhishek Patel was appointed as Managing Director in the AGM held on 30<sup>th</sup> September, 2014 subject to the provisions of sections 196,197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013. The Board of Directors in their meeting held on 31.03.2017 decided to re-appoint him as Managing Director of the Company for the further period of three years w.e.f. 1<sup>st</sup> April 2017.

Mr. Abhishek Patel is 31 years of Age and is a Commerce Graduate from University of Mumbai and also holds a Bachelor's degree in Economics and Management from London School of Economics and Political Science. Being a young person with long experience, the Board felt that it is advisable to re-appoint him as Managing director of the Company who will manage the business efficiently and take it forward on a proper growth path.

Further it is proposed to pay remuneration and Perquisites not exceeding the maximum limits specified in Schedule V and on such other terms and conditions and as set out in the Agreement entered into between the Company and Mr. Abhishek Patel. The Agreement contains interalia, the following terms and conditions:

(A) Period	1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March 2020 (3 Financial years)
(B) Remuneration	Consolidated remuneration not exceeding ₹6 Lacs per month, which may from time to time be increased by such amount as the Board or Committee thereof may determine taking into consideration the performance of the Company.  Provided that maximum consolidated remuneration payable anytime during the aforesaid tenure shall not exceed maximum amount of remuneration payable to the Managing Director as provided by the relevant provisions of the Cos Act 2013.
Breakup of Monthly Remuneration- payable w.e.f. April 01, 2017	
Basic Salary per month	₹3.50 Lacs
House rent allowance up to 50% of salary. In case of rented accommodation, rent up to 50% of Salary will be paid to the Managerial Person.	₹1.75 Lacs
Other allowances including monetary value of following perquisites a) Premium for personal accident insurance policy b) Vehicle with Driver c) Club Membership Fees	₹0.75 Lacs



The Company shall reimburse to the Managing Director entertainment, traveling and all other expenses incurred by him for the business of the Company.

Any commission payable based on the net profit (as and when earned for any financial year during the currency of tenure) will be confined to such amount which shall not exceed maximum amount of remuneration provided by the relevant provisions of the Cos Act 2013.

Monetary Value of following payments shall not be included while computing perquisites payable to the Managing Director:

- a) Contribution towards PF, Superannuation fund or annuity to the extent these either singly or taken together are not taxable under the Income Tax Act.
- b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service and;
- c) Encashment of leave at the end of tenure.

3. Other information:

During the year the company has achieved profit of ₹239.49 lacs which is inadequate to pay the present remuneration as per provisions of section 197. Therefore, the remuneration is proposed as per section II of part II of schedule V. The inadequate profit is due to the fall in turnover.

4. Disclosures:

The Disclosures prescribed under Part IV of section II of Schedule V are mentioned in the Board of Director's report under the heading "Corporate Governance", attached to the financial statement.

5. The Special Resolution contained in item no. 4 of the Notice seeks to approve the appointment of the Managing Director on remuneration and terms as set out in the Agreement entered between the Company and Mr. Abhishek Patel, a copy of which will be available for inspection at the registered office of the Company on any working day up to the date of Annual General Meeting between 11 a.m and 1 p.m excluding Saturdays, Sundays and Holidays.
6. The above shall be treated as abstract of the Agreement entered between the Company and the Mr. Abhishek Patel pursuant to Section 190 of the Companies Act, 2013.
7. In case of absence or inadequacy of profits in any financial year, the remuneration stated above subject to limits specified in Schedule V will be paid as Minimum Remuneration to the Managing Director.
8. The Board recommends his appointment. No Director or Key Managerial Personnel or their relatives other than Mr. Abhishek Patel is interested in the Resolution.



## ANNEXURE – ‘A’

Details of directors seeking appointment or re-appointment and/or fixation of their Remuneration at the ensuing Annual General Meeting (Pursuant to SEBI listing regulation and Secretarial Standard SS-2).

Name of Director	Mr. Abhishek Patel - DIN: 05183410
Age	31 years
Date of First Appointment on the Board	01/11/2012
Expertise in Specific functional areas	Industrialist
Qualifications	Commerce Graduate with Bachelor's degree in Economics and Management.
Terms and condition of appointment / re-appointment	As per Item No. 4 of the explanatory Statement to the Notice
Remuneration last drawn by such person, if applicable	₹ 38.29 Lacs p.a.
List of Outside directorship held excluding alternate directorship	1. Total Schweisstechnik Private limited 2. Krishak Saaj Private limited
Chairman / Member of the Committees of the Board of Directors of the Company	Member of Audit Committee & Stakeholders Relationship Committee
Chairman / Member of the Committees of the Board of Directors of other companies in which he/she is a director	NIL
No. of Equity shares held in the Company	962659
No. of Board Meetings attended during FY 2016-17	6
Relationship with other Directors, Manager and other Key Managerial Persons of the Company	NIL



# A String of Innovative Firsts: @ Rishi Techtex



First-of-its-kind **340 GSM** Shade net with UV guarantee of 10 years over industry norm of 3-6 years.



**Indigenously** developed thermal nets with heat control functions; this product is currently being imported by other local players.



First Indian company to develop in-house **fire-retardant** Shade net used for outdoor sport and stadium coverings.



First Indian company to successfully develop an **agro textile** from a **multi-layer film** instead of the current mono-layer films.



In-house technology application for **Grape Growers** in higher altitudes

- > **50%** better disease control
- > **12%** lesser cost in pest control
- > **15%** more leaf growth
- > **33%** more value output

## Global Players that have started operations in India after 100% FDI in technical textiles





# Global economic scenario

## The Perils of Protectionism

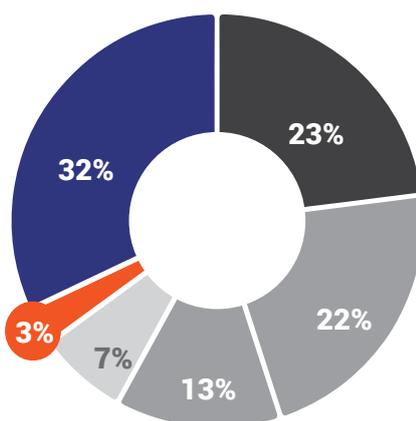
Perhaps the most significant global development during the last fiscal was the propagation of inward-looking development strategies by advanced economies. Europe and America chose to retreat from open markets & globalization and move towards protectionism. According to a study by the International Monetary Fund (IMF), the move is likely to have the greatest impact on the economies of India, China and South Africa. It further states that “the combination of declining global trade and growth would increase corporate vulnerability and borrowing costs, that may lead to financial stability risks in these economies”.

Consequent to the trends of increased trade protectionism, policy uncertainty and geopolitical tensions, global growth witnessed its weakest post-crisis performance at 2.4% in 2016. According to the Organization for Economic Co-operation and Development (OECD), the surge in protectionism risks denting global growth, stoking inflation and harming living standards. While global performance is expected to better in 2017 at 2.7%, the signal is clear: emerging markets need to fortify their development strategies by undertaking growth-friendly fiscal consolidation and addressing corporate vulnerabilities.

### Impact on the Technical Textile Sector

The global technical textile sector is expected to be valued at USD 175 billion by 2020, almost doubling from its value of USD 93 billion in the year 2000. Until 2020, the sector is expected to grow at a CAGR of 4.5%. One of the underlying factors driving sectoral growth is the high exports demand. While emerging economies such as China, India, Brazil and Russia are the global powerhouses of production, advanced economies such as Europe and America are the centers of demand.

### Global Technical Textiles Consumption Share



America consumes 23% of the global technical textiles production while Europe uses up around 22%. With both these economies assuming a deglobalized stance, the global technical textile sector stands to lose out a great deal. Also, given the sector's dependency on exports, the termination of the trans-pacific partnership (TPP) could lead to further regression. However, domestic consumption for technical textiles demand will see a rise.

### Tackling the Challenges

Indian lawmakers have acknowledged the underrepresented export potential of the domestic technical textile sector. Several policies have been rolled out to leverage this opportunity. However, the prospects stand impaired with the introduction of protectionist laws.

In this context, implementation of laws such as the goods and service tax (GST) in India will ease the domestic movement of goods and services while creating a common national market. It will also help in increasing the competitiveness of the sector. So far, the Indian technical textile sector has been largely commoditized, catering to basic demands. As an industry, we need to enhance investments towards research & development so that our innovation capabilities have a direct linkage to our global competitiveness.



# Indian economic scenario

## Remarkable Opportunities Made in India

Today, India offers abundant opportunities for growth across all segments of the technical textile industry. The prospects are underpinned by a rapidly growing population, increasing urbanization, rise in disposable income levels and enhanced health awareness. While the Indian technical textile industry has hitherto been perceived as nascent, there have been significant developments in the last few years towards its growth and sustainability. Consequently, the Indian technical textile sector is maturing. The outlook for the industry is pegged at USD 26 billion in 2017.

### The Indian Technical Textile Industry in Numbers

0.75%

Contribution to overall GDP

12%

Contribution to India Textile Sector

4%

Share in World Technical Textile Markets

57%

Sector Value Growth since 2013

20%

Consumption Share in Asia Technical Textile Production

The impetus for progress is reinforced by the twin propositions of demonetization and the goods and service tax (GST). Both these reforms are likely to define a new normal in the Indian business ecosystem. Their broad objectives include curbing the shadow economy, enabling digitization and providing level-playing opportunities. Further, they will promote quality, uniformity and integrity in general business conduct. These reforms will reflect on our economic performance over a period of time. In the short-term we may experience a contraction in demand.

### Fiscal 2017 in Review

98% of consumer transactions in India being cash-based, life came to a standstill following the currency ban. The ensuing economic slowdown was not surprising. According to World Bank estimates, the GDP reduced to 6.8% in FY17 as compared to 7.1 in FY16. However, the country continues to be the world's fastest growing economy. The short-term setback is expected to be corrected in the current fiscal, with the World Bank pegging India's growth levels at 7.2% in FY18. While the opportunity is fortified by strong fundamentals, it needs sustained investments to restart and retain the growth momentum.

Much like the overall economy, the technical textile industry reported a

slowdown in the near-term, following the demonetization move.

### Propelling Growth of the Indian Technical Textile Industry

Given that the Asia Pacific region will witness the highest population growth, the potential of the technical textile industry cannot be overstated. Indeed, the region is slated to be the world's largest market for technical industries between 2017 and 2027, accounting for more than 50% of the global industry revenues. The technical textile sector in India and China is expected to expand at a CAGR of 6.8% as against the global rate of 4.6%.

The government has recently undertaken reforms to improve sectoral efficiency. Further, there have been concrete steps towards standardization of technical textile products. This will spur innovation in the field and bring greater clarity in the growth framework. The move will also aid the export-readiness of companies. A niche industry and high value business, India's technical textile sector faces little competition from other textile anchoring economies such as Bangladesh, Vietnam and Pakistan. Given the considerations in its favour, India will soon make its presence felt in the global technical textile landscape.



# Effects of Demonetization

## Demonetization & GST – A Welcome Shock

### A great fillip for the Technical Textile Industry

Reams of paper have been written by experts, supporters and critiques over the government's decision of demonetization followed by the implementation of Goods & Services Tax (GST). Without going into the academic aspects, as a business, we feel, it is a great fillip for the technical textile industry. In the long run, it will enable a healthy, transparent and fair-market mechanism.

We list below 4 clear benefits of Demonetization, Digitization & GST

#### 1 Transparent and single economy:

As Indian businesses go global and MNCs start operating in India, working in a dual economy (cash and bank) locally is always a deterrent. Companies like ours that invest a significant amount in R&D and product innovation, find themselves outpaced by players who cut corners by beating around the system. Demonetization ensured that a single economy mindset is cemented among all business stakeholders, including customers, thus, negating the incentives of circumventing the laws of the land. Over a period of time, along with GST, the unsaid benefit (price advantage) of unorganized players will reduce substantially.

#### 2 Expansion of the organized technical textile sector:

The technical textile sector in India is on the verge of a unique growth story, coupled with the government's push for scientific and modern practices in agriculture, infrastructure and other areas. A uniform tax will help more and more players join the system. At the customer's end, with the price benefit of unorganized players diminishing, they will start to value premium products and services. For genuine players with an R&D focus, this will help them garner a large share of the market.

#### 3 Focus on R&D and not the general environment:

As per our experience, a significant part of our time was devoted to handling the general business environment, be it local or state taxes, government authorities or inspectors. GST – described as "Good and Simple Tax" by our honourable PM Shri Narendra Modi, is a harbinger of change. Businesses like ours can simply focus on R&D led product development and save significant management time and



bandwidth currently wasted in such inefficiencies.

#### 4 Enthusiastic participation in government and subsidy-based initiatives:

The government has firmly stated that technical textiles, especially agri and geo textiles will be a key focus area for government spending. Technical textile firms can now participate in either direct government schemes or subsidy-based sales, without the fear of a backlog of payments. In the past, micro-irrigation players have suffered delays in government subsidy realization especially, at the state government level. With digital payments and direct transfers, the industry can be assured of a smoother business relationship when dealing with the current government.

Both the moves have drastic effects, though they are short-term. For GST, the effects will be clearer by next year. Our business was significantly hit in FY17 due to demonetization. However, as a company, we believe that the government and the polity have taken these bold measures for the long-term good of the nation. As a leading technical textile player, we hope these measures will increase our competitiveness and brand value both in the export and domestic markets.

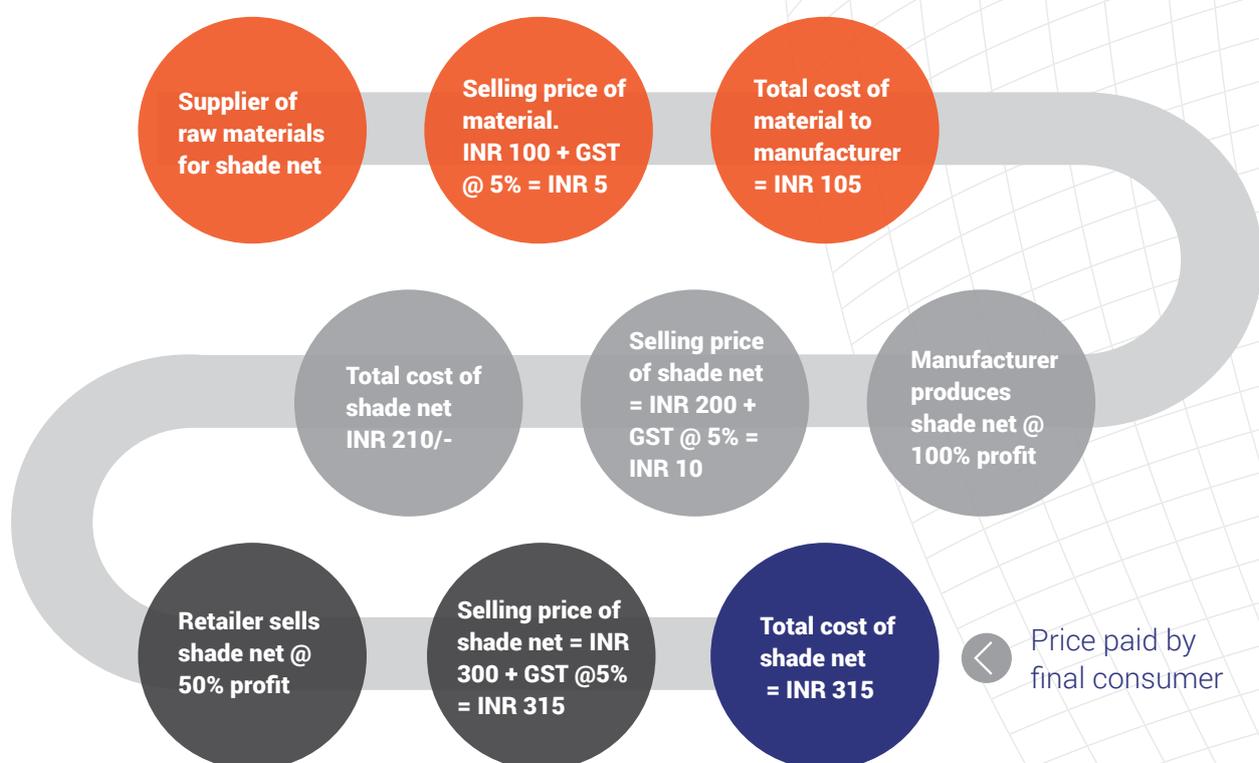


# Effects of GST

## GST – Good for Business

The Goods & Services Tax (GST) Law is a comprehensive, multi-stage, destination-based tax that will be levied on every value addition. With the implementation of this law, India will become a single, unified common market. The law will bring in a system of input tax credit, allowing sellers to claim the tax already paid. Consequently, the final liability on the end consumer will decrease.

### Application of the GST Law in the Technical Textile Industry



GST collected from supplier = **INR 105/-**

GST collected from manufacturer = INR 5/- (excluding the claim for input tax already paid by supplier @ **Rs. 5/-**)

GST collected from retailer = INR 5/- (excluding the claim for input tax already paid by manufacturer & supplier @ **Rs. 10/-**)

Total GST remitted with the government = **INR 15/-**

———— Taxation levied on every point of sale ————>



## How does GST help Rishi Techtex?

### About Us

#### Rishi Techtex

- One of the largest organized players in the sector
- Best-in-class quality products
- Focus on R&D & innovation for science-led, customer-centric solutions
- Among the few profitable players in the Indian technical textile sector

### Our Operating Environment

#### India's technical textile sector

- Highly unorganized & price sensitive
- Quality oblivious
- Yet to break the barrier of small business threshold
- Fragmented and disproportionately competitive

### Implementation of GST

#### Benefits Accrued to Technical Textile Industry

- Single, regulated market
- Increased competitiveness
- Creation of a level-playing field
- Focus on quality

### Advantage @ Rishi Techtex

#### Long-term Gains

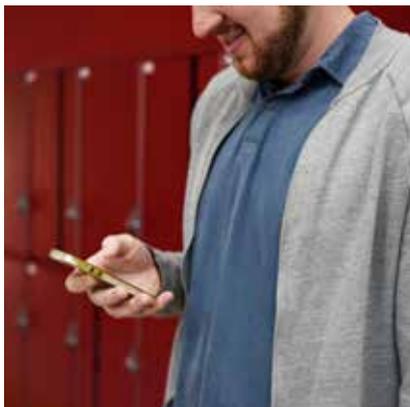
- Fairer price play
- Motivation to leverage R&D abilities
- Expanded market for premium products
- Enhanced profitability levels



## Online & E-commerce play at Rishi Techtex

**D**uring the year, we made our online foray by establishing a sales presence across leading e-marketplaces like Amazon, Flipkart, Shopclues and Snapdeal. Today our products (mainly agrotech) are available on leading e-commerce portals in India.

### Why did we take this step?



### Omni-channel presence

Online sales presence is a must for our business. Today, with rural India having equal access to data, (with 3G / 4G and Jio penetration), rural consumers or agri-buyers are no more an 'unaware' lot, especially, the younger generation. Hence, creating an omni-channel presence where the customer can buy or experience our products both online or offline (with our distributors) is imperative.

