

# riba

## TEXTILES

27<sup>TH</sup> ANNUAL REPORT

2014-15

**RIBA TEXTILES LIMITED**  
**(L18101DL1989PLC034528)**

**DIRECTORS**

Mr. Amit Garg : Managing Director  
Mr. Ravinder Garg : Whole Time Director  
Mr. Nitin Garg : Whole Time Director  
Mr. Rakesh Handa : Director  
Mr. P.S. Paliwal : Director  
Mr. Randhir Singh : Director  
Mrs. Asha Garg : Director ( w.e.f. 30.09.2014)  
Mr. Hari Prasad Joshi: Director (w.e.f. 30.09.2014)

**AUDITORS**

MIDHA & KHURANA  
Chartered Accountants  
1053, Sector 13, Urban Estate,  
Karnal-132101

**REGISTRAR & SHARE TRANSFER AGENTS**

**M/S BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.**

3<sup>rd</sup> Floor, 99 Mandangir Behind Local Shopping Centre, Near Dada  
Harsukhdas Mandir, New Delhi -110062  
PH: 29961280,29961281, 29961282  
Fax: 29961284

**SECRETARIAL AUDITORS**

KJ & ASSOCIATES,  
Company Secretaries  
211A 2<sup>nd</sup> Floor, Triveni Complex,  
E-10-12, Jawahar Park,  
Laxmi Nagar,  
New Delhi- 110092

**BANKER**

State Bank of India  
Okhla Phase III,  
New Delhi.

**REGISTERED OFFICE**

DD-14 NEHRU ENCLAVE  
OPP. KALKA JI POST OFFICE  
NEW DELHI

**WORKS**

Village Chidana,  
Tehsil Gohana, Distt. Sonapat  
Haryana.

**AGM-2015**

DATE : 30<sup>th</sup> Sept 2015  
DAY : Wednesday  
TIME : 11.00 A.M.  
VENUE : DD-14, Nehru  
Enclave  
New Delhi

# Riba Textiles Limited

CIN: L18101DL1989PLC034528

**Registered Office:** DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi-110019

Email: company.affairs@ribatextiles.com, Website: www.ribatextiles.com

Tel No. : +91 11 26236986, Fax No.: +91 11 26465227

## **NOTICE**

NOTICE is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of Riba Rextiles Limited ("the Company") will be held on Wednesday the 30<sup>th</sup> September, 2015 at 11:00 AM at the registered office of the Company at DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi-110019 to transact the following Businesses:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March 2015 together with the Reports of the Board of Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Amit Garg (DIN: 00202171), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ravinder Garg (DIN: 00202164), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors 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 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) and re-enactment thereof for the time being in force), the appointment of M/s Midha & Khurana, Chartered Accountants, (Firm Registration No. 003903N) of Karnal, Haryana Statutory Auditors of the Company, for the financial year 2015-16 be and is hereby ratified at a remuneration to be fixed by the Board of Directors and/or any Committee thereof"

### **SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Asha Garg (DIN: 06987609), who was appointed as an Additional Director by the Board of Directors of Company w.e.f. 30<sup>th</sup> September, 2014 and in respect of whom the Company has received a Notice in writing from a member pursuant to the provisions of Section 160 of the Act signifying his intention to propose the candidature of Mrs. Asha Garg for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

**"RESOLVED THAT** pursuant Sections 149, 150, 152, and Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with the Rules made thereunder and in accordance with the Listing Agreement and the Articles of

Association of the Company, Mr. Hari Prasad Joshi (DIN:00898587), who was appointed as an Additional Director of the Company w.e.f. 30<sup>th</sup> September, 2014, and who has submitted a declaration that he meets the criteria of independence, as provided in Section 149(6) of the Act and Clause 49 of the Listing Agreement, and is qualified for being appointed as an Independent Director and in respect of whom a notice in writing under Section 160 of the Act has been received from a member proposing his candidature for the office of Independent Director, he and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years from 30<sup>th</sup> September, 2014.

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Amit Garg (DIN: 00202171) as Managing Director of the Company for a period of three years w.e.f. 1<sup>st</sup> January, 2015 at the following remuneration and other terms and conditions as considered and approved by the Nomination and Remuneration Committee of Directors and the Board of Directors of the Company :

**Salary**

Salary – Rs. 3,50,000/- per month (Three Lac Fifty Thousand only)

**RESOLVED FURTHER THAT** the Managing Director shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration as specified above :-

- Gratuity payable as per the Rules of the Company but not exceeding 15 days salary for each completed year of service,
- Encashment of leave at the end of the tenure as per rules of the Company
- Provident Fund will not be included in the computation of Salary to the extent the same are not taxable under the Income-Tax Act, 1961.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any year, during the tenure of his office, the remuneration as set out in the resolution, shall be paid and allowed to Mr. Amit Garg, as minimum remuneration.”

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to alter, vary and modify any of the terms and conditions of the said re-appointment/ remuneration including salary, allowances and perquisites in accordance with and subject to the limits prescribed in Section 196, 197 and/or Schedule V of the Companies Act, 2013 or any amendment or any statutory modifications or re-enactment thereof, subject to approvals, if any as may be required and as may be agreed between the Board of Directors and Mr. Amit Garg.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Ravinder Garg (DIN: 00202164) as Whole-time Director of the

Company for a period of three years w.e.f. 1st January, 2015 at the following remuneration and other terms and conditions as considered and approved by the Nomination and Remuneration Committee of Directors and the Board of Directors of the Company :

### **Salary**

Salary – Rs. 3,50,000/- per month (Three Lac Fifty Thousand only)

**RESOLVED FURTHER THAT** the Whole-time Director shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration as specified above:-

- Gratuity payable as per the Rules of the Company but not exceeding 15 days salary for each completed year of service,
- Encashment of leave at the end of the tenure as per rules of the Company
- Provident Fund will not be included in the computation of Salary to the extent the same are not taxable under the Income-Tax Act, 1961.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any year, during the tenure of his office, the remuneration as set out in the resolution, shall be paid and allowed to Mr. Ravinder Garg, as minimum remuneration.”