### Targeting a new class of buyers

As awareness on technical textiles increases, we see young (Do It Yourself) DIY Indians using it for various purposes. It helps us reach a new class of buyers and also create brand awareness. Be it rural or urban customers, from the tech savvy agriculturist to the new born home (flat) horticulturist, our reach becomes universal through our online presence.

### Taking baby steps in E-commerce

Like every industry vertical that initially thought physical 'touch & feel' is the only way to sell but was mistaken, we feel similar changes will happen with consumer preferences in our business. Today, with categories like cement, steel, etc. being sold both in B2C and B2B online environment, we believe e-commerce will become an equally dominating channel for the technical textile industry. Who had ever thought faucets & bathtubs can be sold online? Today they are. We have started learning so that we can be prepared as the e-commerce market matures.

In the current year, our online sales are insignificant. However, **a start has been made** and the learning from this new trade channel is here to stay, for all of us.



# Agrotech

## Agrotech for Health & Efficiency

The agrotech sector is a key focus area at Rishi Techtex contributing to 40% of our revenues. Globally 60% agriculturists use agrotech to enhance, protect and store crops. In India, the number is abysmally low at 10%. Our product range in this segment includes shade nets, anti-hail & bird protection nets, mulch mats, crop covers, windbreakers, shade sails and fishing nets.

In FY17, we rolled out a number of new, innovative products in this segment. Agrotech export sales contributed 10%, while the domestic markets yielded the balance.

## Organic is the New Mainstream

In Nielsen's 2015 Global Health and Wellness Survey, 33% respondents said that organic foods form an important part of their diet and that they are willing to pay a premium for them. The increasing propensity towards pure and organically cultivated foodstuff opens a plethora of opportunities for the agrotech sector. Mulching mats, for instance, decrease fertilizer usage by 20-25%.

In FY17, Rishi Techtex invested its research capabilities in developing

products that enable better agriculture output naturally. For instance, our innovative Krishi Grapenet has been developed to specifically cater to the enhancement of the domestic grape output.

These nets not only enable better disease control but also help in producing export-quality produce.

The pilot project over an area of 1.5 acres showed exemplary results as represented in the table below:

### Parameters

#### Output Value

**With Krishinet: INR 4.8 lac**

**Without Krishinet: INR 3.6 lac**

#### Disease control costing

**With Krishinet: INR 2.2 lac**

**Without Krishinet: INR 2.5 lac**

#### Size of fruit

**With Krishinet: 21 mm**

**Without Krishinet: 20 mm**

#### Sustainability in cold weather

**With Krishinet: Very effective**

**Without Krishinet: Potential**

**for harvest damage in temperatures below 10° Celsius.**

#### Leaf growth

**With Krishinet: 15 % more**

**Without Krishinet: 15 % more**

#### Leaf colour

**With Krishinet: Greener and brighter**

**Without Krishinet: Greener and brighter**

### Make in India. Made for India.

Agri-experts believe that the agrotech sector will make significant contributions in ushering the second green revolution in India. To leverage this potential an increased focus on quality, durability and customization of agrotech products is required.

The 'Made for India' strategy adopted by our R&D team focuses on science-led nuances in the process of new product development. Our efforts are steadily yielding results. In its test run in FY17, the grapenet segment contributed significant revenues. Multi-layer thermal nets and the special anti-hail net received an enthusiastic customer response. The huge demand for our greenhouse nets facilitated our investments in another double needle bed machine.

Our R&D team is working on a steady pipeline of innovations for the coming years. These include three-layer nets, fencing nets, anti-insect net and green-white combination nets designed specifically for hot regions.

### Key Takeaways



**Global Market Share**



**India Market Share**

### Future Opportunities:

A recent report by India's agricultural committee revealed that extreme climate conditions will decrease national agriculture productivity to the extent of 10-40% from 2020 till the end of the century. This phenomenon can be inhibited through agrotech interventions.



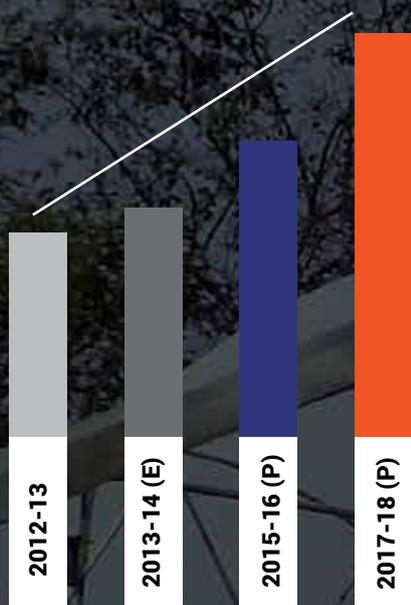
# Agrotech Textiles

## The Sector in Numbers

Agro textiles with a **USD 8.4 billion** market, account for **6%** of the total technical textiles market globally.

Major segment of the Indian technical textile industry – contributing more than **21%** to the sector.

### Market Size (INR Billion)

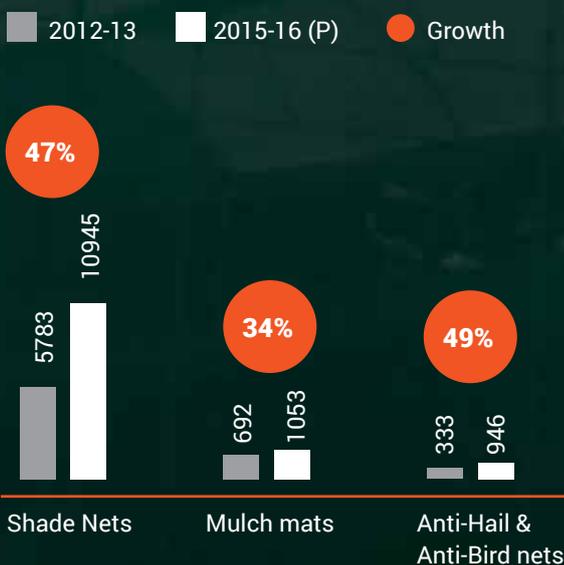


### Market Segmentation



Caters to **97%** of demand

### Production Potential (in MT)



### Focus-Shade Nets

- > Shade nets segment has shown considerable growth in the last few years.
- > Given that raw materials are easily available, the sector has a lot of growth potential over the next few years
- > Segment promotional efforts being taken up through various schemes of National Horticultural Mission and National Horticultural Board
- > The demand for shade nets are expected to grow at 25% per annum during the next three to five years.



# Packtech

## Packtech for Productivity and Profitability

In FY17, the packtech segment contributed to 35% of revenues for Rishi Techtex. Our offerings under this segment comprise of high-end woven bags, packaging and printing solutions. One of our key differentiators in this segment is our ability to customize products for our customers, which includes leaders from high-growth sectors such as decorative paints, infrastructure, agri-solutions and stationery manufacturers.

## Packaging Profitability

Packaging has significant linkages to an organization's performance and can directly impact its profitability. In the commodity manufacturing segment, for instance, packaging of materials plays an important role in fostering efficiency across the factory-to-consumer value chain. Sturdy packaging can help prevent losses through wastage and theft as well as thwart brand damage by mitigating counterfeiting.

In FY17, Rishi Techtex invested in multiple automation assets to increase its efficiency in the packtech segment. We acquired a lamination

plant for manufacturing of biaxially oriented polypropylene (BOPP) bags.

This technology brings many advantages to our customers:

### Strength

**The material is thinner yet stronger and more durable under the most rigid circumstances.**

### Appearance

**The printing on the bag is abrasion-proof, ensuring a long-lasting attractive look and better brand recognition.**

### Efficiency

**We are in the process of ordering machinery that will have no-stitch closure, is impermeable & tamper-proof and secures the contents against external conditions.**

The technological investment will significantly reduce manual intervention in the manufacturing process – by up to 3X times and improve our manufacturing capacity by almost 30%. We can now manufacture 60 bags per minute as compared to 45 bags per minute

earlier. We will continue to invest in modern equipments like automated bag maker machine, given the rising demand from India's consumer segment.

## Leveraging India's Consumption Story

A whopping 18% share in the world population and rapidly progressing living standards make India's growth story one of the world's biggest opportunities. This has a significant impact on infrastructure and retail among other sectors of the economy.

The packtech industry stands to benefit immensely from the expansion of end-user industries. At Rishi Techtex, we are the forefront of optimizing such opportunities by being the supplier-of-choice to industry leaders. Our clientele comprises of organizations such as Asian Paints, Kansai, JK Cements, Birla White, Nerolac, East Coast India Limited and Gemini Paints among others.

In FY17, PWB for wallplast products was our highest selling product in the packtech segment. It was followed by the PWB cement segment, making it our second largest selling product.

## Key Takeaways

5%

**Global  
Market  
Share**

42%

**India  
Market  
Share**

### Future Opportunities:

India will need 550-600 million tonnes of cement by 2025 to keep up with various ambitious infrastructure-building targets set by the government.

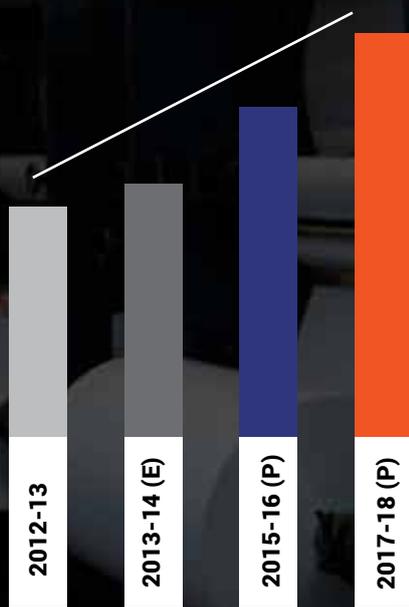
# Packtech Textiles

## The Sector in Numbers

The Packtech industry accounts for **5%** of the total technical textiles market globally.

Largest segment of Indian technical textile industry – accounting for **42%** of the sector.

### Market Size (INR Billion)

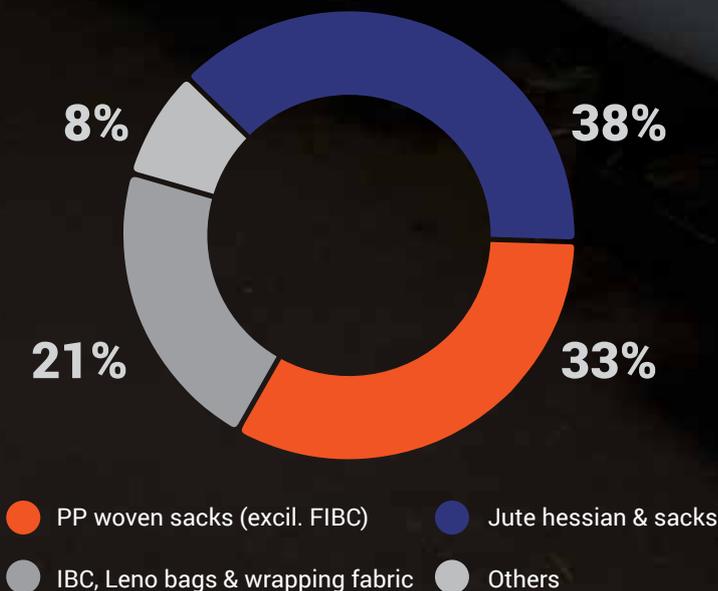


### Market Segmentation



India Productwise

### Market Share (2015-16 (P))



### Focus-Raffia Industry

- Comprises of polyolefin woven sacks, flexible intermediate bulk containers (FIBC), tarpaulins, leno bags, lamination, wrapping fabric etc
- Increased opportunities due to positive outlook for the corresponding end-use industries



# Geotech

## Geotech for Sustainability and Conservation

We offer geotextile solutions for soil stabilization, soil erosion prevention, controlling pollution and leakage of hazardous materials. We are building our capabilities in this segment and work on complex technical textile application-led projects.

## Protecting Nature, Enabling Progress

Global ecological history is plagued with incidents of oil spills, gas leakages, soil contamination etc. which have had a long-lasting negative impact on life and nature. Further, damage from climate change in the form of natural calamities has been on an increasing trend. Evidently, the world needs to accelerate the implementation of a more sustainable strategy in the form of a green economy. In this context, the role of the geotech segment becomes very important.

At Rishi Techtex, we employ our R&D expertise and innovative capabilities to create India-centric geotech solutions. Currently, India's geotech sector is export-oriented. According to industry estimates, India exported 64,000 MT of geotextile products in

FY17, while retaining 19,000MT for domestic consumption. However, as our economy progresses, our actions need to be more environment-friendly, sustainable and responsible.

The World Bank estimates that environmental degradation costs India USD 80 billion annually.

## Building India's Green Economy

### Sector Geotech Application

#### Civil engineering

- Roads and pavements construction
- Slope stabilization
- Embankment protection
- Tunnels, rail-track bed stabilization
- Ground stabilization and drainage

#### Marine engineering

- Soil erosion control
- Embankment protection
- Breakwaters

#### Environmental engineering

- Landfills
- Waste Management

In view of the potential damage, regulatory authorities have introduced new environmental and pollution norms in the recent past.

Further, there has been a thrust on increasing the efficiencies of engineering processes. Both these factors provide the much-needed push on creating awareness about the advantages of geotech applications such as geotextiles, geogrids, geonets, geopipes, geocells, geomembranes, geocomposites, prefabricated vertical drains and geotubes. The international symposium on geotextiles in India predicted that the industry has 15% a y-o-y growth potential.

At Rishi Techtex, we are working towards capitalizing the opportunities offered by India's geotech sector. Our expertise in this segment currently includes geotextile solutions for soil stabilization and anti-erosion technology. Given the huge potential of the sector, our R&D efforts are directed towards expanding our offerings in this area.

## Key Takeaways

1%

**Global Market Share**

1%

**India Market Share**

### Future Opportunities:

In FY17, India saw the construction of 133 km roads per day and the target has been increased to 150 km per day in FY18. Construction of quality roads implies huge potential for the geotech segment.



# Protect-tech

## Protect-tech for Safety and Effectiveness

The protect-tech segment holds a significant potential for us at Rishi Techtex. Our offerings in this segment are currently focused on increasing product safety such as fire-retardant upholstery materials, fire-insulated nets, anti-hail nets and windbreakers, etc. Our products have received global acceptance – a testimony to the international standards of manufacturing quality adopted by us.

## Protection against Calamities

In June this year, a huge inferno engulfed the Grenfell Tower in London, resulting in at least 80 casualties. In August, Torch Tower in Dubai, which is also one of the world's tallest buildings, caught fire. Luckily, there were no casualties. Both these incidents show that a fire can break out anywhere, anytime. Prudent fire-safety steps are essential to safeguard life and property against unforeseen damage.

Fire safety, especially in public places, is an important concern in India. Given that we have only 2,900 fire stations across the country, the onus of visitor and occupant safety

Our world-class product quality is reflected in our customer base of international repute. Besides fire-retardant shade nets, we also provide anti-hail nets and windbreakers to agro-producers.

lies largely with the building owners themselves. In FY17, we launched our trademark fire-retardant shade nets commercially in India. These are particularly used in places for large public gatherings such as sport stadiums, malls, movie theatres etc. The product received appreciation and we expect to gain significant revenues from the same in the years to come. Our anti-hail nets and windbreakers also received continued sales growth.

## A Growing Economy Demands Greater Safety

Today, several factors contribute to the growth of India's protect-tech

sector. Besides traditional factors such as increase in manufacturing safety regulatory reforms and defence spending, discretionary aspects such as enhanced interests in adventure sports also play an important role.

Our world-class product quality is reflected in our customer base of international repute. Besides fire-retardant shade nets, we also provide anti-hail nets and windbreakers to agro-producers. Our expansion to the northern regions of the country, prone to weather extremities, will provide an added impetus for the sales of these products. In addition, our R&D efforts are directed towards creating high-performance fibres that exhibit maximized strength, increased tear propagation & abrasion resistance in the most adverse conditions.

Our products have received global acceptance – a testimony to the international standards of manufacturing quality.

### Key Takeaways



**Global Market Share**



**India Market Share**

### Future Opportunities:

In railways, the material for seat berths are mainly made of rexine fabric and are layered with a fire-retardant coated fabric. The consumption of this fabric is expected to grow at 5% per annum – an opportunity for the protect-tech segment.



# Buildtech

## Buildtech for Strength and Protection

The buildtech segment continues to be an area of niche interest and potential for Rishi Techtex. While our product offerings are currently limited, we are exploring new opportunities through R&D investments to augment our knowledge in this segment. We launched new products during the year which are expected to be commercialized during the current fiscal.

## Catering to New-age Demands of the Infrastructure Sector

As global population increases and the availability of land becomes scarce, the infrastructure sector

At Rishi Techtex, we are readying ourselves to **optimize opportunities** offered by India's booming infrastructure sector.

is drawing its focus on efficient construction. Consequently, the characteristic demand for new-age construction material encompasses lightweightedness, flexibility, strength and durability. These attributes help in conserving resources, fulfilling the requirements of modern architecture and offering protection against calamities.

During FY17, we created two new products in the buildtech segment viz. greenhouse aprons and weedmats. Both the products help in increasing ecological efficiencies and have been tested with select customers. These will be commercially scaled up during the current fiscal. Further, our range of products in the scaffolding nets segment continued to receive traction during the year. Our customers use these nets for concrete reinforcement, façade foundations, interior construction, noise reduction, visual protection and safeguard against sunlight and rains.

## Paving the Way for Smarter Safety and Efficient Execution

As the demand for infrastructure rises, the need for buildtech solutions will also increase concurrently.

Sectoral growth in India will be propelled by factors such as:

- 1 **Introduction of stringent safety rules by the government**
- 2 **Intelligent and faster execution of projects**
- 3 **Consumer opportunity with high-dependence on signages and hoardings for advertising**

Today, buildtech solutions have an increasingly important role to play in infrastructure restoration and redevelopment.

At Rishi Techtex, we are readying ourselves to optimize opportunities offered by India's booming infrastructure sector. During the last year, the pilot run of our greenhouse aprons and weedmats garnered positive feedback and increased demand. We expect to gain significant returns from these products during the current year. Our R&D efforts in this segment focus on enhancing the service life of the edifice, energy and resource conservation and flexibility in design.

### Key Takeaways



**Global Market Share**



**India Market Share**

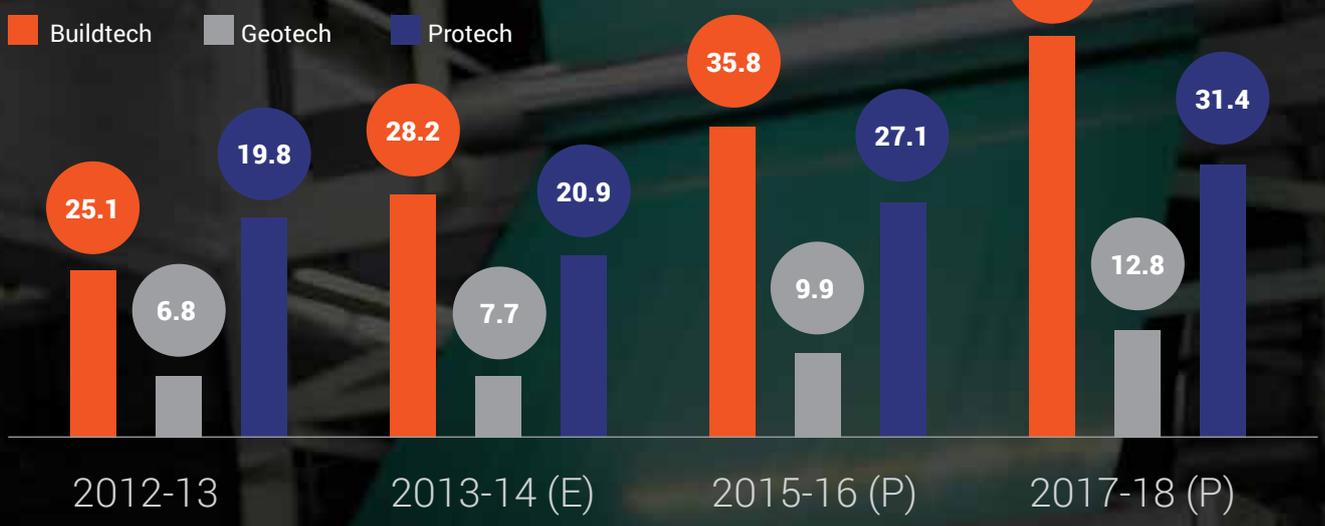
### Future Opportunities:

The Indian Railway Ministry plans to redevelop 400-plus major stations across the country to provide world-class amenities. The project holds ample scope for the buildtech industry.



# Other Sectors

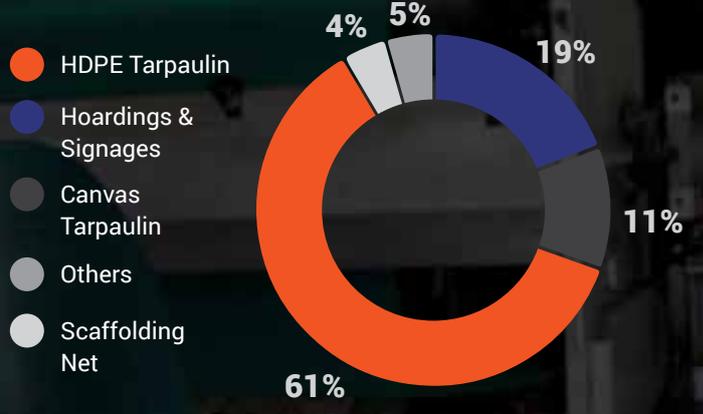
## Indian Market Size (INR Billion)



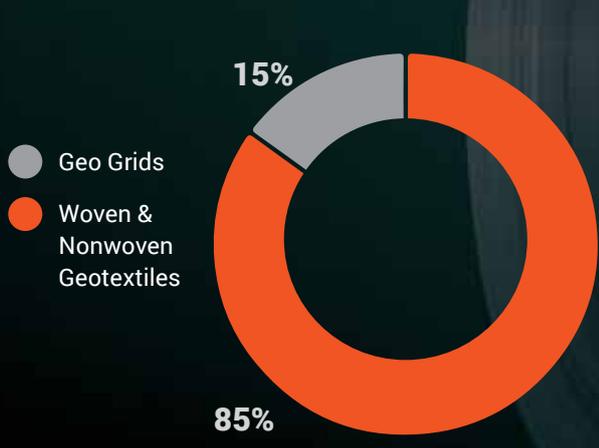
### India Market Segmentation 2015-16 (P)



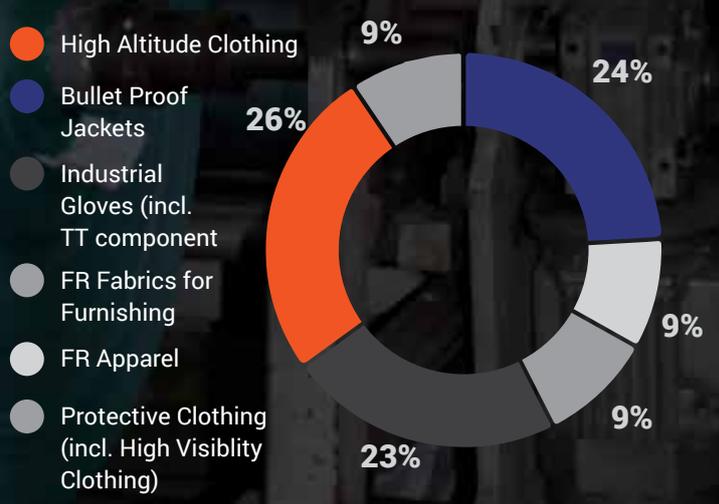
### Buildtech Productwise Market Share 2015-16 (P)



### Geotech Productwise Market Share 2012-13



### Protech Productwise Market Share 2015-16 (P)





# Research & Development

## IPR-led Asset-right Business Model

In the past year, we have worked towards creating an IPR-led business where our discoveries in chemical science and application areas have helped customers with custom solutions. As we embark on a growth model where margins need not be compromised, we will chase quality over quantity. We believe this will help us get back to our vision of a 20% CAGR for the next 3 years with improved margins on a year-on-year basis.

Today, the technical textile sector in India is attracting increased interest due to the global convergence of technology, artificial intelligence and human innovation. The category is fast becoming known as “Smart Textiles” or “Intelligent Textiles”.

The future lies in innovation-driven applications to build greater efficacy in the products. We will over the next few years transition to a innovation-focused science-based R&D company with an asset-right approach.

**The future lies in innovation-driven applications to build greater efficacy in the products.**



### A. R&D-led product innovations & quality focus

During the year our product innovations garnered interest among both knitted and non-woven customers. To give an example, we are the first and only Indian technical textile company that has received a pan-India BIS quality certificate under IS 16008.

This certification is for agro-textile (shade nets) used for agriculture and horticulture purposes. All our products today carry the BIS quality trademark, leading to better recognition, pricing and customer delight.

Similarly, we have developed shade nets with a 10-year period ultra violet (UV) ray guarantee, a clear competitive advantage as compared to the industry norms of maximum 6-7 years. Our first commercial sales was executed for an overseas client in the United Arab Emirates (UAE).



### B. Import substitute indigenous world-class ‘Made in India’ products

Rishi Techtex is the first technical textile company in India that has successfully produced ‘metalized aluminate’ in its R&D labs in an indigenous manner. All domestic manufacturers currently import the chemical for Silver Thermal Nets for heat control properties. It proves the strength of the company’s research capabilities. Additionally, it results in saving precious foreign exchange for the country.

We have developed in-house a fire retardant shade-net used for outdoor areas for sports and stadium coverings. Rishi Techtex is the only Indian company that has built such an in-house product. With regulatory norms being implemented in India, we see a significant jump in demand for such offerings where we will have a significant indigenous price premium play.



### **C. Productivity enhancing custom solutions (from agri to fire resistant applications)**

During the year our scientists developed an in-house technology application for “Krishi Net” – (grape net) for grape growers in colder climates of Himachal Pradesh, Punjab and regions of higher altitudes.

Initial results from the first batch of customers showed exemplary improvements in the end produce for various parameters like 50% better disease control, 12% lesser cost in pest control, 15% more leaf growth and 33% more in value output.

Rishi Techtex is the first company in India that has successfully developed an agro textile from a multi-layer film instead of the current mono-layer films. It has added benefits in terms of application and sustainability. The R&D team of scientists and engineers have many such innovations in the pipeline.



### **D. Asset-right Manufacturing Approach**

During the year, we refocused our energy towards building a research-led organization with scientists, engineers and business managers.

Our new automation and computerized machinery will ensure that regular production has minimal (non-value add ) human intervention. Rishi Techtex’s human resource focus will be driven towards R&D efforts for new products & applications and building a customer facing agile marketing and sales team.

Manufacturing of high-end and complicated applications will be in-house and once market demand picks up, scalability will be achieved through standardized outsourcing to vendor partners. Our focus on research and customer insights-led new custom solutions will be sharpened while quality control led manufacturing is outsourced to a new generation of self-employed start-up manufacturers.



### **E. Partnering India’s ‘Micropreneurs’ with an Outsourced Manufacturing Strategy**

The Government of India has identified technical textiles as a key focus area due to its high value and science-led employment opportunity. The government has laid out various schemes by which it is encouraging new entrepreneurs to enter the field; from Focus Incubation Centers (FIC) to Centres of Excellence (CoEs) that provide financial help, training facilities, machinery, etc. for new entrepreneurs the government is encouraging local and regional growth. Rishi Techtex envisages a great opportunity in partnering with a set of fine local “micropreneurs” for outsourced manufacturing of its products. This will help us avoid blocking unnecessary capital in expanding plant and machinery. A region wise synergy of manufacturing units will reduce logistics costs and collapse the time-to-market for the company.

An IPR-led innovation approach, outward customer orientation and focus on new product development with an asset right approach will be the key focus areas for the company.



# Human Resource

## Innovation. Integrity. Intrapreneurship.



### Because, people are central to our 3I vision.

In recent times, technology and innovation-led disruptions have given rise to young billion-dollar companies, some of them just about a decade old like Facebook (founded in 2004). On the other end, behemoths like General Electric (founded in 1892) are reorienting themselves to become nimble-footed, re-shaping themselves from being bulky global conglomerates to digitally smart engineering companies. Traditional wisdom mixed with newfound disruptive ideas is becoming the essence to winning the race everyday. At Rishi Techtex, we believe, as a three-decade-old company, our wisdom along with the newfound energy of the next generation

leadership team is a definite recipe for success!

During the year, we maintained harmonious relations with our factory workforce. Local communities and vendor relations were maintained in a cordial and responsible manner. As the company moved towards automation during the last year it led to re-training and up skilling of a significant number of personnel. We are becoming an organization that is more outward and customer focused; hence, we saw recruitment in marketing & sales, and customer relationship (CRM) functions. The company was able to attract and hire talent both at a lateral and junior level.

In last year's report, we had mentioned that people are the key to

building a science-based, innovation-driven organization. During the year, we have been able to seed a culture founded on our 3I vision. Through this vision, we aim to create an environment that welcomes and nurtures Innovative ideas, is driven by Integrity and executed with an Intrapreneurship mindset. Talent, Training and Technology are the pillars on which we are making our organization future ready.

### Innovation

As Rishi Techtex reorients itself towards being a bellwether in R&D driven science and innovation in technical textiles (and focus less on owned factory production), innovation driven by futuristic ideas and passion is the key. We are encouraging a culture whereby we



create a flat organization that is more receptive to listening, observing and experimenting, than continuing doing things that way we did in past few decades.

From a mindset of following the status quo, today, we encourage employees to challenge the status quo on an everyday basis.

### Integrity

Our competitive edge for the future is being formed by our IPR-driven formulations and new product applications that we develop in the field of technical textiles. It is important for our employees to respect the R&D initiatives and processes of the firm. Intellect that is built on the top of integrity builds

character - we want each one of us to be ethical in our conduct. As much as we want our IPR to be protected, we want to ensure that it is not compromised due to any errant act or misadventure of any employee.

Globally and in India, we want to earn respect for our new product development capabilities. And it will be based on pure science-led innovation and highest standards of professional conduct.

### Intrapreneurship

Today we live in a world where nimbleness, agility and the ability to change ahead of others is the key to survival and growth. For any organization to have such a mindset, ownership of one's actions is a must.

## Our 3I vision

### Innovation

### Integrity

### Intrapreneurship

We want to build an eco-system where each employee is empowered and allowed to make mistakes without the fear of retribution. We want employees to be equal stakeholders in our growth, conducting themselves like "intrapreneurs" – they are encouraged to behave like an entrepreneur within their own areas of responsibility. Ability to take risks, fail & learn and ultimately create value for the company drives us towards a performance-oriented culture.

Our company provides a unique platform for employees. It encourages them to feel like being part of a 'start up' culture while providing due professional guidance of a matured organization.

Talent stewardship is one of the key goals at Rishi Techtex. We compete for talent along side reputed organizational brands. The ability to empower employees in their professional journey with rewarding careers and providing a culture of respect and fairness is the key to building a great team!





# Operational Performance

## Profitable Growth through Margin Enhancement

Demonetization had a significant adverse impact on the agriculture and rural sector, a key focus area for the company. Rishi Techtex recorded sales of Rs. 5928.39 lac for financial year 2016-17, as compared to Rs.6169.35 lac, the corresponding figure for the previous year. In spite of this external event and the company's strategy of discontinuing job work (high volume low margin work), the company was able to register sales similar to last year, with a marginal dip of Rs. 240.95 lac.

Operational profit rose significantly to Rs. 239.49 lac for the financial year 2016-17 from Rs. 175.22 lac for the previous year, a jump of 37%. The ability to increase profitability in spite of an almost similar topline as last year proves that our strategy of profitable growth through margin enhancement has started showing results.

This is the best operational profit delivered by the company in the past 3 years - a definite sign that the company's focus towards becoming an R&D based product solutions company from a mass producer is bearing fruit.

**Rishi Techtex recorded sales of Rs. 5928.39 lac for financial year 2016-17.**

The key reasons for the above achievements during the year are as follows:

**1** Focus on margin enhancement. Introducing new high-engineering

textile applications helped us to move away from a mass production-led manufacturing approach. This resulted in a significant bottomline improvement in spite of a nominal topline slowdown. Our PAT percentage improvement registered an increase of 37% as compared to 33% in the previous year.

**2** Redesigning the factory machine lines. Installation of new automated state-of-the-art (imported) machinery helped us make products with higher value addition for customers. We introduced new technology-led products whose effectiveness helped clients increase their end productivity and output. Today, our factory in Daman & Diu is one of the best in terms of technology and the capability to produce complex high-end applications and custom products.

**3** Science-based applications for new product development. This year, we introduced the highest number of new products since the past 36 months in both knitted and woven nets.

Customers were appreciative of the value addition and ready to pay higher prices. Rishi Techtex's ability to command a premium for its products is another key differentiation that we achieved during the year.

**4** Manpower up-skilling, mechanization and productivity benefits. It led

to our enhanced performance during the year. Due to our new machinery, replacing base level (zero value add) human intervention in the production process through automation was implemented and computerized production processes introduced. This has led to reduction in wastage, improved quality & productivity and freeing of management time from traditional labor woes.

Going ahead, we are focused on our mantra of "Profitable Growth" through high value, high margin custom application & products. Unskilled manpower reduction with process automation will continue as a measure to improve productivity. As a company we want to focus on R&D & science-led innovation and building a customer-focused, outward looking sales and marketing organization.

Plant capacity achieved during the year was 1325MT in the knitted division and 4210MT in the woven division and we hope to run in full capacity in the coming year.



Total Installed Capacity	2016-17	2015-16
<b>Knitted &gt; 1800MT</b>	1325	1215MT
<b>Woven &gt; 4800MTPA</b>	4210 MT	4228 MT

led agriculture practices, regulatory safety norms in the construction sector and general consumer awareness to upgrade to high end smart textile & engineering solutions.

Going ahead, we are focused on our mantra of **“Profitable Growth”** through high value, high margin custom application & products.

During the year we got significant success in international markets; for example, we were able to develop a 340GSM (weight in grams per square meter) shade net with UV guarantee of 10 years. This is a first in the industry as most such products come with a guarantee of 3-6 years. We hope to drive significant export business during the current year from such product innovations.

Export income in the current year stood at Rs. 1275.92 lac from the previous year’s figure of Rs. 1,207.60 lac, an increase of 5.65% inspite of global upheavals. We will continue our focus on Middle East and developing countries in Africa and look out for more opportunities in high-value added products in Europe and USA.

Focus on quality, superior inventory management and putting a robust sales and marketing process in place will help us get back to a dual top and bottom line growth-oriented structure in the future.

**Opportunities & Threats**

The government of India’s policy push towards a transparent and encouraging environment towards industry and commerce is welcome. The various measures like “Make In India”, “Skill India” and a focus toward developing R&D and science-led high value industries will result in a big opportunity for the technical textile industry.

**Rishi Techtex will focus on the following 3 areas:**

**High margin products with new technology both in knitted and woven categories**

**State-of-the-art factory & R&D lab and innovation focus (from the earlier manufacturing focus)**

**Riding on macro-demand created by the government’s policy towards scientific-**

As a company, we are open to technical collaborations and strategic joint ventures with global players who have an interest in the Indian market. With our products and applications getting quality certified and meeting global quality norms, we see greater acceptance of our value-added products in the next few years.

**RISKS & CONCERNS**

Geo-political risks and country risks due to external events like conflicts, natural and man made attacks are key risks that may hinder growth. Additionally, any government measures both at domestic and international levels that alter the policy or currency balance in the country pose a key risk. Raw materials and oil price fluctuations are industry risks along with finance costs due to interest rate changes.

**INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

The Company has adequate systems of internal control and procedures covering all financial and operating functions commensurate with the size and nature of operations.



## CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

## Select Customers

Asian Paints



Kansai Paints



JK White Cement



Birla White



East Coast Industries



Jain Irrigation





# Board of Directors



**ABHISHEK PATEL** | Managing Director since 2012 (DIN : 05183410)

- Responsible for strategic growth and R&D-led initiatives
- Drives the R&D, sales & marketing and operations of the company
- Brings rich exposure of global best practices in transforming the company to a value-added, innovation-driven, premium technical textile player
- Studied Economics and Management at the London School of Economics and Political Science



**PRANAV JAYANTILAL PATEL** | Director since 2001 (DIN : 00171387)

- Over 22 years of varied business experience
- Serves as Managing Director of MPD Industries Private Limited
- Holds a Bachelor's degree in Commerce



**ARVIND NOPANY** | Director since 2002 (DIN : 00148521)

- Leading industrialist with over 22 years of experience
- Currently serves as the Managing Director of Rishi FIBC Solutions Private Limited and also is on the Board of Garrison Polysacks Pvt. Ltd.
- Graduate in Business Administration from Armstrong University, California



**SHEELA AYYAR** | Director since 2015 (DIN : 06656579)

- Reputed management professional with experience in business strategy
- Currently handles strategic affairs for Tejas Engineering and Management
- Holds a Bachelor's degree in Commerce



# Gallery



## BIS Certificate : IS 16008





# Reports & Financials

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Overview

Management Discussion & Analysis

Reports & Financials

Standalone Financial Statements



## DIRECTOR'S REPORT

To,  
The Members,

Your Directors have pleasure in presenting their 33<sup>rd</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

### FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

(₹ in lacs)

	2016-17	2015-16
<b>Total Income</b>	<b>5947.65</b>	<b>6190.08</b>
Profit before Tax	285.21	193.51
Provision for Tax	45.72	18.29
Profit after Tax	239.49	175.22
Balance Brought forward from Previous year	177.47	2.25
Balance available for appropriation	416.96	177.47
General Reserve	401.88	401.88
Surplus Carried to the next years account	416.96	177.47

### DIVIDEND

To strengthen the cash flow of the Company, the Directors decided not to declare any dividend in the year.