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to alter, vary and modify any of the terms and conditions of the said re-appointment/ remuneration including salary, allowances and perquisites in accordance with and subject to the limits prescribed in Section 196, 197 and/or Schedule V of the Companies Act, 2013 or any amendment or any statutory modifications or re-enactment thereof, subject to approvals, if any as may be required and as may be agreed between the Board of Directors and Mr. Ravinder Garg.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 196,197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Nitin Garg (DIN: 00202179) as Whole-time Director of the Company for a period of three years w.e.f. 1st January, 2015 at the following remuneration and other terms and conditions as considered and approved by the Nomination and Remuneration Committee of Directors and the Board of Directors of the Company :

### **Salary**

Salary – Rs. 3,50,000/- per month (Three Lac Fifty Thousand only)

**RESOLVED FURTHER THAT** the Whole-time Director shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration as specified above:-

- Gratuity payable as per the Rules of the Company but not exceeding 15 days salary for each completed year of service,
- Encashment of leave at the end of the tenure as per rules of the Company

- Provident Fund will not be included in the computation of Salary to the extent the same are not taxable under the Income-Tax Act, 1961.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any year, during the tenure of his office, the remuneration as set out in the resolution, shall be paid and allowed to Mr. Nitin Garg, as minimum remuneration.”

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to alter, vary and modify any of the terms and conditions of the said re-appointment/ remuneration including salary, allowances and perquisites in accordance with and subject to the limits prescribed in Section 196, 197 and/or Schedule V of the Companies Act, 2013 or any amendment or any statutory modifications or re-enactment thereof, subject to approvals, if any as may be required and as may be agreed between the Board of Directors and Mr. Nitin Garg.”

By order of the Board of Directors  
For **Riba Textiles Limited**

**Place : Panipat**  
**Date :11.08.2015**

**Ravinder Garg**  
**Chairman & Whole-time Director**  
**DIN: 00202164**

**Notes:**

1. Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting are annexed hereto.
2. Members are requested to bring their copy of Annual Report to the Meeting.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy in Form MGT-11 annexed hereto, in order to be effective, should reach the registered office of the Company duly completed and signed, not less than 48 hours before the commencement time of the meeting. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than ten percent of the total paid up share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the company provided that such person shall not act as a proxy for any other person. Proxies submitted on behalf of the Companies, Societies, etc must be supported by an appropriate resolution / authority as applicable.
4. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
5. All alterations made in the Form of Proxy should be duly initialed.
6. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
7. Particulars of directors proposed to be appointed/re-appointed, as required under clause 49 of the listing agreement is annexed hereto as Annexure A.
8. Relevant documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company at DD-14, Nehru Enclave, Opp. Kalka Ji, Post Office, New Delhi-110019, on all working days except Sundays during business hours up to the date of the Meeting.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from 26<sup>th</sup> September, 2015 to 30<sup>th</sup> September 2015 (both days inclusive).
10. Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting. Members who hold shares in physical form are requested to bring their folio numbers for easy identification of attendance at the meeting.
11. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
12. Members are requested to notify immediately change in their address, if any, to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Registrars of the Company i.e. M/S Beetal Financial & Computer Services (P) Ltd. 3rd Floor, 99 Mandangir Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi -110062 PH: 29961280,29961281, 29961282, Fax: 29961284, in case of their shareholding in physical form, by mentioning their folio nos. etc..

13. SEBI vide its Circular No. MRD/Dop/Cir-05/2009 dated 20th May 2009 has made it mandatory to submit PAN for registration of physical share transfer requests. Members holding shares in electronic form are, therefore, requested to submit a copy of their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents Beetal Financial & Computer Services (P) Ltd.
14. Members seeking further information about the Accounts/Working of the Company are requested to write to the Company at its registered office, at least 7 days in advance of the meeting, to enable the Directors to keep the information ready. They may also email their queries at [company.affairs@ribatextiles.com](mailto:company.affairs@ribatextiles.com).
15. The Company has already joined the Depository System and the ISIN for the equity shares of the Company is INE811H01017. Members holding shares in physical mode are requested to convert their holdings into Dematerialized mode, for easy transferability of shares.
16. Non-Resident Indian Members are requested to inform M/S Beetal Financial & Computer Services (P) Ltd immediately of any change in their residential status on return to India for permanent settlement.
17. Shareholders are requested to fill-in and sign the attendance slip and hand it over at the entrance of the venue of the meeting.
18. Members holding shares in identical order of names in more than one folio, are requested to write to the Company enclosing their share certificates to consolidate their holdings in one folio.
19. Members are advised to make nomination in respect of their shareholding. Shareholders desirous of making nominations are requested to send their request to the Registrar and Transfer Agent, M/S Beetal Financial & Computer Services (P) Ltd.
20. To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, members are requested to register their e-mail addresses with M/S Beetal Financial & Computer Services (P) Ltd if shares are held in physical mode or with their DP, if the holding is in electronic mode. In case a member holding shares in Dematerialized mode, want to obtain the copy of Annual Report in physical mode, he is requested to request the Company or R&TA in writing, for the same.
21. In terms of and 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and clause 35B of the Listing Agreement, the Company is providing its members the facility to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting. The remote E-voting is optional and members shall have the option to vote either through remote e-voting or in person at the Annual General Meeting through ballot or polling paper.

Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 23<sup>rd</sup> September, 2015.

A person, whose name is recorded in the register of member or in the register of beneficial owner maintained by the depositories as on cut-off date i.e. 23<sup>rd</sup> September, 2015 only shall be entitled to avail the facility of remote e-voting/ voting through ballot or polling paper at the Meeting.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **Sunday, September, 27, 2015 and 10.00A.M. and ends on Tuesday, September, 29, 2015 and 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, 23, 2015**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date may also attend the meeting but would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<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 the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on address level.</li><li>In case 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 sequence number 1 then enter RA00000001 in the PAN field</li></ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the **Riba Textiles Limited** on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (i) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. **September, 23, 2015** may follow the same instructions as mentioned above for e-Voting.
- (ii) 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)

The Board of Directors of the Company has appointed Mr. R K Midha, Partner of Midha & Khurana, Chartered Accountants, having address at 1053, Sector 13, Urban Estate, Karnal 132101, Auditors of the Company as Scrutinizer to scrutinize the poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper or Polling Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and 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 shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.ribatextiles.com](http://www.ribatextiles.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**

##### **ITEM NO. 5**

Pursuant to the provisions of section 149 of the Companies Act, 2013, the Company is required to appoint a woman Director on the Board of the Company. Accordingly on the recommendations of Nomination and Remuneration Committee of the Board, Board of Directors of the Company, at their meeting held on 30<sup>th</sup> September, 2014 appointed of Mrs. Asha Garg, additional woman Director of the Company.

The Company has received a Notice in writing under the provisions of Section 160 of the Act from a member along with deposit of Rs. 1,00,000/- proposing the candidature of Mrs. Asha Garg for the office of Director liable to retire by rotation.

Mrs. Asha Garg has given her consent in terms of the provisions of the Act.

Mrs. Asha Garg aged about 70 years, has to her credit experience of more than four decades in the field of business and administration. She is wife of Mr. Ravinder Garg, the Chairman and Whole-time Director of the Company and mother of Mr. Amit Garg, Managing Director and Mr. Nitin Garg, Whole-time Director of the Company.

Your Board considers that the Company will immensely benefit from Mrs. Asha Garg's maturity, experience, knowledge and counsel.

The resolution contained in Item no. 5 of the accompanying Notice, is recommended by the Board, for approval for appointment of Smt. Asha Garg.

Mrs. Asha Garg herself and Mr. Ravinder Garg the Chairman & Whole-time Director, Mr. Amit Garg Managing Director and Mr. Nitin Garg, Whole-time Director being her relative are concerned or interested in this resolution, to the extent of their shareholding or otherwise. None of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the ordinary resolution set out at Item No. 5 of the Notice.

The Board recommends this resolution for your approval.

## **ITEM NO. 6**

The Board of Directors of the Company in their meeting held on 30.09.2014, on the recommendations of the Nomination and Remuneration Committee, appointed Mr. Hari Prasad Joshi (DIN:00898587) as an Non Executive Independent Director of the Company for a term of 5 years w.e.f. 30<sup>th</sup> September, 2014. The Company has received a notice in writing from a member along with the deposit of requisite amount prescribed under Section 160 of the Act proposing the candidature of Mr. Joshi for the office of the Independent Director of the Company.

Mr. Hari Prasad Joshi has confirmed that he is not disqualified under Section 164 of the Act and has given his consent to act as Director of the Company. The Company has received declarations from Mr. Joshi that he meets the criteria of independence, as prescribed under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Joshi fulfill the Condition for his appointment as Independent Director as specified in the Act and the Listing Agreement, he is independent of the management and possess appropriate skills, experience and knowledge.

Brief profile of Mr. Joshi is given annexure to the notice. He does not hold any shares in the Company in his own name or in the name of other person on beneficial basis.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company to appoint Mr. Hari Prasad Joshi as an Independent Director of the Company.

Copy of the letter of appointment of Mr. Hari Prasad Joshi as an Independent Director, setting out the terms and conditions of appointment is available for inspection by members at the registered office of the Company.

Save and except Mr. Hari Prasad Joshi none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

## **ITEM NO. 7**

In terms of the Sections 196, 197 and 203, the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V and all other applicable provisions of the Act and clause 49 of the Listing Agreement and subject to the approval of Members, the Board of Directors, in their meeting held on 29<sup>th</sup> December, 2014, on the recommendation of the nomination and remuneration committee re-appointed Mr. Amit Garg (DIN: 00202071) as Managing Director of the Company for the period of 3 years w.e.f. 01.01.2015, at the remuneration recommended by the Nomination & Remuneration Committee. It is proposed to seek the member's approval for the reappointment of and remuneration payable to Mr. Amit Garg as Managing Director of the Company in terms of applicable provisions of the Act and Rules there under. The additional information as per Schedule V of the Companies Act, 2013 with respect to the Company and the Appointee is given in Annexure B to this notice.

The Board recommends passing of the Special Resolution mentioned at sl. No. 7 of the Notice, relating to appointment of Mr. Amit Garg as Managing Director.

Mr. Amit Garg himself, Mr. Nitin Garg, Mr. Ravinder Garg and Mrs. Asha Garg being his relatives may be deemed to be concerned or interested in the Resolution, none of the other Directors or Key Management Personnel of the Company or their relatives is interested or concerned whether financially or otherwise in the resolution set out at Item No. 7 of the Notice of AGM.

## **ITEM NO. 8**

In terms of the Sections 196, 197 and 203, the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V and all other applicable provisions of the Act and clause 49 of the Listing agreement and subject to the approval of Members, the Board of Directors, in their meeting held on 29<sup>th</sup> December, 2014, on the recommendation of the nomination and remuneration committee re-appointed Mr. Ravinder Garg (DIN: 00202164) as Whole-time Director of the Company for the period of 3 years w.e.f. 01.01.2015, at the remuneration recommended by the Nomination & Remuneration Committee. It is proposed to seek the member's approval for the reappointment and remuneration payable to Mr. Ravinder Garg as Whole-time Director of the Company in terms of applicable provisions of the Act and Rules there under. The additional information as per Schedule V of the Companies Act, 2013 with respect to the Company and the Appointee is given in Annexure B to this notice.

The Board recommends passing of the Special Resolution mentioned at sl. No. 8 of the Notice, relating to appointment of Mr. Ravinder Garg as Whole-time Director.

Mr. Ravinder Garg himself, Mr. Nitin Garg, Mr. Amit Garg and Mrs. Asha Garg being his relatives may be deemed to be concerned or interested in the Resolution, none of the other Directors or Key Management Personnel of the Company or their relatives is interested or concerned whether financially or otherwise in the resolution set out at Item No. 8 of the Notice of AGM.

## **ITEM NO. 9**

In terms of the Sections 196, 197 and 203, the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V and all other applicable provisions of the Act and clause 49 of the Listing agreement and subject to the approval of Members, the Board of Directors, in their meeting held on 29<sup>th</sup> December, 2014, on the recommendation of the nomination and remuneration committee re-appointed Mr. Nitin Garg (DIN: 00202179) as Whole-time Director of the Company for the period of 3 years w.e.f. 01.01.2015, at the remuneration recommended by the Nomination & Remuneration Committee. It is proposed to seek the member's approval for the reappointment and remuneration payable to Mr. Nitin Garg as Whole-time Director of the Company in terms of applicable provisions of the Act and Rules there under. The additional information as per Schedule V of the Companies Act, 2013 with respect to the Company and the Appointee is given in Annexure B to this notice.

The Board recommends passing of the Special Resolution mentioned at sl. No. 9 of the Notice, relating to appointment of Mr. Nitin Garg as Whole-time Director.

Mr. Nitin Garg himself, Mr. Ravinder Garg, Mr. Amit Garg and Mrs. Asha Garg being his relatives may be deemed to be concerned or interested in the Resolution, none of the other Directors or Key Management Personnel of the Company or their relatives is interested or concerned whether financially or otherwise in the resolution set out at Item No. 9 of the Notice of AGM.

By order of the Board of Directors  
For **Riba Textiles Limited**

**Place : Panipat**  
**Date :11.08.2015**

**Ravinder Garg**  
**Chairman & Whole-time Director**  
**DIN: 00202164**

**ANNEXURE A TO THE NOTICE**

**DISCLOSURE PURSUANT TO THE PROVISIONS OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE, THE INFORMATION REQUIRED TO BE GIVEN, IN CASE OF THE APPOINTMENT/REAPPOINTMENT OF THE DIRECTORS IS AS FOLLOWS:**

Director's Name	Mr. Amit Garg	Mr. Ravinder Garg	Mr. Nitin Garg	Mrs. Asha Garg	Mr. Hari Prasad Joshi
Date of Birth	30.08.1966	02.09.1943	07.07.1971	04.07.1945	30.07.1962
Date of Appointment on the Board	01.12.1994	13.03.1989	01.12.1994	30.09.2014	30.09.2014
Qualifications	MBA from Melbourne University Australia	Bachelor of Art	B. Com. Diploma in Marketing	Master Degree of Art	B. COM Chartered Accountant and Company Secretary
Name of other Companies in which he holds Directorships	None	<ul style="list-style-type: none"> <li>Ravi Promoters Pvt. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Ravi Promoters Pvt. Ltd</li> </ul>	None	<ul style="list-style-type: none"> <li>Innovative Power Engineering Private Limited</li> </ul>
Name of the committees of Companies in which he holds memberships	None	<b>Riba Textiles Ltd.</b> <ul style="list-style-type: none"> <li>Stakeholders' Relationship Committee</li> </ul>	<b>Riba Textiles Ltd</b> <ul style="list-style-type: none"> <li>Risk Management Committee</li> </ul>	None	None
Shareholding in the Company	992400 Equity Shares	553952 Equity Shares	817953 Equity Shares	1690721 Equity Shares	Nil

By order of the Board of Directors  
For **Riba Textiles Limited**

**Place : Panipat**  
**Date :11.08.2015**

**Ravinder Garg**  
**Chairman & Whole-time Director**  
**DIN: 00202164**

## ANNEXURE B TO THIS NOTICE

**The additional information as per Schedule V of the Companies Act, 2013 with respect to the Company and the Appointee**

### I. General Information:

- i. **Nature of Industry:** Textiles
- ii. **Date or expected date of commencement of commercial production:** The Company started Commercial production in 1989
- iii. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A.
- iv. **Financial performance based on given indicators:**

(Rs. in Lacs)		
Particulars	2014-15	2013-14
Revenue from Operation	11695.22	9315.50
Other Income	198.93	9.74
<u>Gross Receipts</u>	<u>11894.15</u>	<u>9325.24</u>
<u>Profit before Depreciation, Interest and Tax</u>	<u>680.59</u>	<u>496.33</u>
Depreciation	286.63	182.57
Interest	294.28	215.40
<u>Profit before Tax</u>	<u>99.68</u>	<u>98.36</u>
Provision for Taxation (Including last year tax paid )	37.03	20.17
<u>Profit after Tax</u>	<u>62.65</u>	<u>78.19</u>
Add: Profit brought forward from previous year	1764.66	1686.47
Balance transferred to Balance Sheet	1827.31	1764.66

- v. **Foreign investments or collaborators, if any:** The Company has no Foreign Direct Investment or Foreign Collaboration with any party.