### RESERVES

As on March 31, 2017 the reserves and surplus has stood at ₹1433.65 lacs as compared to ₹1062.71 lacs in the previous year.

### COMPANY'S WORKING DURING THE YEAR

The company earned total income of ₹5947.65 lacs as compared to ₹6190.08 earned in the previous year showing a decrease of 3.91%. The operations during the year have resulted in a profit of ₹239.49 lacs as compared to profit of ₹175.22 lacs achieved in previous year.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

During the period under review 3,04,000 equity shares of ₹10/- each were issued on part conversion of warrants at a price of ₹17/- per shares to Promoter and Promoter Group. The share capital as on the date of report was ₹739.10 lacs.

### SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no subsidiary or joint venture or associate company.

### INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit corrective action are undertaken.



## DEPOSITS

The details relating to deposits, covered under Chapter V of the Act -

- a) accepted during the year - **₹30.00 lacs**
- b) remained unpaid or unclaimed as at the end of the year - **Nil**
- c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved;
  - (i) at the beginning of the year - **Nil**
  - (ii) maximum during the year - **Nil**
  - (iii) at the end of the year - **Nil**

The details of deposits which are not in compliance with the requirements of Chapter V of the Act - **Nil**

## AUDITORS

### Statutory Auditor

The Board of Directors in its meeting held on 27<sup>th</sup> June, 2017 considered the matter of appointment of M/s. B. D. Jokhakar & Co., Chartered Accountants (Firm Reg. No. 104345W) as a Statutory Auditor in place of M/s. Alladi Krishnan & Kumar, Chartered Accountants (Firm Reg. No. 100282W), existing auditors on the basis of recommendation of Audit Committee. The Board confirms that the Company has obtained the requisite certificate required under section 141 of the Companies Act, 2013 to the effect that their re-appointment, if made, will be in conformity with limits specified in the said section.

The Board therefore recommends to the members appointment of M/s. B. D. Jokhakar & Co., Chartered Accountants (Firm Reg. No. 104345W) as a Statutory Auditor to hold office from the conclusion of 33<sup>rd</sup> AGM to the conclusion of 38<sup>th</sup> AGM.

As per the provisions of the Companies Act, 2013, the Auditors Report forms part of Annual Report.

## SHARE CAPITAL

During the year the 1000000 equity shares of ₹10/- each were issue on preferential basis at price of ₹22/- per share to non-promoter group which was approved in last AGM. In Addition 289000 equity shares of ₹10/- each were issue on part conversion of warrants at a price of ₹17/- per shares to Promoter and Promoter Group. So as on 31<sup>st</sup> March, 2017 the share capital of the Company was ₹708.70 lacs. Following two directors are holding shares of the Company:

Mr. Abhishek Patel

Mr. Pranav Patel

## EXTRACT OF THE ANNUAL RETURN

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

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

The information required to be disclosed is set out in **"Annexure B"**.

## DIRECTORS

### A. Changes in Directors and Key Managerial Personnel

As on March 31, 2017 the Board of the Company comprises of four directors viz. Mr. Abhishek Patel, Managing Director, one Non-Executive Director and two Independent Directors.

### B. Declaration by an Independent Director(s)

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with SEBI (LODR) Regulations, 2015.



### **C. Formal Annual Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees as required. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS**

During the year no Independent director were appointed. All Independent Directors already on the Board are familiarized with the organization. The details of such program are provided in corporate governance report and are also available on website of the Company.

### **MEETINGS OF THE BOARD OF DIRECTOR**

During the year, in all six Board Meetings were held i.e. on 11<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 29<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016, 10<sup>th</sup> February, 2017 and 31<sup>st</sup> March, 2017. The time gap between any two meetings was not more than 120 days.

The details of Directors and their attendance record at Board Meetings held during the year and at the last Annual General Meeting, number of other directorships and chairmanships/memberships of committees, and other Committees of the Company is given in Corporate Governance Report.

### **Audit Committee**

The Company has a Qualified Audit Committee as per the provisions of the Companies Act, 2013 and LODR. The necessary details in this regard form part of the Corporate Governance Report.

### **Nomination & Remuneration Committee**

The Company has a Nomination & Remuneration Committee as per the provisions of the Companies Act, 2013 and LODR. The necessary details in this regard form part of the Corporate Governance Report.

### **Stakeholders Relationship Committee**

The Company has a Stakeholders Relationship Committee as per the provisions of the Companies Act, 2013 and LODR. The necessary details in this regard form part of the Corporate Governance Report.

### **Vigil mechanism for directors and employees**

The Company has formulated Whistle Blower Policy as per the SEBI (LODR) Regulations, 2015 to enable the employees to raise any concern, query and to deal with instance of fraud and mismanagement. The details of the said policy are explained in the Corporate Governance Report and circulated to the employees internally.

### **Risk Management Policy**

The Company has developed a very comprehensive risk management policy under which all key risks and mitigation plans are compiled into a Risk Matrix. The same is reviewed quarterly by senior management and periodically also by the Risk Management Committee of the Board.

### **LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.



## RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

Pursuant to section 134 read with rule of the Companies (Accounts) Rules 2014, there are no transactions to be reported under section 188(1) of the Companies act, 2013. The related party policy as approved by the Board is available on the website of the Company.

The disclosure in Form AOC-2 as per the provisions of Section 188 of the Companies Act, 2013 and rules made there under is not required since there are no material contracts or arrangements entered into by the Company as per the Policy of Materiality framed forming part of Related Party Transaction policy of the Company.

Related Party Transactions as required under Accounting Standards are reported under the notes to the financial statements.

The policy for determining material subsidiary and policy for dealing with related party transaction is available on the website of the Company [www.rishitechtext.com](http://www.rishitechtext.com)

## PARTICULARS OF EMPLOYEES

The Statement containing particulars of employees as required and the ratio of remuneration of Managing Director to the median employees' remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report as "**Annexure C**".

## SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Sudhanwa S. Kalamkar & Associates, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "**Annexure D**".

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to provisions of the Companies Act, 2013, it is not applicable to the Company.

## STATEMENT ON SALIENT FEATURES OF FINANCIAL STATEMENT

Statement on salient features of Financial Statement in Form AOC-3 is not required since Entire Annual Report is being sent to all Shareholders in the manner specified under Rule 11 of the Companies (Accounts) Rules, 2014.

## MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis on the operations of the Company is provided in a separate section and forms a part of this report.

## Corporate Governance Report

Report on Corporate Governance as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in a separate section and forms part of the Annual Report.

## Corporate Governance Certificate

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Corporate Governance Report forming part of Annual Report.



### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134(3)(c) of the Companies Act, 2013 and to the best of their knowledge, belief and according to the information and explanations obtained by them, your Directors make the following statements that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **ACKNOWLEDGEMENTS**

The Directors place on record their appreciation of the efficient and loyal services rendered by the staff and workmen and also help and guidance received from Canara Bank.

By **Order of the Board of Director**  
**For Rishi Techtex Ltd.**

Place: Mumbai

Date: 27.06.2017

**Abhishek Patel**  
Chairman of the Board

**ANNEXURE A****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L28129MH1984PLC032008
ii	Registration Date	7/2/1984
iii	Name of the Company	RISHI TECHTEX LIMITED
iv	Category/Sub-category of the Company	Public Ltd. Company
v	"Address of the Registered office & contact details"	612, Veena Killedar Industrial Estate, 10-14 Pais street, Byculla (W), Mumbai 400011
vi	Whether listed company	Listed
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Adroit Corporate Services Pvt. Ltd. 19/20, Jaferboy Industrial Estate, 1 <sup>st</sup> Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059 Ph. No. 42270400

**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

Sl. No.	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacturing of Plastic Woven, Sacks and Shade nets	22203 and 13999	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

N.A. - The company do not have any subsidiary or associate company

Note : Data given in MGT 9 pertaining to Shareholding Pattern under Sr. No. IV is as provided by our Registrar and Transfer agent.



#### IV SHAREHOLDING PATTERN

##### (Equity Share Capital Breakup as Percentage of Total Equity)

##### (1) RISHI TECHTEX LIMITED - 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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	273737	0	273737	4.72	273737	0	273737	3.86	-0.86
e) Banks /FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other									
f-1) DIRECTORS RELATIVES	946091	0	946091	16.32	951091	0	951091	13.42	-2.90
f-2) DIRECTORS	678659	0	678659	11.71	962659	0	962659	13.58	1.88
<b>Total Shareholding of promoter (A)</b>	<b>1898487</b>	<b>0</b>	<b>1898487</b>	<b>32.74</b>	<b>2187487</b>	<b>0</b>	<b>2187487</b>	<b>30.87</b>	<b>-1.88</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	342000	0	342000	5.90	281901	0	281901	3.98	-1.92
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B) (1)</b>	<b>342000</b>	<b>0</b>	<b>342000</b>	<b>5.90</b>	<b>281901</b>	<b>0</b>	<b>281901</b>	<b>3.98</b>	<b>-1.92</b>
<b>(2) Non - Institutions</b>									
a) Bodies Corp.									
i) Indian	904488	37279	941767	16.24	728184	1079	729263	10.29	-5.95
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	824124	298771	1122895	19.37	833407	293228	1126635	15.90	-3.47
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	1441779	0	1441779	24.87	2554898	0	2554898	36.05	11.18
c) Others (Specify)									
c-1) NON RESIDENT INDIANS(INDIVIDUALS)	9306	41716	51022	0.88	129736	41716	171452	2.42	1.54
c-2) CLEARING MEMBER	50	0	50	0.00	33597	0	33597	0.47	0.47
c-3) DIRECTORS	0	0	0	0.00	1767	0	1767	0.02	0.02
<b>Sub-total (B)(2)</b>	<b>3179747</b>	<b>377766</b>	<b>3557513</b>	<b>61.36</b>	<b>4281589</b>	<b>336023</b>	<b>4617612</b>	<b>65.16</b>	<b>3.80</b>
<b>Total Public Shareholding(B)= (B) (1)+(B)(2)</b>	<b>3521747</b>	<b>377766</b>	<b>3899513</b>	<b>67.26</b>	<b>4563490</b>	<b>336023</b>	<b>4899513</b>	<b>69.13</b>	<b>1.88</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs.</b>									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public -	0	0	0	0	0	0	0	0	0
<b>Sub-total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>5420234</b>	<b>377766</b>	<b>5798000</b>	<b>100</b>	<b>6750977</b>	<b>336023</b>	<b>7087000</b>	<b>100</b>	<b>0</b>



## (2) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change 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	RISHI LASER LTD	273737	4.72	0.00	273737	3.86	0.00	-0.86
2	SMITA H PATEL	435998	7.52	0.00	440998	6.22	0.00	-1.30
3	AAKANKSHA H PATEL	291861	5.03	0.00	291861	4.12	0.00	-0.92
4	REKHA PATEL	55000	0.95	0.00	55000	0.78	0.00	-0.17
5	KIRAN PATEL	163232	2.82	0.00	163232	2.30	0.00	-0.51
6	ABHISHEK HARSHAD PATEL	678659	11.71	0.00	962659	13.58	0.00	1.88
	<b>TOTAL</b>	<b>1898487</b>	<b>32.74</b>	<b>0.00</b>	<b>2187487</b>	<b>30.87</b>	<b>0.00</b>	<b>-1.88</b>

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

Sl. No.		Name of Promoter's	As On Date	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>At the beginning of the year</b>	RISHI LASER LTD	01/04/2016	273737	4.72	273737	4.72
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	<b>At the End of the year</b>		31/03/2017	0	0.00	273737	3.86
2	<b>At the beginning of the year</b>	ABHISHEK HARSHAD PATEL	01/04/2016	678659	11.71	678659	11.71
	Date wise Increase / Decrease in Promoters Share holding during the year		18/11/2016	284000	4.01	962659	13.58
	<b>At the End of the year</b>		31/03/2017	0	0.00	962659	13.58
3	<b>At the beginning of the year</b>	AAKANKSHA H PATEL	01/04/2016	291861	5.03	291861	5.03
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	<b>At the End of the year</b>		31/03/2017	0	0.00	291861	4.12
4	<b>At the beginning of the year</b>	KIRAN PATEL	01/04/2016	163232	2.82	163232	2.82
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	<b>At the End of the year</b>		31/03/2017	0	0.00	163232	2.30
5	<b>At the beginning of the year</b>	REKHA PATEL	01/04/2016	55000	0.95	55000	0.95
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	<b>At the End of the year</b>		31/03/2017	0	0.00	55000	0.78
6	<b>At the beginning of the year</b>	SMITA H PATEL	01/04/2016	435998	7.52	435998	7.52
	Date wise Increase / Decrease in Promoters Share holding during the year		18/11/2016	5000	0.07	440998	6.22
	<b>At the End of the year</b>		31/03/2017	0	0.00	440998	6.22



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

Sl. No.	For Each of the Top 10 Shareholders	Name of Shareholder's	As On Date	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	CENTENNIAL FINANCE LTD	01/04/2016	530514	9.15	530514	9.15
	Date wise Increase / Decrease in Share holding during the year		21/09/2016	-17550	0.30	512964	8.85
			23/09/2016	-3000	0.05	509964	8.80
	At the End of the year		31/03/2017	0	0.00	509964	7.20
2	At the beginning of the year	STRESSED ASSETS STABILIZATION FUND	01/04/2016	342000	5.90	342000	5.90
	Date wise Increase / Decrease in Share holding during the year		17/03/2017	-14043	0.20	327957	4.63
			24/03/2017	-24156	0.34	303801	4.29
	At the End of the year		31/03/2017	-21900	0.31	281901	3.98
3	At the beginning of the year	GEETA ARVIND JOSHI	01/04/2016	13500	0.23	13500	0.23
	Date wise Increase / Decrease in Share holding during the year		08/04/2016	50	0.00	13550	0.23
			15/04/2016	1200	0.02	14750	0.25
			07/10/2016	325000	4.78	339750	5.00
	At the End of the year		31/03/2017	0	0.00	339750	4.79
4	At the beginning of the year	NIKHIL JAISINH MERCHANT	01/04/2016	330000	5.69	330000	5.69
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	330000	4.66
5	At the beginning of the year	KALAWATI KOTHARI	01/04/2016	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year		28/10/2016	250000	3.68	250000	3.68
	At the End of the year		31/03/2017	0	0.00	250000	3.53
6	At the beginning of the year	R VENKATA SUBRAMANIAN	01/04/2016	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year		20/05/2016	34957	0.60	34957	0.60
			27/05/2016	6698	0.12	41655	0.72
			03/06/2016	550	0.01	42205	0.73
			08/07/2016	3200	0.06	45405	0.78
			22/07/2016	750	0.01	46155	0.80
			07/10/2016	200000	2.94	246155	3.62
	At the End of the year		31/03/2017	0	0.00	246155	3.47
7	At the beginning of the year	JAYESH SHETH	01/04/2016	164600	2.84	164600	2.84
	Date wise Increase / Decrease in Share holding during the year		09/12/2016	40000	0.56	204600	2.89
			17/03/2017	-40000	0.56	164600	2.32
At the End of the year		31/03/2017	0	0.00	164600	2.32	



<b>8</b>	<b>At the beginning of the year</b>	<b>RAMBHABA HOLDING &amp; TRADING CO PVT LTD</b>	<b>01/04/2016</b>	<b>175347</b>	<b>3.02</b>	<b>175347</b>	<b>3.02</b>
	Date wise Increase / Decrease in Share holding during the year		30/06/2016	-1000	0.02	174347	3.01
			01/07/2016	-299	0.01	174048	3.00
			08/07/2016	-7320	0.13	166728	2.88
			26/08/2016	-501	0.01	166227	2.87
			09/09/2016	-3411	0.06	162816	2.81
			16/09/2016	-15500	0.27	147316	2.54
			14/10/2016	-7316	0.11	140000	2.06
			24/03/2017	-140000	1.98	0	0.00
	<b>At the End of the year</b>		<b>31/03/2017</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>9</b>	<b>At the beginning of the year</b>	<b>RAJALAKSHMI R</b>	<b>01/04/2016</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	Date wise Increase / Decrease in Share holding during the year		28/10/2016	175000	2.57	175000	2.57
	<b>At the End of the year</b>		<b>31/03/2017</b>	<b>0</b>	<b>0.00</b>	<b>175000</b>	<b>2.47</b>
<b>10</b>	<b>At the beginning of the year</b>	<b>AJAY C MODY</b>	<b>01/04/2016</b>	<b>14000</b>	<b>0.24</b>	<b>14000</b>	<b>0.24</b>
	Date wise Increase / Decrease in Share holding during the year		06/05/2016	-2345	0.04	11655	0.20
			03/06/2016	-2000	0.03	9655	0.17
			10/06/2016	-3000	0.05	6655	0.11
			12/08/2016	-3000	0.05	3655	0.06
			28/10/2016	-3655	0.05	0	0.00
			04/11/2016	36200	0.53	36200	0.53
			23/12/2016	-11000	0.16	25200	0.36
			30/12/2016	-5200	0.07	20000	0.28
			06/01/2017	-7000	0.10	13000	0.18
			03/02/2017	-5000	0.07	8000	0.11
			10/02/2017	-3000	0.04	5000	0.07
			17/02/2017	-2500	0.04	2500	0.04
			03/03/2017	-2500	0.04	0	0.00
			24/03/2017	134000	1.89	134000	1.89
	<b>At the End of the year</b>		<b>31/03/2017</b>	<b>-4000</b>	<b>0.06</b>	<b>130000</b>	<b>1.83</b>



### (05) Shareholding of Directors and Key Managerial Personal

Sl. No.		Name of Shareholder's	As On Date	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
<b>1</b>	<b>At the beginning of the year</b>	<b>PRANAV J PATEL</b>	<b>01/04/2016</b>	<b>1767</b>	<b>0.03</b>	<b>1767</b>	<b>0.03</b>
	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):			NIL	NIL		
	<b>At the End of the year</b>		<b>31/03/2017</b>	<b>0</b>	<b>0.00</b>	<b>1767</b>	<b>0.02</b>
<b>2</b>	<b>At the beginning of the year</b>	<b>JAGDISH SUBHAKARAN DOKWAL</b>	<b>01/04/2016</b>	<b>40093</b>	<b>0.69</b>	<b>40093</b>	<b>0.69</b>
	Date wise Increase / Decrease in Promoters Share holding during the year			NIL	NIL		
	<b>At the End of the year</b>		<b>31/03/2017</b>	<b>0</b>	<b>0.00</b>	<b>40093</b>	<b>0.69</b>