### II. Information about the Appointee:

#### A. Mr. Amit Garg-Managing Director

#### i. Background Details:

The brief profile of Mr. Amit Garg, has been attached as Annexure, forming part of this notice.

#### ii. Past Remuneration:

2013 - 2014 : Rs. 8,40,000  
2014 - 2015 : Rs. 19,50,000

#### iii. Recognition or Awards: NIL.

**iv. Job Profile and his Suitability:**

Mr. Amit Garg aged about 49 years has been associated with the Company as a promoter director since 1994, he is an MBA from Melbourne University Australia. He has been looking after the management and administration of the Company since last eleven years. In order to have the benefits of his experience, acumen, wisdom, maturity, connection and long association the Board of Directors is of the opinion that for smooth and efficient running of the business, Mr. Amit Garg is most suitable for the position of the Managing Director.

**v. Remuneration Proposed:**

The remuneration proposed is detailed in the resolution.

**vi. Comparative remuneration Profile with respect to Industry, Size of the Company, Profile of the position and person:**

Considering the qualification, experience of Mr. Amit Garg and responsibility being shouldered and industry benchmark, the proposed remuneration is inline and commensurate with the remuneration being drawn by key managerial personnel of companies of similar size.

**vii. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Mr. Amit Garg belongs to promoter group and holds 992400 equity shares of the Company. Further part of the registered office of the Company is situated in premise owned by Mr. Amit Garg, for which monthly rental is Rs. 50,000/-. He has no other pecuniary relationship with the Company. Mr. Amit Garg is son of Mr. Ravinder Garg, the Whole-time Director and Mrs. Asha Garg, Director and brother of Mr. Nitin Garg, Whole-time Director of the Company.

**B. Mr. Ravinder Garg –Whole-time Director**

**i. Background Details:**

The brief profile of Mr. Ravinder Garg, has been attached as Annexure, forming part of this notice.

**ii. Past Remuneration:**

2013 - 2014 :	Rs. 8,40,000
2014 – 2015 :	Rs. 19,50,000

**iii. Recognition or Awards: NIL.**

**iv. Job Profile and his Suitability:**

Mr. Ravinder Garg aged about 72 years has been associated with the Company as a promoter director since 13.03.1989 and has been instrumental and the guiding force behind the success of the Company and bring the Company to the present level. He has excellent grasp and thorough knowledge and experience of Textile Industry. In order to have the benefits of his experience, acumen, wisdom, maturity, connections and long association the Board of Directors is of the opinion that for smooth and efficient running of the business, Mr. Ravinder Garg is the most suitable for the position of Whole-time Director.

**v. Remuneration Proposed:**

The remuneration proposed is detailed in the resolution.

**vi. Comparative remuneration Profile with respect to Industry, Size of the Company, Profile of the position and person:**

Considering the qualification, experience of Mr. Ravinder Garg and responsibility being shouldered and industry benchmark, the proposed remuneration is inline and commensurate with the remuneration drawn by key managerial personnel of companies of similar size.

**vii. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Mr. Ravinder Garg belongs to promoter group and holds 553952 equity shares of the Company. Further administrative office of the Company is situated in premise owned by Mr. Ravinder Garg, for which monthly rental is Rs. 12,500/-. He has no other pecuniary relationship with the Company. Mr. Ravinder Garg is husband of Mrs. Asha Garg, and father of Mr. Nitin Garg and Mr. Amit Garg.

**C. Mr. Nitin Garg –Whole-time Director**

**i. Background Details:**

The brief profile of Mr. Nitin Garg, has been attached as Annexure, forming part of this notice.

**ii. Past Remuneration:**

2013 - 2014 :	Rs. 8,40,000
2014 – 2015 :	Rs. 19,50,000

**iii. Recognition or Awards: NIL.**

**iv. Job Profile and his Suitability:**

Mr. Nitin Garg aged about 44 years is a Bachelor of Commerce and has been associated with the Company as a promoter director since 01.12.1994 and has been looking after the sales and marketing functions of the Company. He has in depth knowledge of the different domestic and export markets for the products of the Company. Under his able marketing guidance and strategies the Company has been able to achieve new heights in the turnover of the Company. In order to have the benefits of his experience, acumen, wisdom, maturity, connections and long association the Board of Directors is of the opinion that services of Mr. Nitin Garg as Whole-time Director is required to be continued for the continued growth in the market and turnover.

**v. Remuneration Proposed:**

The remuneration proposed is detailed in the resolution.

**vi. Comparative remuneration Profile with respect to Industry, Size of the Company, Profile of the position and person:**

Considering the qualification, experience of Mr. Nitin Garg and responsibility being shouldered and industry benchmark, the proposed remuneration is inline and commensurate with the remuneration drawn by key managerial personnel of companies of similar size.

**vii. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Mr. Nitin Garg belongs to promoter group and holds 817953 equity shares of the Company. Further the registered office of the Company is situated in premise owned by Mr. Nitin Garg, for which monthly rental is Rs. 50,000/-. He has no other pecuniary relationship with the Company. Mr. Nitin Garg is son of Mr. Ravinder Garg, the Whole-time Director and Mrs. Asha Garg, Director and brother of Mr. Amit Garg, Whole-time Director of the Company.

**III. OTHER INFORMATION:**

**i. Reasons of loss or inadequate profits:**

The Company is earning profits; however significant portion of the Company's Turnover comprises overseas export sales, where margins are impacted by exchange fluctuations as well as global business dynamics. Further changes in customer demand also contribute to lower margins. These consequently result in inadequate profit.