### V INDEBTEDNESS

(₹ in Lacs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	769.94	117.48	54.45	941.87
ii) Interest due but not paid	0			
iii) Interest accrued but not due	0			
<b>Total (i+ii+iii)</b>	<b>769.94</b>	<b>117.48</b>	<b>54.45</b>	<b>941.87</b>
Change in Indebtedness during the financial year				
Additions	0	133.16	0	133.16
Reduction	22.42	0	4.45	26.87
Net Change	22.42	133.16	4.45	160.03
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	747.52	250.64	50	1048.16
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>747.52</b>	<b>250.64</b>	<b>50</b>	<b>1048.16</b>



## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

(₹ in Lacs)

Sl.No.	Particulars of Remuneration	Mr. Abhishek Patel - Managing Director
<b>1</b>	<b>Gross salary</b>	<b>36.00</b>
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0
2	Stock option	0
3	Sweat Equity	0
4	Commission as % of profit	0
	others (specify)	0
5	Provident Fund	2.29
	<b>Total (A)</b>	<b>38.29</b>
	<b>Ceiling as per the Act</b>	<b>Remuneration is within the limits prescribed under Companies Act, 2013</b>

### B. Remuneration to other directors:

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Mr. Pranav Patel	Mr. Arvind Nopany	Ms. Sheela Ayyar	Total Amount
<b>1</b>	<b>Independent Directors</b>				
	(a) Fee for attending board committee meetings	0	0.25	0.15	0.40
	(b) Commission	0	0	0	0
	(c) Others, please specify	0	0	0	0
	<b>Total (1)</b>	<b>0</b>	<b>0.25</b>	<b>0.15</b>	<b>0.40</b>
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	0.15	0	0	0.15
	(b) Commission	0	0	0	0
	(c) Others, please specify	0	0	0	0
	<b>Total (2)</b>	<b>0.15</b>	<b>0</b>	<b>0</b>	<b>0.15</b>
	<b>Total (B)=(1+2)</b>	<b>0.15</b>	<b>0.25</b>	<b>0.15</b>	<b>0.65</b>
	<b>Total Managerial Remuneration</b>	<b>0.15</b>	<b>0.25</b>	<b>0.15</b>	<b>0.65</b>
	<b>Overall Ceiling as per the Act</b>	Remuneration is within the limits prescribed under Companies Act, 2013			

### C. Remuneration to Key Managerial Personnel other than Md/Manager/Wtd

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Nidhi Shah - Company Secretary	Jagdish Dokwal - CFO	Total
<b>1</b>	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	4.35	10.66	15.01
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit	0	0	0
	others, specify	0	0	0
5	Provident Fund	0.29	0.76	1.05
<b>6</b>	<b>Bonus</b>	<b>0.17</b>	<b>0.53</b>	<b>0.7</b>
	<b>Total</b>	<b>4.81</b>	<b>11.95</b>	<b>16.76</b>

## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES - NIL



## ANNEXURE B

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

### A. Conservation of Energy

The Company has initiated various steps for conservation of energy. The Company has replaced old motors and connections to prevent power leakage. Additionally, for heat dissemination, better insulators were installed and recycling units were refurbished. Old computer systems and machinery were replaced for energy efficient operations. By preventing heat loss the company saved on energy.

### B. Technology Absorption

The company has been constantly improving the quality of the products to suit the requirements of customers. No specific amount is earmarked for R&D. The Company has installed new Machines as well as modified existing machines to improve the quality of its products.

### Technology Absorption, Adaption and Innovation

The Company has not imported any Technology.

### C. Foreign Exchange Earnings And Outgo

During the year the earning in foreign exchange on Export of bags and fabrics amounts to ₹1151.33 lacs. Expenditure in foreign currency on account of Travelling is ₹6.40 lacs and on account of spares and components is ₹13.90 lacs. There was no import of Capital Goods.



## Annexure C

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

Name	Designation	Ratio
Mr. Abhishek Patel	Managing Director	25.22:1

**Only Mr. Abhishek Patel is Executive Director on the Board receiving Remuneration from the Company.**

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

**During the year there was no increase in remuneration of Managing Director, Company Secretary and Chief Financial Officer.**

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

**There is no increase in the median remuneration of the employees.**

- (iv) The number of permanent employees on the rolls of company;

**The numbers of on-rolls permanent employees are 194 (excluding MD).**

- (v) 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;

**Average increase in remuneration is around 13% for Employees other than Managerial Personnel and no increase for Managerial Personnel.**

- (vi) Affirmation that the remuneration is as per the remuneration policy of the company.

**The Board hereby affirms that the remuneration is as per the remuneration policy of the company.**



## ANNEXURE D

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

(Pursuant to Section 204 (1) of the Companies Act, 2013 read with Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
Rishi Techtex Limited, Mumbai.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rishi Techtex Limited (CIN: L28129MH1984PLC032008) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns maintained, filed with respective Statutory Authorities and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and as per the explanations given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

According to the applicable provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- (v) Statutes to the extent they are applicable to the Company as per the representations made by the Management.

The Company has generally complied with the provisions of the Other Acts, as mentioned above, which are specifically applicable to the Company.

#### **I further report that:**

- (a) 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.
- (b) adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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.
- (c) decisions at the Board Meetings, as represented by the management, were taken unanimously.

**I further report that:**

- (a) as per the explanations given to me and the representations made by the Management and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;
- (b) during the audit period, there has been no significant event having material implication on the existing business of the Company, requiring approval of the Board.

For **Sudhanwa S Kalamkar & Associates**  
**Company Secretaries**

Place: Mumbai

Date: 16.05.2017

**Sudhanwa S Kalamkar**  
ACS: 18795 CoP: 7692



## CORPORATE GOVERNANCE REPORT

### Statement on Company's Philosophy on code of Governance

The Company's Philosophy on Corporate Governance aims at attaining the highest level of professionalism, honesty and integrity, besides transparency and accountability towards its stakeholders including shareholders, employees, the government and lenders.

### Board of Directors (As On 31.03.2017)

As on March 31, 2017 the board consists of four Directors out of which one is promoter director, one non-executive director and two independent directors. There is no Nominee Director on the Board.

No Director of the Company is either member of more than ten committees and/or Chairman of more than five committees across all Companies in which he is Director and necessary disclosures to this effect has been received by the Company from all the Directors.

During the year, in all six Board Meetings were held i.e. on 11<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 29<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016, 10<sup>th</sup> February, 2017 and 31<sup>st</sup> March, 2017. The time gap between any two meetings was not more than 120 days.

The details of Directors and their attendance record at Board Meetings held during the year, at last Annual General Meeting and number of other directorships and chairmanships/memberships of committees is given below:

Name	Category	Other Director ships in public limited Cos	Committee Member-Ships/ Chairmanship (including RTL)#	Attendance At Board Meetings	Attendance at AGM	Shareholding of Non-Executive Directors
Mr. Abhishek Patel	Promoter/ Executive	Nil	2	6	Yes	N. A.
Mr. Arvind Nopany	Non-Promoter/ Independent	Nil	3	6	No	Nil
Mr. Pranav Patel	Non-Promoter/ Independent	Nil	3	6	No	1767
Ms. Sheela Ayyar	Non-Promoter/ Independent	1	3	6	Yes	Nil

*#while considering the memberships/chairmanships only Audit Committee and Shareholders and Investor Grievance Committee are considered.*

### Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him/her under the Companies Act, SEBI (LODR) Regulations, 2015 and other relevant regulations and his affirmation taken with respect to the same. By way of an introduction to the Company, the Director is presented with relevant Annual Reports etc. The detailed familiarization program imparted to Independent Directors is available on the website of the Company [www.rishitechtext.com](http://www.rishitechtext.com).

### Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which has been posted on the website of the Company [www.rishitechtext.com](http://www.rishitechtext.com).



All Board members and senior management personnel have affirmed compliance with the code for the year ended on March 31, 2017. Declaration to this effect signed by the Managing Director of the Company for the year ended on March 31, 2017 has been included elsewhere in this report.

## COMMITTEES

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company.

### The Board currently has the following Committees:

#### 1) Audit Committee

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation. The Committee consists of three Directors, Mr. Arvind N. Nopany, Mr. Abhishek Patel and Ms. Sheela Ayyar out of which two are independent Directors. Ms. Sheela Ayyar is the chairperson of the Committee.

The terms of reference to the Committee broadly are as under:

1. Reviewing the quarterly and annual financial statements before submission to the Board.
2. Recommending to the Board the appointment, reappointment of the statutory auditors and fixing their remuneration.
3. Reviewing the internal control system and internal audit function.
4. Discussing with internal auditors failure in internal control system and recommending measures for improvement.
5. Discussing with statutory auditors about the nature and scope of audit and post audit discussions on any area of concern.
6. To look into any defaults in payment to depositors, shareholders and creditors.

The Committee met on 11<sup>th</sup> May, 2016, to consider the Annual Accounts for the year ended 31.03.2016, on 11<sup>th</sup> August, 2016 to consider quarterly unaudited results for the quarter ended 30.06.2016, on 14<sup>th</sup> November, 2016 to consider the quarterly unaudited results for the quarter ended 30.09.2016 and on 10<sup>th</sup> February, 2017 to consider the nine months financial results.

The Meetings were attended by all the Members of the Committee.

#### 2) Nomination & Remuneration committee

The Nomination & Remuneration committee consists of three Directors, Mr. Pranav Patel, Mr. Arvind N. Nopany and Ms. Sheela Ayyar out of which two are independent Directors. Mr. Arvind Nopany is chairperson of the Committee.

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Remuneration Committee approves the remuneration payable to the Managing Director and senior executives. The policy is available on the website of the Company.

During the year the Committee met on 31<sup>st</sup> March, 2017 to consider re-appointment & payment to Mr. Abhishek Patel, Managing Director of the Company for the Period from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2020. All the members were present in the meeting.



The terms of reference to the Committee broadly are as under:

The Board has framed the Remuneration and Nomination Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation, which are as follows.

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any Member of the Committee or the Compliance Officer.

Managing Directors Remuneration (As prescribe by Schedule V of the Companies Act 2013)

Period	: Three years from 01.04.2017
Salary	: ₹350000/-
HRA	: ₹175000/- upto 50% of Salary
Others	: ₹75000/-

Besides the above the Managing Director is entitled to perquisites such as PF, Gratuity, and LTA.

Non-Executive Directors are paid ₹2500/- per Board Meeting attended and ₹2500/- per Audit Committee Meeting attended.

No stock options has been issued to any Directors.

Total Remuneration received by Mr. Abhishek Patel, Managing Director of the Company during the year 2016-17 amounts to ₹38.29 lacs.

## PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and LODR, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

### 3) Shareholders / Investors Grievance Committee

The Committee consists of three directors out of which two are independent Directors. Mr. Arvind Nopany is the Chairman of the Committee. The Committee has been constituted to look into redressal of shareholders complaints and correspondence with SEBI and the Stock Exchange.

### DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED, SOLVED AND PENDING SHARE TRANSFERS

There are no complaints pending with the company.



#### 4) Finance Committee

The Company has a Finance Committee comprising of three Directors viz. Mr. Pranav Patel, Mr. Abhishek Patel and Mr. Arvind Nopany for looking after the matters pertaining to expansion and finance of the Company.

During the year, the Committee met on 28<sup>th</sup> November 2016 to consider finance proposals.

#### 5) Independent Directors' Meeting

During the year under review, the Independent Directors met on February 10, 2017, inter alia, to discuss the evaluation of the performance of all independent directors and the Board of directors as whole. It also evaluates the timelines of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively.

#### 6) General Meetings

**30<sup>th</sup> AGM :** Tuesday 30.09.2014 at 12.30 p.m. – Killachand Conference Room, 2<sup>nd</sup> Floor, IMC, Churchgate, Mumbai- 400020

**31<sup>st</sup> AGM :** Tuesday 29.09.2015 at 11.30 a.m. – Killachand Conference Room, 2<sup>nd</sup> Floor, IMC, Churchgate, Mumbai- 400020

**EGM :** Saturday 09.01.2016 at 11.00 a.m. - H. T. Parekh Conference Room, 4<sup>th</sup> Floor, IMC, Churchgate, Mumbai- 400020

**32<sup>nd</sup> AGM :** Wednesday 28.09.2016 at 10.30 a.m. - Killachand Conference Room, 2<sup>nd</sup> Floor, IMC, Churchgate, Mumbai- 400020

**33<sup>rd</sup> AGM:** Wednesday, 20.09.2017 at 10.30 a.m - Killachand Conference Room, 2<sup>nd</sup> Floor, IMC, Churchgate, Mumbai- 400020

#### SPECIAL RESOLUTIONS

In the 30<sup>th</sup> Annual general Meeting, Special resolutions were passed for appointment of Mr. Abhishek Patel as Managing Director, appointment of Pranav Patel and Arvind Nopany as Independent Director, to borrow and raise money and to accept unsecured deposits from members.

In the 31<sup>st</sup> Annual General Meeting, no Special Resolution was passed.

In the EGM held on January 09, 2016 following two the Special resolution was passed:

1. for Issue and allotment of warrants on Preferential Basis to Promoter and Promoter Group.
2. Appointment of Ms. Sheela Ayyar as independent Director.

In 32<sup>nd</sup> AGM two Special Resolutions was passed as follows:

1. for increase in Authorised Share Capital of the Company and alteration in Memorandum of Association and Articles of Association in this regard and
2. Issue and allotment of equity shares to Non-Promoter Group.

#### POSTAL BALLOT

During the year, no postal Ballot Resolution was passed.

#### 7) Subsidiary companies

The Company Does not have any Subsidiary company.



## 8) Whistle Blower Policy

The Company has a whistle blower policy to deal with instances of fraud and mismanagement, if any. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

## 9) Risk Management

The Company has developed a very comprehensive risk management policy under which all key risks and mitigation plans are compiled into a Risk Matrix. The same is reviewed quarterly by senior management and periodically also by the Risk Management Committee of the Board.

## 10) Disclosures

The Company is in compliance with all mandatory requirements under Listing Regulation.

The Company issued 289000 warrants convertible into equity shares at price of ₹17/- per warrant to Promoters & Promoter Group under preferential issue. As on 31.03.2017 3,04,000 warrants are pending for conversion. In addition 10,00,000 equity shares were issued of ₹10 each on preferential basis at a price of ₹22/- per share to non-Promoter Group.

There was no use/application of funds for purpose other than those stated in the relevant notice of issue of warrants.

There are no transactions of material nature with the Promoters, the Directors or the Management, their Subsidiaries or relatives, etc. that had any potential conflict with the interest of the Company at large.

During the year, there were no cases of non-compliance by the Company. No penalties, strictures imposed on the Company by Stock Exchange or SEBI or by any statutory authority, on any matter relating to Capital market.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the company has not adopted a treatment different from that prescribed in any Accounting Standard.

The Managing Director and the Finance Officer have certified to the Board in accordance with the SEBI (Listing Obligations and Disclosure Requirements) pertaining to CEO/CFO certification for the financial year ended 31.03.2017.

A certificate from the Auditors of the Company regarding compliance of Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is annexed herewith.

A Management Discussion and Analysis report forming part of this Directors' report is attached herewith.

## 11) Means of Communication

The Company has been publishing the Unaudited Quarterly, Half yearly and Audited Annual results in Business Standard and Navakal.

In addition it is being also displayed the Quarterly / Half Yearly and Annual Results on the website of the Company viz. [www.rishitechtext.com](http://www.rishitechtext.com).

## 12) General Share holder Information

33<sup>rd</sup> Annual General Meeting

Date : 20<sup>th</sup> September, 2017

Time : 10.30 a.m.

Venue : Killachand Conference Room, 2<sup>nd</sup> Floor, IMC, Churchgate, Mumbai- 400020



### 13) Financial Calendar

Publication of Unaudited/Audited Results

#### Quarter Ending

June 30, 2016	45 days from the end of quarter
September 30, 2016	45 days from the end of quarter
December 31, 2016	45 days from the end of quarter
March 31, 2017	60 days from the end of year (Audited)

#### Book Closure Date

14.9.2017 to 20.9.2017 (both days inclusive)

#### Listing on Stock Exchange

The shares of the Company are listed on the Bombay Stock Exchange

#### Stock Code

Physical Segment	523021
CDSL/NSDL ISIN NO	INE989D01010

#### Stock Market Data

The High and Low of share price of the Company during each month in the last financial year at the Stock Exchange, Mumbai and performance in comparison to BSE Sensex.

BSE SENSEX

Month	High	Low	High	Low
April 2016	21.1	14.11	26100.54	24523.2
May 2016	22.6	18.35	26837.2	25057.93
June 2016	21.35	17.6	27105.41	25911.33
July 2016	21.9	18.9	28240.2	27034.14
August 2016	23.05	20.5	28532.25	27627.97
September 2016	27	22.4	29077.28	27716.78
October 2016	39.4	28	28477.65	27488.3
November 2016	41	25.95	28029.8	25717.93
December 2016	37.55	24.95	26803.76	25753.74
January 2017	48.8	37.2	27980.39	26447.06
February 2017	60	47	29065.31	27590.1
March 2017	60.05	53.5	29824.62	28716.21

#### Outstanding GDRs/ADRs/Warrants

The Company has not issued any GDRs / ADRs / Warrants during the year.

#### Compliance Officer

Ms. Nidhi Shah, Company Secretary is the Compliance officer of the Company.

#### Registrar and Transfer Agents

Adroit Corporate Services Private Limited  
 19/20, Jaferbhoy Industrial Estate, 1<sup>st</sup> Floor,  
 Makwana Road, Marol Naka, Mumbai - 400059  
 Phone No. 42270400/22/26 Fax No. 28503748  
 Email Id- rameshg@adroitcorporate.com  
 sandeeph@adroitcorporate.com



## Share Transfer System

The Share Transfers are handled by Transfer Committee.

The Company's equity shares are compulsorily traded on in dematerialized form as per the SEBI guidelines.

Physical share transfers are registered and returned with in a period of 15 days from the date of receipt, if the documents are correct and valid in all respects.

Pursuant to Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certificates on half yearly basis have been issued by a company secretary in practice for due compliance of share transfer formalities by the Company for the half year ended September 30, 2016 and March 31, 2017. Certificates have also been received from a company secretary in practice for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

As on March 31, 2017, 67,50,977 equity shares out of 70,87,000 representing 95.25% of the total paid-up Capital of the Company are held in dematerialised form.

## Shareholding Pattern as at March 31, 2017

Category	No. of Shares held	% to Paid up Capital
Promoters	2187487	30.87
Banks/Financial Institutions	281901	3.98
Bodies Corporate	729263	10.29
Non Resident Indians	171452	2.42
Public	3716897	52.45
<b>Total</b>	<b>7087000</b>	<b>100.00</b>

## Distribution of Shareholdings

No. of Shares	No. of Shareholders	% to Total	No. of Shares	% to Total
Up to 500	3293	87.86	451902	6.38
501-1000	226	6.03	185780	2.62
1001-2000	86	2.29	129768	1.83
2001-3000	23	0.61	58366	0.82
3001-4000	20	0.53	69970	0.99
4001-5000	16	0.43	74199	1.05
5001-10000	30	0.80	228910	3.23
Above 10000	54	1.44	5888105	83.08
<b>Total</b>	<b>3748</b>	<b>100.00</b>	<b>708700</b>	<b>100.00</b>

## Plant Location

Survey No. 381, Causeway Road, Village Kachigam, Taluka Daman, Union Territory of Daman & Diu.