**ii. Steps taken or proposed to be taken for improvement:**

The Company is consistently engaged in development of new and improved product and in search of the new market these will result in the higher productivity, turnover and margins.

**iii. Expected increase in productivity and profit in measurable terms:**

Considering the nature of business of the Company it is not possible to ascertain and quantify the expected increase in profits in measurable terms at this stage. However Company expects fair growth in total income and profitability.

**IV. DISCLOSURES:**

The details required to be given under this head is disclosed in Corporate Governance Report of the Company which forms part of Annual Report 2014-15.

By order of the Board of Directors  
For **Riba Textiles Limited**

**Place : Panipat**  
**Date :11.08.2015**

**Ravinder Garg**  
**Chairman & Whole-time Director**  
**DIN: 00202164**

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholder,

Your Directors have pleasure in presenting the 27th Annual Report and the audited financial statements of your company for the year ended 31st March, 2015.

### FINANCIAL HIGHLIGHTS:

Particulars	Rs. In Lacs	
	2014-15	2013-14
Revenue from Operation	11695.22	9315.50
Other Income	198.93	9.74
<u>Gross Receipts</u>	<u>11894.15</u>	<u>9325.24</u>
<u>Profit before Depreciation, Interest and Tax</u>	<u>680.59</u>	<u>496.33</u>
Depreciation	286.63	182.57
Interest	294.28	215.40
<u>Profit before Tax</u>	<u>99.68</u>	<u>98.36</u>
Provision for Taxation (Including last year tax paid )	37.03	20.17
<u>Profit after Tax</u>	<u>62.65</u>	<u>78.19</u>
Add: Profit brought forward from previous year	1764.66	1686.47
Balance transferred to Balance Sheet	1827.31	1764.66

### OVERVIEW AND STATE OF THE COMPANY'S AFFAIRS:

During the year under review, your company has achieved revenue from operation of Rs. 11894.15 lacs as compared to Rs. 9315.50 lacs in the previous financial year registering a growth of approximately 28%. The company has earned a net profit of Rs. 62.65 lacs as against net profit of Rs. 78.19 lacs in the previous financial year.

### DIVIDEND

Keeping in view the improvement and upgradation in the existing manufacturing facilities, modernization & other future investment possibilities in order to meet competition, to smoothen the liquidity position, your director have decided not to recommend any dividend for the year under review and plough back profits to be utilized for financing of aforesaid modernization expenses of the company.

### SHARE CAPITAL

The paid up Share Capital of the Company as on 31<sup>st</sup> March, 2015 was Rs. 9,65,28,700 (Rs. Nine Crore sixty five lac twenty eight thousand seven hundred only). During the year under review, the Company has neither issued any shares nor granted stock options nor sweat equity. As on 31<sup>st</sup> March, 2015, the Company had no outstanding convertible instruments.

### RESERVE

No amount has been transferred to any of the reserve during the year under review and profits are being retained in the profit and loss account.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of Directors of the Company had appointed Mr. Rakesh Handa (DIN02816392), Mr. Prem Singh Paliwal (02816392) and Mr. Randhir Singh (DIN06939267) as Independent Directors under the Companies Act, 2013 for a term of five years which was also approved by the members in the Annual General Meeting held on 22nd September, 2015. Mr. Hari Prasad Joshi was appointed as Independent Director of the Company by the Board of Directors on 30.09.2014.

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 and Clause 49 of the Listing Agreement.

Mr. Vinod Kumar ceased to be Director of the Company w.e.f. 28.07.2014, ceased to be Director of the due to resignation.

Mrs. Asha Garg (DIN 06987609) was appointed as a promoter woman Director of the Company w.e.f. 30.09.2014.

Mr. Ravinder Garg (DIN No. 00202164), Whole-time Director, Mr. Amit Garg (DIN No. 00202171), Managing Director and Mr. Nitin Garg (DIN No. 00202179) are the Key Managerial Personnel of the Company.

## **NUMBER OF BOARD MEETING**

The Board of Directors met 10 (Ten) times during the year, the details of which are provided in the Corporate Governance Report.

## **BOARD LEVEL PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors has carried annual performance evaluation of Board, Independent Directors, Non Executive Directors, Executive Directors, and Committee. The Nomination and Remuneration Committee approved the evaluation framework and during the year, the first evaluation cycle was completed by the Company.

The evaluation framework focused on various aspects of the Board and Committees such as review, timely information from management etc. Also, the performance of individual directors was divided into Executive, Non Executive and Independent Directors and based on the parameters such as contribution, attendance, decision making, action oriented, external knowledge etc.

Board members were requested to evaluate Independent Directors, Non executive Directors, Executive Directors, Committee and Chairman of the Board. The results of evaluation were shared with the Board of Directors.

Independent Directors evaluated performance of non-independent directors in a separate meeting.

## **COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

Nomination and Remuneration Committee constituted under section 178 and clause 49 of the Listing Agreement identifies persons of integrity and probity, possessing relevant expertise, experience, leadership qualities, qualification, independence and other attributes required for the position of directors and recommend their appointment.

Remuneration policy in the Company is designed to create a high performance culture and ascertain that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Managerial Personnel and other employees of the quality, required to run the Company successfully. The remuneration to Directors, Key Managerial Personnel and Senior Managerial Personnel & other employees will be by way of fixed pay as per current policy of the Company and as per the provisions of Companies Act, 2013 and rules made there under.

**AUDIT COMMITTEE**

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

**CORPORATE SOCIAL RESPONSIBILITY**

None of the criterion mentioned in section 135 of the Act relating to Corporate Social Responsibility applied to the Company during the financial year.

**PARTICULARS OF EMPLOYEES**

During the year under report none of the employee of the Company had no employee employed for the whole or the part of the year and was in receipt of remuneration prescribed under rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**PARTICULARS PURSUANT TO SECTION 197(12) AND THE RETEVANT RULES**

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are as follows:

- i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year 2014-15:

Sl No.	Name	Nature of Directorship	Ratio
1	Mr. Ravinder Garg	Chairmn & Whole-time Director	9.56:1
2	Mr. Amit Garg	Managing Director	9.56:1
3	Mr. Nitin Garg	Whole-time Director	9.56:1

- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year:

Sl No.	Name	Nature of Directorship	% Increase
1	Mr. Ravinder Garg	Chairmn & Whole-time Director	250%
2	Mr. Amit Garg	Managing Director	250%
3	Mr. Nitin Garg	Whole-time Director	250%

**Note:** For this purpose, Sitting Fess paid to directors has not been considered as remuneration.

- (iii) The percentage increase in the median remuneration of employees in the financial year: 15.65%.
- (iv) The number of permanent employees on the rolls of Company: 187 as on 31<sup>st</sup> March, 2015.

- (v) The explanation on the relationship between average increase in remuneration and Company performance:

The Turnover for the financial year ended 31st March, 2015 increased by 25.55 % whereas the increase in median remuneration was 15.65%. The average increase in median remuneration was in line with industry benchmark and performance of the Company.

- (vi) comparison of the remuneration of the key managerial personnel against the performance of the Company:

The Turnover for the financial year ended 31st March, 2015 increased by 25.55% whereas the increase in remuneration of Key Managerial Personnel was 250%. The increase in remuneration was in line with industry benchmark and performance of the Company

- (vii) variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	As on 31 <sup>st</sup> March, 2015	As on 31 <sup>st</sup> March, 2014	%
Closing Market Price	15.45	33.85	(-) 54.36
Market Capitalization	1491.36 Lacs	3267.50 Lacs	(-) 54.36
P/E Ratio	23.77	41.79	

- (viii) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The Company has not made any public offer after initial public offer.

- (ix) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was 15.65% and its comparison with the percentile increase in the managerial remuneration was 250% and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

It's due to managerial remuneration was very low in previous years in comparison to employees.

- (x) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

Same as mentioned in Para (vi) above.

- (xi) The key parameters for any variable component of remuneration availed by the Directors: There was no variable component paid to the Managing Director.

- (xii) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:

There was no employee who received remuneration in excess of directors.

- (xiii) Affirmation that the remuneration is as per the Remuneration Policy of the Company: Yes

### **INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no material weakness was observed by the internal auditor of the Company.

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

The particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are annexed herewith marked as **Annexure I** to this Report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The details of the transactions with Related Parties to be provided in Form AOC-2 are annexed herewith as **Annexure-II**. Members can refer to Note to the Financial Statements which set out related party disclosures. There are no material transactions with any related party as defined under Section 188 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014. All related party transactions have been approved by the Audit Committee of your Company.

The policy on Related Party Transactions as approved by the Audit Committee and the Board is available on your Company's website.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, the Company has not made any loans, guarantees and investments which are governed by the provisions of section 186 of the Companies Act, 2013.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion Analysis as stipulated under clause 49 of the Listing Agreement with the Stock Exchange(s) forms part of the Annual Report and are referred to As **Annexure III**.

## **CORPORATE GOVERNANCE REPORT**

Corporate Governance Report as stipulated under clause 49 of the Listing Agreement with the Stock Exchange(s) forms part of the Annual Report and are referred to As **Annexure IV**.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

As stipulated in Section 134(3)(c) of the Companies Act, 2013 "the Act", your Directors subscribe to the "Directors' Responsibility Statement" and confirm that:

- a) in the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanations relating to material departures;
- b) the accounting policies selected have been applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2015 and of the profit of your company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your company for preventing and detecting fraud and other irregularities;
- d) the annual accounts of your Company have been prepared on a going concern basis;
- e) your Company had laid down internal financial controls and that such internal financial controls are adequate and were operating effectively;
- f) your Company has devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **EXTRACT OF ANNUAL RETURN**

Extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure-V** to this Report.

## **WHISTLE BLOWER POLICY**

The Company has a Whistle Blower Policy, including vigil mechanism to report genuine concerns of grievances, providing direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases. The Whistle Blower Policy has been posted on the website of the Company.

## **FIXED DEPOSITS**

During the year under review your Company has not accepted any fixed deposits and there were no unclaimed deposit or interest thereon as on 31<sup>st</sup> March, 2015.

## **HUMAN RESOURCES**

Your Company firmly believes that people are its most valuable asset and it is ensuring that all the HR systems, processes and practices are helping people both personally and professionally. Currently, your Company is managing a pool of 187 people across all the locations.

## **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**

There has been no material changes and commitments, 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

## **THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

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

## **INFORMATION ABOUT SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

No Company became or ceased to be subsidiary, joint venture or associate company during the year under review.

## **RISK MANAGEMENT**

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

## **DETAILS OF NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL IN TERMS OF SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

No case of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was filed.

## **SECRETARIAL AUDIT**

M/s. KJ & Associates, Company Secretaries in Practice, have been appointed by the Company as Secretarial Auditor to undertake Secretarial Audit of the Company, pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, The Secretarial Audit Report is annexed herewith as

**Annexure-VI.**

As regards auditors observation regarding in the Secretarial Audit Report, necessary compliance is being made by the Company.