## Address for Correspondence

The Compliance Officer,  
Rishi Techtext Ltd,  
(Formerly known as Rishi Packers Limited)  
612, Veena Killedar Industrial Estate,  
10-14, Pais Street, Byculla (W), Mumbai - 400011.  
Tel No. 022-23075677/23074585  
Email: investors@rishitechtext.com



## DECLARATION OF THE MANAGING DIRECTOR

This is to certify that the Company has laid down Code of Conduct for all Board members and Senior Management of the Company.

Further certified that the all Board members and Senior Management personnel have confirmed compliance with the Code of Conduct applicable to them during the year ended on March 31, 2017.

By **Order of the Board of Director**  
**For Rishi Techtex Ltd.**

Place: Mumbai

Date: 30.05.2017

**Abhishek Patel**  
Managing Director



## AUDITORS CERTIFICATE

The Shareholders of  
Rishi Techtex Ltd,  
Mumbai 400011.

We have reviewed the records and documents concerning implementation of corporate governance procedure set by the Company during the financial year ended 31<sup>st</sup> March 2017 and furnished to us for our review.

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.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for review and the information and explanations given to us by the Company.

Based on such a review, in our opinion, the Company has complied with the conditions of Corporate Governance as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31<sup>st</sup> March 2017.

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

For **ALLADI KRISHNAN AND KUMAR**  
**(Chartered Accountants)**  
**Firm's Registration No.100282W**

Date: 30<sup>th</sup> May, 2017  
Place: Mumbai

**AJIT S. DATAR**  
**(PARTNER)**  
Membership No.036274



# Standalone Financial Statements

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Overview

Management Discussion & Analysis

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Standalone Financial Statements



## INDEPENDENT AUDITOR'S REPORT

To the members of  
Rishi Techtex Limited

### Report on the Financial Statements

We have audited the accompanying Financial Statements of Rishi Techtex Limited, which comprises the Balance Sheet as at 31<sup>st</sup> March 2017, and the Statement of Profit And Loss account and Cash Flow Statement of the company for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

### Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



## Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches not visited by us).
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts and returns.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such control refers to our separate report in "Annexure B", and
  - g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
    - i. The Company does not have any pending litigations except the following which would impact its financial position.

Enforcement Directorate vide provisional attachment order No. 01/2017/KZSZO(IN ECIR/KZSZO/4/2015) dated 15.03.2017 issued directions for freezing Bank accounts of the Company. The Company filed writ petition in the high Court of Kerala and the Court Vide order dated 12.05.2017 asked the Company to furnish the bank guarantee equivalent to the amount lying in the frozen bank accounts. The Company vide letter dated 23.05.2017 furnished the required bank guarantee of `20.33 Lacs in favour of DIRECTORATE OF ENFORCEMENT, KOCHI.

This amount has been shown as contingent liability in the accounts.
    - ii. Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and the same are in accordance with the books of accounts maintained by the company.

For **ALLADI KRISHNAN AND KUMAR**  
**(Chartered Accountants)**  
**Firm's Registration No.100282W**

Date: 30<sup>th</sup> May, 2017  
Place: Mumbai

**AJIT S. DATAR**  
**(PARTNER)**  
Membership No.036274



## ANNEXURE A TO AUDITOR'S REPORT

The Annexure referred to in paragraph 1 Under Report on other legal and Regulatory Requirements section of the Our Report of even date to the members of Rishi Techtex Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2017.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and location of the Fixed Assets.  
  
b) There is a regular program of physical verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.  
  
c) The title deed of immovable property is held in the name of company which is mortgage to canara bank as on date of balance sheet.
2. Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt in the books of account.
3. According to the information and explanations given to us the Company has not granted unsecured loans, to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii of the order are not applicable to the Company.
4. The Company has complied with the provisions of section 185 and 186 of the Companies Act 2013 in respect of loans, Investment, Guarantees and security.
5. The Company has accepted deposits from the member and have complied the provisions of section 73 to 76 of the companies act 2013 or any other relevant provisions of the act and the rules framed there under.
6. The Central Government has prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for the Company and same is maintained by the company.
7. a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, VAT, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities.  
  
b) There are no disputed statutory dues pending at any forums.
8. The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
11. The managerial Remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule 5 to the Companies Act 2013.
12. The Company is not Nidhi Company.



13. All the transactions with the related parties are in compliance with section 177 and 188 of Companies Act 2013. The necessary details in the regards have been disclosed in the financial statements etc, as required by the application accounting standards.
14. The Company has made a preferential Issue of 1000000 equity shares of ₹10/- each at price of ₹22/- per share to the non-promoters. The company has complied with the requirements of section 42 and 62 of the Companies Act 2013 and rules made there under and SEBI ICDR Regulations. The amount raised has been used for the purposes for which the funds were raised.
15. The company has not entered in to any Non-Cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India act 1934.

For **ALLADI KRISHNAN AND KUMAR**  
**(Chartered Accountants)**  
**Firm's Registration No.100282W**

Date: 30<sup>th</sup> May, 2017

Place: Mumbai

**AJIT S.DATAR**  
**(PARTNER)**  
Membership No.036274



## **ANNEXURE B TO THE AUDITOR'S REPORT**

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act').

We have audited the internal financial controls over financial reporting of Rishi Techtex Limited ('the Company') as of 31<sup>st</sup> March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditor's Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to maintenance of record that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the asset of the company; (2) provide reasonable assurance that transaction are recorded



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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ALLADI KRISHNAN AND KUMAR**  
**(Chartered Accountants)**  
**Firm's Registration No.100282W**

**AJIT S.DATAR**  
**(PARTNER)**  
Membership No.036274

Date: 30<sup>th</sup> May, 2017

Place: Mumbai



## Balance Sheet as at 31<sup>st</sup> March 2017

(₹ in lacs)

Particulars	Notes		31.03.2017	31.03.2016
<b>Equity &amp; Liabilities</b>				
Shareholder's Funds				
Share Capital	3	708.70		579.80
Reserves & Surplus	4	1,433.65		1,062.71
Money Received against Share Warrants		12.92		25.20
			2,155.27	1,667.71
<b>Non-current liabilities</b>				
Long term borrowings	5	221.08		109.39
Other Longterm Liabilities	6	121.47		205.66
Long-term provisions	7	73.11		60.94
			415.66	375.99
<b>Current liabilities</b>				
Short-term borrowings	8	741.29		732.28
Trade payables	9	872.67		902.69
a. Total Outsatndng dues to mico enterprises and small enterprises and	27.2			
b. Total Outsatndng dues of creditors other than to mico enterprises and small enterprises	27.2			
Other current liabilities	10	92.85		109.86
Short-term provisions	11	153.31		93.75
			1,860.12	1,838.58
<b>TOTAL</b>			<b>4,431.05</b>	<b>3,882.28</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Fixed assets				
Tangible assets	12	1,210.92		1,183.54
Capital work-in-progress		266.27		-
			1,477.19	1,183.54
Non-current investments	13	38.83		38.83
Deferred Tax Assets (Net)		30.99		18.71
Long Term loans and advances	14	34.85		34.85
			104.67	92.39
<b>Current assets</b>				
Inventories	15	1,570.21		1,418.30
Trade receivables	16	760.65		729.28
Cash and cash equivalents	17	124.96		109.29
Short-term loans and advances	18	393.37		349.48
			2,849.19	2,606.35
<b>TOTAL</b>			<b>4,431.05</b>	<b>3,882.28</b>
Summary of Significant Accounting policies	2.1		-	-

The accompanying notes are integral part of Financial Statement.

As Per Our Report Of Even Date  
**For Alladi Krishnan & Kumar**  
**Firm's Registration No. 100282W**  
 Chartered Accountants

**Ajit S Datar**  
**Partner**  
 Membership No. 036274  
 Place: Mumbai  
 Date: 30<sup>th</sup> May, 2017

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

**MANAGING DIRECTOR**  
 Abhishek Patel  
 DIN 05183410

**CHIEF FINANCIAL OFFICER**  
 Jagdish Dokwal

**COMPANY SECRETARY**  
 Nidhi Shah  
 M. No. 34893

**DIRECTOR**  
 Sheela Ayyar  
 DIN 06656579


**Statement of Profit & Loss for the year ended 31<sup>st</sup> March 2017**

(₹ in lacs)

Particulars	Notes		31.03.2017	31.03.2016
<b>Continuing operations</b>				
Income				
Revenue from operations (gross)	19	6,387.72		6,574.85
Less: Excise duty		459.33		405.51
Revenue from operations (net)		5,928.39		6,169.34
Other income	20	19.26		20.74
<b>Total revenue (i)</b>			<b>5,947.65</b>	<b>6,190.08</b>
<b>Expenses</b>				
Cost of materials consumed	21		4,325.49	4,581.27
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22		(56.86)	(23.63)
Employee benefits expense	23		419.25	408.49
Other expenses	24		704.63	736.53
Finance costs	25		121.96	137.52
Depreciation and amortisation expense	12		147.97	166.68
<b>Total (ii)</b>			<b>5,662.44</b>	<b>6,006.86</b>
Profit / (Loss) before Exceptional and extraordinary Items and tax			285.21	183.22
Exceptional Items	26		-	10.29
<b>Profit / (Loss) before Extraordinary Items &amp; tax</b>			<b>285.21</b>	<b>193.51</b>
Extraordinary Items			-	-
<b>Profit / (Loss) before Tax</b>			<b>285.21</b>	<b>193.51</b>
<b>Tax expenses</b>				
Current Tax			58.00	37.00
Deferred Tax			(12.28)	(18.71)
<b>Profit / (Loss) for the Period</b>			<b>239.49</b>	<b>175.22</b>
<b>Earnings per equity share (of 10/- each):</b>				
(i) Basic			3.38	3.02
(ii) Diluted			3.38	3.02
Summary of Significant Accounting policies	2.1			

The accompanying notes are integral part of Financial Statement.

As Per Our Report Of Even Date  
**For Alladi Krishnan & Kumar**  
**Firm's Registration No. 100282W**  
 Chartered Accountants

**Ajit S Datar**  
**Partner**  
 Membership No. 036274  
 Place: Mumbai  
 Date: 30<sup>th</sup> May, 2017

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Notes to financial statements for the year ended 31<sup>st</sup> March, 2017

### Cash Flow Statement For The Year Ended 31<sup>st</sup> March, 2017

	31.03.2017		31.03.2016	
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
<b>NET PROFIT BEFORE TAX &amp; EXTRAORDINARY ITEMS</b>		<b>285.21</b>		<b>193.51</b>
Adjusted for:				
Depreciation	147.97		166.68	
Interest & Other finance charges	121.96		137.52	
Interest Received	-12.60		-12.72	
Dividend received	-0.11		-0.01	
Profit on sale of Assets	0.00		-10.29	
Profit on sale of Investment	0.00		0.00	
Net foreign exchange (gain) / loss	-6.55		-8.01	
	-	<b>250.67</b>	-	<b>273.17</b>
<b>A. OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>		<b>535.88</b>		<b>466.68</b>
Adjusted for (Increase)/Decrease in operating Assets:				
Trade and other Receivable	-31.37		32.26	
Inventories	-151.91		-37.85	
Short Term Loans & Advances	-43.89		-67.73	
Adjusted for Increase/(Decrease) in operating Liabilities:				
Trade payables	-30.02		1.10	
Other current liabilities	-17.01		-37.97	
Short-term provisions	59.56		43.30	
Long-term Liabilities and provisions	-72.02		9.27	
	-	<b>-286.66</b>	-	<b>-57.62</b>
<b>CASH GENERATED FROM OPERATIONS</b>		<b>249.22</b>		<b>409.06</b>
Less: Taxes Paid		58.00		37.00
<b>Net Cash From Operating Activities</b>		<b>191.22</b>		<b>372.06</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets (including Capital Work in Progress)	-441.62		-168.77	
Sale of Investments	0.00		4.75	
Interest Received	12.60		12.72	
Sale of Fixed Assets	0.00		17.50	
Net foreign exchange gain / (loss)	6.55		8.01	
Dividend received	0.11		0.01	
<b>Net Cash (Used in) Investing Activities</b>		<b>-422.36</b>		<b>-125.78</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of Share Capital	116.62		52.80	
Proceeds from issue of Share Premium	131.45		19.32	
Proceeds from Borrowings (Net of Repayments)	111.69		-127.73	
Net Increase/(Decrease) in Working Capital Borrowing	9.01		-61.40	
<b>Interest and other finance charges</b>	<b>-121.96</b>		<b>-137.52</b>	
<b>Net Cash (Used in) From Financing Activities</b>		<b>246.81</b>		<b>-254.53</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS: (A+B+C)</b>		<b>15.67</b>		<b>-8.25</b>
<b>OPEINING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>		<b>109.29</b>		<b>117.54</b>
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENT</b>		<b>124.96</b>		<b>109.29</b>

As Per Our Report Of Even Date  
**For Alladi Krishnan & Kumar**  
**Firm's Registration No. 100282W**  
 Chartered Accountants

**Ajit S Datar**  
**Partner**  
 Membership No. 036274  
 Place: Mumbai  
 Date: 30<sup>th</sup> May, 2017

#### FOR AND ON BEHALF OF BOARD OF DIRECTORS

**MANAGING DIRECTOR**  
 Abhishek Patel  
 DIN 05183410

**CHIEF FINANCIAL OFFICER**  
 Jagdish Dokwal

**COMPANY SECRETARY**  
 Nidhi Shah  
 M. No. 34893

**DIRECTOR**  
 Sheela Ayyar  
 DIN 06656579



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE NO. 1

### CORPORATE INFORMATION

The company was incorporated in 1984-85 in the name of Rishi Packers Pvt. Ltd. with an initial project costing ₹80 lacs. The Company has over the last two and half decades undertaken a number of expansion, modernization and diversification programs successfully. The gross block which was ₹131.70 lacs in the first year has gone up to ₹3532.82 lacs by the end of March 2017. The turnover has gone up from ₹28.50 lacs and has reached at ₹6387.72 lacs in 2016-17. The fall in the turnover as compared to last year is due to our choice to remove all low contribution business and job work within the company.

The Company, which started as a woven sack unit supplying bags to fertilizer and cement industry, has consistently developed a number of products to cater to a wide spectrum of industries such as cement, fertiliser, chemical. Petrochemical, etc.

In the year 1998-99 the company undertook a major expansion and started manufacturing agro shade net for the first time in India. Presently the company is the largest exporter and manufacturer of agro shade net in India.

We are a technical textile company operating in India for over 30 years. Our yarn, fabric, bag and agro shade net manufacturing plant with latest technology is located at Survey No. 381, Zari Causway Road, Kachigam, Daman.

NOTE NO. 2

### SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting and Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with rules 7 of the Companies (Accounts) rules 2014 and the relevant provisions of the Companies Act, 2013 as applicable. The financial statements have been prepared as on going concern on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Pursuant to MCA circular dated 16<sup>th</sup> February, 2015, the Indian Accounting Standards (Ind AS) will be applicable to the Company for the accounting periods beginning on or after 1<sup>st</sup> April, 2017.

#### Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### Inventories (AS 2.26.a)

Inventories are valued at the lower of cost on weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include cost plus appropriate proportion of overheads.



### **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **Depreciation and Amortisation**

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule II to the Companies Act, 2013.

### **Revenue Recognition**

- **Sale of goods**

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

- **Other Income**

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

### **Tangible Fixed Assets**

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

### **Capital work-in-progress**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

### **Foreign Currency Transactions and Translations**

- **Initial recognition**

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

- **Treatment of exchange differences**

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.

### **Government Grants, Subsidies and Export Incentives**

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.



Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

### Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

### Employee Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences.

- **Defined contribution plans**

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

- **Defined benefit plans**

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using actuarial valuations being carried out at each Balance Sheet date.

### Borrowing Costs

Borrowing costs include interest, ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

### Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".



### **Earnings Per Share**

'Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### **Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

### **Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

### **Share Issues Expenses**

Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under Section 52(2) of the Companies Act, 2013, to the extent balance is available for utilisation in the Securities Premium Account.

### **Insurance Claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

### **Deferred Taxation**

In view of the profitability achieved in the current financial year 2016-17, the necessary adjustments towards Deferred tax Liability / Assets as per AS22 are made in the year under reporting.


**RISHI TECHTEX LIMITED**
**Notes to Financial Statement for the year ended 31<sup>st</sup> March 2017**

(₹ in lacs)

3. Share capital	As at 31.03.2017	As at 31.03.2016
<b>Authorised shares</b>		
80,00,000 Equity shares of ₹10/- Each	800.00	700.00
<b>Issued, Subscribed and fully Paid up shares</b>		
70,87,000 Equity Shares of ₹10/- each fully paid up (Pr.Yr.57,98,000 shares)	708.70	579.80
<b>Total Issued, Subscribed and fully Paid Up share capital</b>	<b>708.70</b>	<b>579.80</b>

**a. Reconciliation of the number of equity shares and amount outstanding at the the end of the reporting period:**

	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2016
	No. in lacs	₹ in lacs	No. in lacs	₹ in lacs
At the beginning of the period	57.98	579.80	55.22	552.20
Issued during the period (2,89,000 shares of ₹10/- each at a premium of ₹7/- per share on part conversion of warrants)	2.89	28.90	2.76	27.60
Issued during the period (10,00,000 shares of ₹10/- each at a premium of ₹12/- per share)	10.00	100.00	-	-
<b>Outstanding at the end of the period</b>	<b>70.87</b>	<b>708.70</b>	<b>57.98</b>	<b>579.80</b>

**b. Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

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

	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2016
	Number	% of holding	Number	% of holding
	₹ in lacs	in the class	₹ in lacs	in the class
Equity shares of ₹10 each fully paid				
Mr. Abhishek H. Patel	9.63	13.58%	6.79	11.71%
M/S Centennial Finance Ltd,	5.10	7.20%	5.31	9.16%
Mr. Smita H. Patel	4.41	6.22%	4.36	7.52%
Stressed Asset Stabilisation Fund	2.82	3.98%	3.42	5.90%
Mr. Nikhil Marchant	3.30	4.66%	3.30	5.69%
Ms. Aakanksha H. Patel	2.92	4.12%	2.92	5.04%

**d.1**

During the year 289000 equity shares of ₹10/- each were issued on part conversion of warrants issued at a price of ₹17/- per share to Promoter and Promoter Group. As on 31.03.2017, 3,04,000 warrants are pending for conversion. The said warrants can be converted in to equity shares not later than 18 months from the date of their allotment i.e. 19<sup>th</sup> Feb.2016.

**d.2**

During the year 1000000 equity shares of ₹10 each were issued on preferential basis at price of ₹22/- Per shares to Non Promotor Group.



(₹ in lacs)

<b>Notes to Financial Statement for the year ended 31<sup>st</sup> March 2017</b>		
<b>4 : Reserves and Surplus</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
<b>CAPITAL RESERVE</b>		
Balance as per last Balance Sheet	49.06	49.06
<b>SECURITY PREMIUM ACCOUNT</b>		
Balance as per last Balance Sheet	434.30	414.98
Add: Addition during the year	140.23	19.32
Less: Preliminary Expenses set off (Public Issue Exp.)	(8.78)	-
	565.75	434.30
<b>GENERAL RESERVE</b>		
Balance as per last Balance Sheet	401.88	401.88
Surplus / (Deficit) in Statement of Profit and loss		
Opening balance	177.47	2.25
Add: Profit / (Loss) for the year	239.49	175.22
Net Surplus in the statement of Profit and Loss	416.96	177.47
<b>TOTAL</b>	<b>1,433.65</b>	<b>1,062.71</b>

(₹ in lacs)

<b>5 : Long term borrowing</b>	<b>Non-current portion</b>		<b>Current portion</b>	
	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Term loans				
<b>From banks</b>				
Secured	-	-	-	31.27
Unsecured	-	-	-	31.27
	-	-	-	31.27
<b>From other parties</b>				
Secured	3.95	3.97	2.28	2.42
Unsecured	167.13	44.08	73.51	36.51
	171.08	48.05	75.79	38.93
<b>Deposits</b>				
Secured	-	-	-	-
Unsecured	40.00	24.45	10.00	30.00
	40.00	24.45	10.00	30.00
<b>Loan From Related Party</b>				
Secured	-	-	-	-
Unsecured	10.00	36.89	0.00	0.00
	10.00	36.89	-	-
<b>Total</b>	<b>221.08</b>	<b>109.39</b>	<b>85.79</b>	<b>100.20</b>

<b>Details of Secured Loans From Bank</b>	<b>Non-current portion</b>		<b>Current portion</b>	
	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
1. Term loan From Canara Bank: Secured by Firsst Charge on Companies Land and Building, Machinaries at Survey No.381, Causway Road, Kachigam, Daman. (Repayment of ₹15/-lacs/Qtr. for 20 Installments from July 2012 Qtr onwards)	0.00	0.00	0.00	31.27
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>31.27</b>



Details of Loans From Other Parties - Secured	Non-current portion		Current portion	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
1. Loan from L&T Finance Ltd; Secured by Hypothecation of Specific Plant and Machinery at Daman Repayment of ₹1.35 lacs P.M.(EMI) for Three years from May 2013 to April 2016)	0.00	0.00	0.00	1.45
2. Hire Purchase Loan From SBI Finance Ltd. Secured by Hypothecation of Vehicle	2.43	3.97	1.01	0.97
3. Hire Purchase Loan From AXIS Bank Ltd. Secured by Hypothecation of Vehicle	1.52	0.00	1.27	0.00
<b>TOTAL</b>	<b>3.95</b>	<b>3.97</b>	<b>2.28</b>	<b>2.42</b>

Details of Loans From Other Parties	Non-current portion		Current portion	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
1. Loan from Bajaj Fin. Services Repayment of ₹1.22lacs P.M. (EMI) for 1 <sup>st</sup> year, ₹0.94 Lacs P.M. for 2 <sup>nd</sup> Year and ₹0.52 Lacs P.M. for 3 <sup>rd</sup> Year Starting From November 2014 till October 2017.	0.00	3.42	3.42	7.82
2. Loan from Bajaj Fin. Services Repayment of ₹1.04lacs P.M. (EMI) Starting from April 2016 to March 2019.	11.30	20.67	9.36	7.75
3. Loan from Tata Finance : Repayment of ₹1.86lacs P.M. (EMI) for 1 <sup>st</sup> year, ₹1.15 Lacs P.M. for 2 <sup>nd</sup> Year and ₹0.57Lacs P.M. for 3 <sup>rd</sup> Year starting from February 2015 to January 2018.	0.00	5.29	5.29	10.64
4. Loan from Religare Finvest Ltd. Repayment of ₹1.26 lacs P.M. (EMI) Starting from May 2016 to April 2018.	1.24	14.70	13.46	10.30
5. Loan from Diwan Housing Fin.Corporation Ltd. Repayment of ₹2.57 lacs P.M.(EMI) Starting from January 2017 to December 2020.	47.21	0.00	21.94	0.00
6. Loan from Hero Fincorp Ltd. Repayment of ₹3.01 lacs P.M. (EMI) Starting from February 2017 to January 2022.	107.38	0.00	20.04	0.00
<b>TOTAL</b>	<b>167.13</b>	<b>44.08</b>	<b>73.51</b>	<b>36.51</b>

Details of Loans From Other Parties - Secured	Non-current portion		Current portion	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
1. Deposit Received from Public; Repayment or renewed after 3 years from the date of deposits	40.00	24.45	10.00	30.00
<b>TOTAL</b>	<b>40.00</b>	<b>24.45</b>	<b>10.00</b>	<b>30.00</b>



Details of Loans From Other Parties - Secured	Non-current portion		Current portion	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
1. Loan From Director	10.00	36.89	0.00	0.00
<b>TOTAL</b>	<b>10.00</b>	<b>36.89</b>	<b>0.00</b>	<b>0.00</b>

(₹ in lacs)

6 : Other Long term Liabilities	As at 31.03.2017	As at 31.03.2016
(i) Payable on purchase on fixed assets	49.68	49.25
(ii) Payable on Contractually reimbursable expenses	69.29	81.54
(ii) security deposit/ advances form customer	2.50	74.87
	<b>121.47</b>	<b>205.66</b>

(₹ in lacs)

7 : Long term provisions	As at 31.03.2017	As at 31.03.2016
Provision for employee benefits:		
(i) Provision for gratuity (net)	73.11	60.94
(ii) leave Encashment (unfunded)	-	-
	<b>73.11</b>	<b>60.94</b>

(₹ in lacs)

8 : Short term borrowings	As at 31.03.2017	As at 31.03.2016
<b>Loans repayable on demand</b>		
From banks		
Secured	741.29	732.28
Unsecured	-	-
	<b>741.29</b>	<b>732.28</b>

**Notes:****Details of security for the secured short-term borrowings:**

a. Working capital loans outstanding at ₹741.29 lacs is secured against exclusive hypothecation of Inventories and Receivables/Repayable on demand and carries Interest at 14.65%.

(₹ in lacs)

9 : Trade payables	As at 31.03.2017	As at 31.03.2016
Trade Payables against Bills acceptance	449.74	450.85
Other Trade payables	422.93	451.84
	<b>872.67</b>	<b>902.69</b>

(₹ in lacs)

10 : Other current liabilities	As at 31.03.2017	As at 31.03.2016
Current Maturities of Long Term Debt	85.79	100.20
TDS payable	7.04	6.89
TCS payable	0.02	0.01
Service Tax Payable	-	2.76
	<b>92.85</b>	<b>109.86</b>



(₹ in lacs)

<b>11 : Short term provisions</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
(a) Provision for employee benefits:		
(i) Provision for bonus	6.57	5.86
(ii) Provision for gratuity liability	14.01	12.83
(iii) Provision for other employee benefits	-	-
Salary & Reimbursements	29.64	26.31
Contribution to PF	1.73	1.60
(b) Provision - Others:		
(i) Provision for tax	95.00	37.00
(ii) Provision - others		
Outstanding liabilities	6.36	10.15
	<b>153.31</b>	<b>93.75</b>

**Note 12 : Fixed Assets (Tangible Assets)**

(₹ in lacs)

Gross block											
Tangible assets	Balance as at 1 April, 2016	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31st March, 2017	
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	
Free Hold Land	1.27	-	-	-	-	-	-	-	-	1.27	
Lease hold land	-	-	-	-	-	-	-	-	-	-	
Factory Building	261.00	39.17	-	-	-	-	-	-	-	300.17	
Plant & Equipments	2,905.99	122.22	-	-	-	-	-	-	-	3,028.21	
Electrical installation	102.79	7.45	-	-	-	-	-	-	-	110.24	
Tools & die	9.65	0.00	-	-	-	-	-	-	-	9.65	
Furniture	13.65	1.44	-	-	-	-	-	-	-	15.09	
Fixtures	-	-	-	-	-	-	-	-	-	-	
Office equipment	37.72	0.67	-	-	-	-	-	-	-	38.39	
Vehicles	25.40	4.40	-	-	-	-	-	-	-	29.80	
<b>Grand Total</b>	<b>3,357.47</b>	<b>175.35</b>	<b>0.00</b>	-	-	-	-	-	-	<b>3,532.82</b>	
Previous year	3,212.62	168.77	23.92	-	-	-	-	-	-	3,357.47	



(₹ in lacs)

Tangible assets	Accumulated depreciation and impairment								Net block	
	Balance as at 1 April, 2016	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of profit & loss	Reversal of impairment losses recognised in Statement of Profit & Loss	Other adjustments	Balance as at 31 March, 2017	Balance as at 31 March, 2017	Balance as at 31 March, 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Free Hold Land	-	-	-	-	-	-	-	-	1.27	1.27
Lease hold land	-	-	-	-	-	-	-	-	-	-
Factory Building	150.37	8.89	-	-	-	-	-	159.26	140.91	110.63
Plant & Machinery	1,864.61	129.36	-	-	-	-	-	1,993.97	1,034.24	1,041.38
Electrical installation	99.17	2.56	-	-	-	-	-	101.73	8.51	3.62
Tools & die	9.54	-	-	-	-	-	-	9.54	0.11	0.11
Furniture	3.63	0.93	-	-	-	-	-	4.56	10.53	10.02
Fixtures	-	-	-	-	-	-	-	-	-	-
Office equipment	28.22	3.36	-	-	-	-	-	31.58	6.81	9.50
Computers	-	-	-	-	-	-	-	-	-	-
Vehicles	18.39	2.87	-	-	-	-	-	21.26	8.54	7.01
<b>Grand Total</b>	<b>2,173.93</b>	<b>147.97</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,321.90</b>	<b>1,210.92</b>	<b>1,183.54</b>
<b>Previous year</b>	<b>2,023.96</b>	<b>166.68</b>	<b>16.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,173.93</b>	<b>1,183.54</b>	

(₹ in lacs)

<b>13 : Non Current Investment</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
<b>Long Term Investment</b>		
<b>Unquoted at Cost:</b>		
1. Six Years National Saving Certificates	0.02	0.02
2. 138000 shares of ₹10/- each at par of M/S Centennial Finance Ltd.	13.80	13.80
3. 150000 shares of ₹10/- each at par of M/S Vision Products Pvt. Ltd.	15.00	15.00
<b>TOTAL</b>	<b>28.82</b>	<b>28.82</b>
<b>Quoted at Cost:</b>		
1. 28000 shares in M/S Adrash Chemical & Fertilisers Ltd. Fully paid at cost	8.60	8.60
2. 1722 shares in M/S Standard Industries Ltd. Fully paid.	1.41	1.41
Note: Market Value of Quoted Investments are ₹1.88 lacs (Pr.Yr.₹1.77 lacs)		
	<b>38.83</b>	<b>38.83</b>

(₹ in lacs)

<b>14 : Long Term Loans and Advances</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Security Deposits		
Secured, Consider Good	-	-
UnSecured, Consider Good	34.85	34.85
Doubtful	-	-
<b>TOTAL</b>	<b>34.85</b>	<b>34.85</b>



## CURRENT ASSETS

(₹ in lacs)

<b>15 : Inventories</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
(a) Raw materials (valued at cost on Weighted Average)	520.93	430.74
(b) Work-in-progress (Valued at Cost representing materials, Labour and apportioned overheads)	943.94	870.77
(c) Finished Goods (Other than those acquired in trading) (Valued at Cost or Market value whichever is less.)	1.89	18.20
(d) Stores and spares (valued at cost on Weighted Average)	103.45	98.59
	<b>1,570.21</b>	<b>1,418.30</b>

(₹ in lacs)

<b>16 : Trade receivables</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	29.95	27.59
Less: Provision for doubtful trade receivables	-	-
	<b>29.95</b>	<b>27.59</b>
Other Trade receivables		
Unsecured, considered good	730.70	701.69
Less: Provision for doubtful trade receivables	-	-
	730.70	701.69
	<b>760.65</b>	<b>729.28</b>

(₹ in lacs)

<b>17 : Cash and cash equivalents</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
(a) Cash on hand	1.52	1.78
(b) Balances with banks		
In current accounts	31.43	15.50
In Margin Accounts	92.01	92.01
<b>TOTAL</b>	<b>124.96</b>	<b>109.29</b>

**Note:** Current Account No. 05012210000097 of HDFC Bank is inoperative as per the Note given in the Audit Report and Contingent Liability under Additional Information of statement of Accounts.

(in ₹)

<b>SPECIFIED BANK NOTES DISCLOSURE (SBNs)</b>			
<b>Particulars</b>	<b>SBNs</b>	<b>ODNs</b>	<b>TOTAL</b>
Closing Cash on Hand as on November 8, 2016	314000	336581	650581
(+) Permitted Receipts	0	588792	588792
(-) Permitted Payments	0	399546	399546
(-) Amount Deposited in Bank	314000	0	314000
Closing Cash on Hand as on December 30, 2016	0	525827	525827



(₹ in lacs)

<b>18 : Short term loans and advances</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
(a) Loans and advances to related parties	-	-
(b) Prepaid expenses - Unsecured, considered good	14.06	18.65
(c) Balances with government authorities Unsecured, considered good		
(i) CENVAT credit receivable	11.25	5.67
(ii) VAT credit receivable	35.84	11.07
(iii) Service Tax credit receivable	9.53	22.27
	<b>70.68</b>	<b>57.66</b>
(d) Others (specify nature)	-	-
<b>Unsecured, considered good</b>		
Advance recoverable in cash or kind or for value to be received	43.49	47.49
Central Excise Duty Refund Receivable	189.36	189.36
Advance Tax	78.00	36.00
TDS receivable	11.84	18.97
	<b>322.69</b>	<b>291.82</b>
<b>Doubtful</b>		
Less: Provision for other doubtful loans and advances	-	-
	<b>322.69</b>	<b>291.82</b>
	<b>393.37</b>	<b>349.48</b>

(₹ in lacs)

<b>19 : Revenue from operations</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Sale of products	6,375.44	6,567.78
Other operating revenues-scrap sale	12.28	7.07
	<b>6,387.72</b>	<b>6,574.85</b>
Less:		
Excise duty	459.33	405.51
	<b>5,928.39</b>	<b>6,169.34</b>

(₹ in lacs)

<b>20 : Other income</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Interest income		
Interest from bank deposits	12.60	12.72
Dividend Income		
From long Term Investment	-	-
From Associates	0.11	0.01
Other Non Operating Income		
Profit on sale of Investment	-	-
Net (gain) / loss on foreign currency transactions and translation	6.55	8.01
other income	-	-
	<b>19.26</b>	<b>20.74</b>

(₹ in lacs)

<b>21 : Cost of Raw Material and components consumed</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Opening stock	430.74	424.39
Add: Purchases	4,415.68	4,587.62
	<b>4,846.42</b>	<b>5,012.01</b>
Less: Closing stock	520.93	430.74
Cost of material consumed	<b>4,325.49</b>	<b>4,581.27</b>



(₹ in lacs)

<b>22 : Changes in inventories of finished goods, work in progress and stock in trade</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Inventories at the end of the year:		
Work-in-progress and Finished Goods	945.83	888.97
Inventories at the beginning of the year:		
Work-in-progress and Finished Goods	888.97	865.34
<b>Net (increase) / decrease</b>	<b>-56.86</b>	<b>-23.63</b>

(₹ in lacs)

<b>23 : Employee benefit expense</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Salaries and wages	372.30	366.05
Contributions to provident and other funds	22.69	20.25
Gratuity expenses ( Note 27.7a)	14.01	12.83
Staff welfare expenses	10.25	9.36
	<b>419.25</b>	<b>408.49</b>

(₹ in lacs)

<b>24 : Other expenses</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Consumption of stores and spares		
Op. Stock	98.59	90.72
Add: Purchases during the year	104.18	114.83
	202.77	205.55
Less: Closing Stock	103.45	98.59
Consumption of Stores and Spares	99.32	106.96
Processing charges	84.35	85.02
Power and fuel	211.93	238.99
Repairs and maintenance - Machinery	8.91	5.40
Rent Includes Lease Rentals	14.98	9.57
Repairs and maintenance - Others	8.05	7.93
Insurance	12.25	8.37
Rates and taxes	4.20	2.41
Printing and Stationary	3.35	7.67
Travelling and conveyance	17.28	10.64
Postage, Telephone, Telex	6.83	5.86
Donations and contributions	0.25	0.22
Legal and professional	12.62	17.03
Payments to auditors (Refer Note below)	1.51	2.01
Security charges	16.52	13.60
Sundry Dr./Cr. Balance written off	0.18	0.24
Trading expenses	4.74	4.99
Selling and distribution expense	170.48	187.92
Miscellaneous expenses	26.88	21.70
	<b>704.63</b>	<b>736.53</b>



<b>Details of Audit Fess</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
(i) Payments to the auditors comprises:		
As auditors - statutory audit	0.80	0.80
For taxation matters	0.50	0.90
For company law matters	0.00	0.00
For management services	0.00	0.00
For other services	0.20	0.30
Reimbursement of expenses	0.01	0.01
	<b>1.51</b>	<b>2.01</b>

(₹ in lacs)

<b>25 : Finance cost</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Interest	110.37	128.73
Bank charges and other financial expenses	11.59	8.79
	<b>121.96</b>	<b>137.52</b>

(₹ in lacs)

<b>26 : Exceptional Items</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Profit on sale of Fixed Assets	-	10.29
	<b>0.00</b>	<b>10.29</b>



## ADDITIONAL INFORMATION

(₹ in lacs)

<b>27.1 : Contingent Liability and Commitments</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Contingent Liability		
a. Claims against the company not acknowledge as debt *	20.32	0.00
b. Guarantee given by bank on behalf of Company	0.00	0.00
Commitments		
a. Estimated amount of Capital contract remaining to be executed for tangible Assets	450.00	0.00
	<b>470.32</b>	<b>0.00</b>

\*Note: Enforcement Directorate vide provisional attachment order No. 01/2017/KZSZO(IN ECIR/KZSZO/4/2015) dated 15.03.2017 Issued directions for freezing Bank Accounts of the Company. The Company filed writ petition in the high court of Kerala and the Court vide order dated 12.05.2017 asked the company to furnish the bank guarantee equivalent to the amount lying in the frozen bank accounts. The company vide letter dated 23.05.2017 furnished the required bank guarantee of ₹20.33 Lacs in favour of Directorate of Enforcement, Kochi.

### 27.2 Details of dues to MICRO AND SMALL ENTERPRISES as defined under the MEMED Act., 2006

Pursuant to the Micro, Small and Medium Enterprise Development Act, 2006, the Company had asked for confirmation from its vendors regarding their status under the said Act. The Company is yet to receive verifiable confirmation from the vendors and hence the amounts unpaid as at the year end together with interest payable if any, under this Act have not been given.

(₹ in lacs)

<b>27.3 : Value of imports calculated on CIF basis</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Capital Goods	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

(₹ in lacs)

<b>27.4 : Expenditure in foreign Currency</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Travelling Expenses	6.40	0.35
	<b>6.40</b>	<b>0.35</b>

(₹ in lacs)

<b>27.5 : Imported and indigenous raw materials, components and spare parts consumed</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2016</b>
	%	`	%	`
Raw material- Indigenous	100.00	4,325.49	100.00	4,581.27
	<b>100.00</b>	<b>4,325.49</b>	<b>100.00</b>	<b>4,581.27</b>
Spare & Components				
Indigenous	86.00	85.42	86.32	92.33
Imported	14.00	13.90	13.68	14.63
	<b>100.00</b>	<b>99.32</b>	<b>100.00</b>	<b>106.96</b>



(₹ in lacs)

<b>27.6 : Earnings in foreign Exchange</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
FOB Value of Export Realised	1,151.33	1,275.92
	<b>1,151.33</b>	<b>1,275.92</b>

(₹ in lacs)

<b>27.7a : Gratuity and other post employment benefit plan</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
	<b>Gratuity</b>	<b>Gratuity</b>
Components of employer expense		
Current service cost	5.09	5.34
Interest cost	4.81	4.39
Actuarial losses/(gains)	4.11	9.15
<b>Total expense recognised in the Statement of Profit &amp; loss</b>	<b>14.01</b>	<b>18.88</b>

(₹ in lacs)

<b>27.7b : Net assets/liability recognized in the balance sheet</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
	<b>Gratuity</b>	<b>Gratuity</b>
Present value of defined benefit obligation	73.11	60.94
Fair value of plan assets	0.00	-
Unfunded liability	73.11	60.94
Unrecognised past service costs	0.00	-
<b>Unfunded liability recognised in the Balance Sheet</b>	<b>73.11</b>	<b>60.94</b>

(₹ in lacs)

<b>27.7c : Change in defined benefit obligation during the year</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
	<b>Gratuity</b>	<b>Gratuity</b>
Present value of DBO at beginning of the year	60.94	54.89
Current service cost	5.09	5.34
Interest cost	4.81	4.39
Benefits paid	1.84	12.83
Actuarial (gains) / losses	4.11	9.15
<b>Present value of DBO at the end of the year</b>	<b>73.11</b>	<b>60.94</b>

(₹ in lacs)

<b>27.7d : Actuarial assumption</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
	<b>Gratuity</b>	<b>Gratuity</b>
Discount rate	7.75% p.a.	8% p.a.
Expected return on plan assets	N.A.	N.A.
Salary escalation	5% p.a.	5% p.a.
Mortality tables	LIC (1994-96)	LIC (1994-96)
	<b>ultimate</b>	<b>ultimate</b>

1. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
2. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.



## 28: Related party disclosure

Description of relationship (As per AS18)	Names of related parties
Related Parties	Ms. Smita Patel
Key Management Personnel	Mr. Abhishek Patel
	Mr. Jagdish Dokwal
	Ms. Nidhi Shah
Non Executive/ Independent Directors	Mr. Arvind Nopany
	Ms. Sheela Ayyar
	Mr. Pranav Patel

(₹ in lacs)

	Ms. Smita Patel	Total
Rent Paid	3.00	3.00
	(0.70)	(0.70)
Loans/advance/deposits repayment during the year	-	4.45
		0.00
Investment in shares	-	0.00
	-	0.00
Remuneration to KMP		55.05
		(54.44)
Payment to Non Executive/ Independent Directors		0.65
		(0.55)
Loans and advances	-	0.00
		0.00

Note: Figures in bracket relates to the previous year

Remuneration to KMP includes remuneration to Ms. Nidhi Shah, Mr. Jagdish Dokwal and Mr. Abhishek Patel and payment to non Executive/Independent Directors includes Payment to Mr. Pranav Patel, Mr. Arvind Nopany and Ms. Sheela Ayyar.

(₹ in lacs)

29: Earning per share (EPS)	As at 31.03.2017	As at 31.03.2016
Continuing operations		
Net profit / (loss) for the year from continuing operations	239.49	175.22
Less: Preference dividend and tax thereon	0.00	0.00
<b>Net profit / (loss) for the year for calculation of basic EPS</b>	<b>239.49</b>	<b>175.22</b>
Net profit as above	239.49	175.22
Add: dividend on convertible preference shares and tax thereon	0.00	0.00
Add: interest on bonds convertible into equity shares	0.00	0.00
<b>Net profit / (loss) for the year for calculation of basic EPS</b>	<b>239.49</b>	<b>175.22</b>

## 30. Previous Years Figures have been regrouped/reclassified where-ever necessary to correspond with the current Years Classification/ Disclosure.

As Per Our Report Of Even Date  
**For Alladi Krishnan & Kumar**  
**Firm's Registration No. 100282W**  
 Chartered Accountants

**Ajit S Datar**  
**Partner**  
 Membership No. 036274  
 Place: Mumbai  
 Date: 30<sup>th</sup> May, 2017

### FOR AND ON BEHALF OF BOARD OF DIRECTORS

**MANAGING DIRECTOR**  
 Abhishek Patel  
 DIN 05183410

**CHIEF FINANCIAL OFFICER**  
 Jagdish Dokwal

**COMPANY SECRETARY**  
 Nidhi Shah  
 M. No. 34893

**DIRECTOR**  
 Sheela Ayyar  
 DIN 06656579



## FORM DPT 1

### CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING UNSECURED DEPOSITS

[Pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014 ]

### RISHI TECHTEX LIMITED

Registered Office: 612, Veena Killedar Industrial Estate,  
10-14 Pais Street, Byculla (West), Mumbai- 400011

Website: www.rishitechtextex.com Tel No. 022-23075677/23074585

Fax No. 022-23080022 CIN No. L28129MH1984PLC032008

- a) Date of incorporation of the company - **February 7, 1984**
- b) Business carried on by the company and its subsidiaries with the details of branches or units, if any;

**Nature of Business:** The Company is engaged in manufacture of HDPE/PP, Paper Laminated Bags and Shade nets.

**Units:** Village Kachigam, Taluka Daman, Union Territory of Daman And Diu.

The Company has **no subsidiaries**.

- c) Brief particulars of the management of the company;

**The Company is being managed by Managing Director under the superintendence, control and direction of the Board of Directors.**

- d) Names, addresses, DIN and occupations of the directors;

Name of Directors	Address of Directors	DIN	Occupation
Mr. Abhishek Patel	8- B, Suvas Apartment, 68F, Neapeansea Road, Mumbai- 400006	05183410	Business
Mr. Pranav J. Patel	Flat No. 1001-1002 Premium Tower II, Shalimar Township, A. B. Road, Indore 452001- Madhya Pradesh	00171387	Business
Mr. Arvindkumar Nopany	11-A, Nilamber-1, Sayed Vasam Road, Nr. Vasam Octori Naka, Baroda 390015	00148521	Business
Ms. Sheela Ayyar	B-704, Florentine Building, Hiranandani Gardens, Powai, Mumbai-400076	06656579	Business

- e) Management's perception of risk factors;

**Cost of Raw Material:** Volatility in the cost of raw materials due to instability of oil prices and fluctuation in exchange rate is leading variation in standard pricing.

**Interest Rate:** High Rate of Interest rate is adversely affecting the earnings of the Company.

- f) Details of default, including the amount involved, duration of default and present status, in repayment of –
- statutory dues - **Nil**
  - debentures and interest thereon - **Nil**
  - loan from any bank or financial institution and interest thereon - **Nil**



## PARTICULARS OF THE DEPOSIT SCHEME

- a. Date of passing of board resolution: **May 29, 2014**
- b. Date of passing of resolution in the general meeting authorizing the invitation of such deposits: **September 30, 2014**
- c. Type of deposits: **Unsecured**
- d. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder:
  - a. 10% of the aggregate of the paid up share capital and free reserves (Under Rule 3(1)(a)) – **209.32**  
Such Deposits are not repayable earlier than three months from the date of deposit or renewal
  - b. 25% of the aggregate of the paid-up share capital and free reserves (under Rule 3(3)) – **₹523.32 lacs**  
The aggregate of deposits actually held on the last day of the immediately preceding financial year – **₹50.00 lacs**  
The date of issue of the Circular or advertisement – ***The effective date of issue of circular will be the date of dispatch of the circular.***  
Amount of deposit proposed to be raised - 25% of the aggregate of the paid-up share capital and free reserves i.e. **₹523.32 lacs**  
Amount of deposit repayable within the next twelve months – **Rupees 10.00 lacs only**
- e. Terms of raising of deposits :  
Duration – **One to three years**  
Rate of interest – **12.5% (Subject to changes from time to time)**  
Mode of payment and repayment - **By Cheque or any other mode except Cash**
- f. Proposed time schedule mentioning the date of opening of the Scheme and the time period for which the circular or advertisement is valid - **The Scheme will be opened after filing the approved circular with ROC.**
- g. Reasons or objects of raising the deposits – **The monies received as deposits will be utilised for the operations of the Company.**
- h. Credit rating obtained; Name of the Credit Rating Agencies, Rating obtained, Meaning of the rating obtained, and Date on which rating was obtained – **Not Applicable being Unsecured Deposits from members.**
- i. Extent of deposit insurance; Name of the Insurance Company, terms of the insurance coverage, duration of coverage, extent of coverage, procedure for claim in case of default etc. – **Not yet availed, since not available.**
- j. Short particulars of the charge created or to be created for securing such deposits - **Not Applicable being Unsecured Deposits**
- k. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons - **Nil**



## DETAILS OF ANY OUTSTANDING DEPOSITS

- Amount Outstanding – **₹50.00 Lacs**
- Date of acceptance – **2<sup>nd</sup> March 2015 onwards**
- Total amount accepted – **₹50.00**
- Rate of interest – **12.5%**
- Total number of depositors – **8**
- Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved - **Nil**
- Any waiver by the depositors, of interest accrued on deposits. - **Nil**

## FINANCIAL POSITION OF THE COMPANY

- Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement;

(₹ in lacs)

Accounting Year	Profit Before Tax	Profit After Tax
Year ended 31.3.2015	132.17	132.17
Year ended 31.3.2016	193.51	175.22
Year ended 31.3.2017	285.21	239.49

- Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest paid)

(₹ in lacs)

Accounting Year	Dividend on Equity Shares
Year ended 31.3.2015	Nil
Year ended 31.3.2016	Nil
Year ended 31.3.2017	Nil

- A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement;

(₹ in Lacs)

	As at 31.3.2015	As at 31.3.2016	As at 31.3.2017
<b>Liabilities</b>			
Share Capital	552.20	579.80	708.70
Money received against share warrants	-	25.20	12.92
Reserves & Surplus	868.17	1062.71	1433.65
Secured Loans	930.07	769.94	747.52
Unsecured Loans	243.42	171.93	300.64
Current Liabilities & Provisions	1214.51	1272.70	1313.41
	<b>3808.37</b>	<b>3882.28</b>	<b>4431.05</b>
<b>Assets</b>			
Fixed Assets	1188.66	1183.54	1477.19
Investment	43.58	38.83	38.83
Deferred Tax Assets (Net)	-	18.71	30.99
Current Assets	2541.28	2606.35	2849.19
Loans & Advance	34.85	34.85	34.85
	<b>3808.37</b>	<b>3882.28</b>	<b>4431.05</b>



- d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement;

(₹ in lacs)

	As at 31.3.2015	As at 31.3.2016	As at 31.3.2017
Net profit before tax & extraordinary items	132.17	193.51	285.21
Adjustment for Depreciation, Int. and other items	285.52	273.17	250.67
<b>Operating profit before working capital change</b>	<b>417.69</b>	<b>466.68</b>	<b>535.88</b>
(a) Cash generated from operations	243.19	372.06	191.22
(b) Cash flow from Investing Activities	70.93	(125.78)	(422.36)
(c) Cash Flow from Financing Activities	(293.62)	(254.53)	246.81
<b>Net increase in cash &amp; Cash equivalents (a+b+c)</b>	<b>20.50</b>	<b>(8.25)</b>	<b>15.67</b>
Opening Balance cash & Cash equivalents	97.04	117.54	109.29
Closing Balance cash & Cash equivalents	117.54	109.29	124.96

- e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company - **No change in accounting policies in the last three years.**

#### DECLARATION BY THE DIRECTORS THAT-

- the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest there on;
- the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- the company has complied with the provisions of the Act and the rules made thereunder;
- the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- the deposits accepted by the company before the commencement of the Act have been repaid.
- In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;
- the deposits accepted by the company are unsecured and rank pari passu with other unsecured liabilities of the company.

The Circular is issued on the authority and in the name of Board of Directors of Rishi Techtex of the Company, the text thereof has been approved by the Board of Directors at its meeting held on May 30, 2017, a copy thereof, signed by Directors of the company has been filed with the Registrar of the Companies, Maharashtra.



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**RISHI TECHTEX LIMITED**  
CIN: L28129MH1984PLC032008

Registered Office: 612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (West),  
Mumbai - 400 011 (T) – 022-23075677/23074585 (F) – 022-23080022  
Email: info@rishitechtext.com Web: www.rishitechtext.com

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) :  
Registered address :  
E-Mail Id :  
Folio No/ Client Id :  
DP Id :

I/We, being the member(s) of .....shares of the above mentioned company, hereby appoint

1. Name :  
Address :  
E Mail Id :  
Signature : .....or failing him/her
2. Name :  
Address :  
E Mail Id :  
Signature : .....or failing him/her
3. Name :  
Address :  
E Mail Id :  
Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the Thirty Third Annual general meeting to be held on Wednesday, 20<sup>th</sup> September, 2017 at 10.30 a.m. at Killachand Conference Room, 2<sup>nd</sup> Floor, Indian Merchants' Chamber, Churchgate, Mumbai 400020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution For
	<b>ORDINARY BUSINESS</b>
1	Adoption of Accounts
2	To appoint a Director in place of Mr. Pranav Patel (DIN 00171387), who retires by rotation and being eligible offers himself for reappointment.
3	Appointment of Auditors and to fix their remuneration
	<b>SPECIAL BUSINESS</b>
4	To re-appoint Mr. Abhishek Patel as a Managing Director of the Company for a period of three years from 1 <sup>st</sup> April 2017 and to make the payment of remuneration.

Signed this .....day of .....2017

Signature of Shareholder.....

Signature of Proxy Holders(s) .....

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**RISHI TECHTEX LIMITED**  
**CIN: L28129MH1984PLC032008**

Registered Office: 612, Veena Killedar Industrial Estate, 10-14 Pais Street, Byculla (West),  
 Mumbai - 400 011 (T) – 022-23075677/23074585 (F) – 022-23080022  
 Email: info@rishitechtext.com Web: www.rishitechtext.com

**ATTENDANCE SLIP**

Regd. Folio.....

33<sup>rd</sup> Annual General Meeting

To be handed over at the entrance of the meeting venue.

.....  
 Name of the attending member (in block letters)

.....  
 Name of Proxy (in block letter) to be filled in by the proxy attending instead of the members.

No. of Shares held.....

I hereby record my presence at the 33<sup>rd</sup> Annual General Meeting at Killachand Conference Room, 2<sup>nd</sup> Floor, Indian Merchants' Chamber, Churchgate, Mumbai 400020, on 20<sup>th</sup> September, 2017 at 10.30 a.m.

Member's/Proxy's Signature

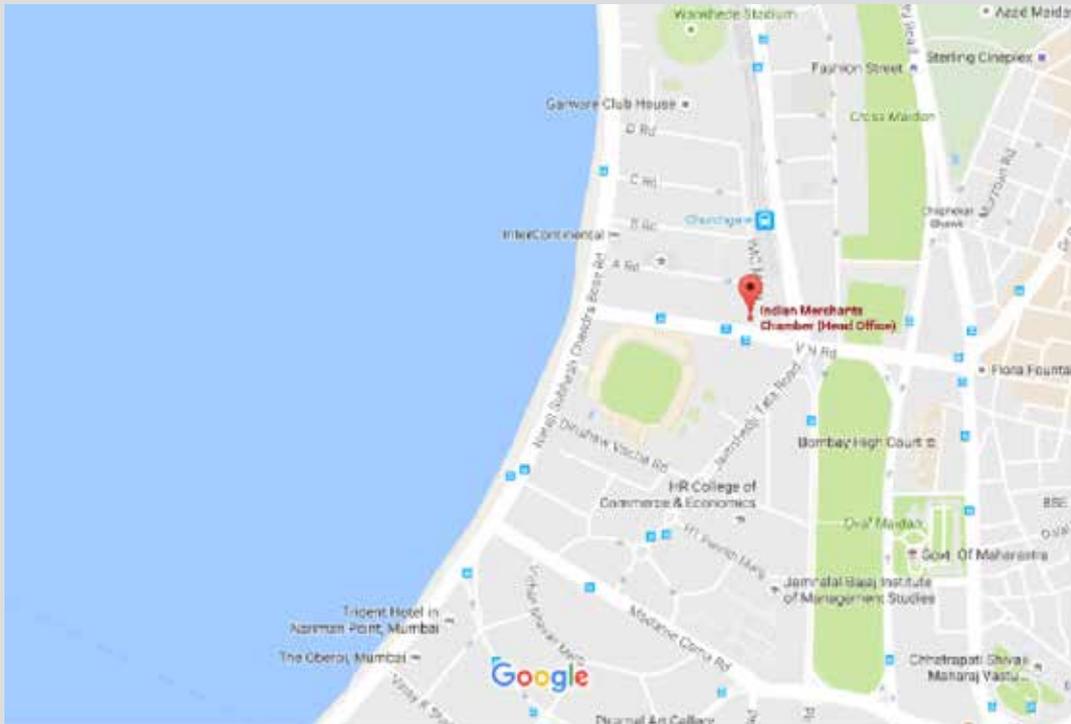
Notes:

1. Interested joint shareholders may obtain attendance slip from the Registered Office of the Company.
2. Shareholders/joint shareholders proxies are requested to bring the attendance slip with them.

Duplicate slip will not be issued at the entrance of the venue.



## Route map to AGM Venue



IMC Building  
Veer Nariman Road, Churchgate,  
Mumbai, Maharashtra 400020



### **UPDATION OF EMAIL ID**

Kindly ensure to update your fresh Email ID with the Company/Depository if you have Not changed the same

### **UPDATION OF PAN**

Kindly ensure to update your PAN with the Company/Depository.





**RISHI TECHTEX**

Rishi Techtex Limited

612, Veena Killedar Industrial Estate, 10/14, Pais Street,

Byculla (W), Mumbai - 400 011.

Tel. : 022-23074897 / 23074585 / 23075677

Fax : 022-23080022

E-mail : [info@rishitechtext.com](mailto:info@rishitechtext.com)

Web : [www.rishitechtext.com](http://www.rishitechtext.com)