**AUDITORS**

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, Midha & Khurana, Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the twenty sixth annual general meeting (AGM) of the Company held on till the conclusion of the twenty ninth AGM to be held in the year 2017, subject to ratification of their appointment at every AGM.

**AUDITORS' REPORT**

The auditors' report does not contain any qualifications, reservations or adverse remarks.

**COST AUDITORS**

The Cost Audit Report for the financial year 2013-14 in XBRL format was submitted within due date on 29<sup>th</sup> September, 2014.

As per the provisions of section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 framed thereunder and the Cost Audit Orders issued from time to time, Cost Audit was not applicable to the Company for the financial year 2014-15.

**ACKNOWLEDGEMENTS**

The directors thank the Company's employees, customers, vendors, investors and academic institutions for their continuous support.

The directors also thank the government of various countries, government of India, the governments of various states in India and concerned government departments / agencies for their co-operation.

The directors appreciate and value the contributions made by every member of the Company.

For and on behalf of the Board of Directors  
**Riba Textiles Limited**

**Ravinder Garg**  
**Chairman and whole-**  
**time Director**  
**DIN 00202164**

Place : Panipat  
Date : 11.08.2015

## ANNEXURE TO THE DIRECTORS' REPORT 2014-15

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under the Companies (Disclosure of Particulars in the Board of Directors' Report) Rules, 1988.

### **1. CONSERVATION OF ENERGY**

#### **(A) Energy Conservation Measures Taken:**

- Drivers Installed on all our stable load inflow covering various machines to reduce electricity consumption.
- Voltage stabilizers installed of "POWER" make 1500kva covering entire factory load to improve efficiency and conserve energy.
- New 1500kgs soft flow machines installed and another 50 kgs machines induced to reduce energy and electricity consumption.
- New energy efficient machine under installation to reduce energy requirement in dyeing of towels.
- The factory building has been constructed in such a manner to allow natural lighting.

#### **(B) Additional Investment and Proposals, 'if any', being implemented for reduction in consumption of energy:**

- 24 new air jets looms being installed to increase production with minimum energy requirement per kg of production.
- The Company is continuously installing electronic devices to improve quality of power and reduction of energy consumption.
- Continuing with energy conservation measures on above lines.
- UPS 400 KVA include battery being installed to improve efficiency and conserve energy.

#### **(C) Impact of above measures:**

The adoption of energy conservation measures have resulted in savings and increased level of awareness amongst the employees. The energy conservation measures have also resulted in improvement of power factor, consequential tariff benefits.

#### **(D) Total energy consumption and energy consumption per unit of production –**

The above information is furnished in the prescribed Form-A Annexed hereto.

### **2. TECHNOLOGY ABSORPTION**

Efforts made in technology absorption are furnished in the prescribed Form- B Annexed hereto.

### **3. FOREIGN EXCHANGE EARNINGS AND OUTGO.**

- A. Activity relating to export initiatives taken to increase exports, development of new export markets for products and services and export plans.

The efforts are on to enter into new markets of the Middle East, Europe, Africa and the US.

The Company has been successful to some extent in increasing the export of Towels to those countries.

B. Details of Foreign Exchange, earnings and Outgoing are given as below:-

	<b>Current Year</b> <b>2014-15</b>	(Amount in Lacs) <b>Previous Year</b> <b>2013-14</b>
Foreign Exchange earnings	10585.26	8178.22
Foreign Exchange outgoing	246.10	148.89

**FORM - A**

Disclosure of particulars with respect to conservation of energy								
					2014-15	2013-14		
A)	Power & Fuel Consumption:							
	1	Electricity						
		a.	Purchased					
			Unit: ('000 KWH)			8388419	7553515	
			Total Amount(Rs. In lacs)			598.11	460.78	
			Rate / per unit(KWH)			7.1	6.1	
		b.	Own Generation					
			(i)	Through diesel generator				
			Unit: ('000 KWH)			396800	169244	
			Total Amount(Rs. In lacs)			66.07	23.73	
			Rate / per unit(KWH)			16.65	14.02	
			(ii)	Through steam turbine/generator			-	-
	2	Coal						
			Quantatiy: (MT)			2302.49	2300.032	
			Total Amount(Rs. In lacs)			168.25	167.5	
			Rate / per MT			7307.17	7282.40	
	3	Furnace Oil, LSHS & L.D. Oil			-	-		
	4	Others / Internal Generation			-	-		
B)	Consumption per unit of Production:							
	1	Electricity (purchased & generation)						
		Yarn processing kwh/kg :			2.52	2.52		
		Towel kwh/kg :			2.43	2.43		
	2	Coal						
		Yarn processing kwh/kg :			2.52	2.52		
		Towels kwh/kg :			2.43	2.43		
	3	Furnace oil, LSHS & L.D Oil			-	-		
	4	Others			-	-		
The consumption of electricity depends upon the product mix used and the nature of the product manufactured. Thus the above indicates an average consumption per unit of production.								

**Annexure I**

**Form – B**

**Disclosure of particulars with respect to technology absorption etc.:**

**Research and Development (R&D)**

**1. Specific Areas in which R&D has been**

-Product Research is carried out by the Company on an ongoing basis.

**2. Benefits derived as a result of the above R&D**

-Produced various and lots of different products & improved product quality.

**3. Future plan of action**

-To provide variety of improved quality products to the customers.

**4. Expenditure on R & D**

- Not identified separately

**Technology absorption, adaptation & innovation**

**A. Efforts in brief made towards technology absorption, adaptation and innovation:**

1. Two soft flow dyeing machine 1500 kg & 50 kg installed for increase the capacity of dyeing.
2. Thermax made Vam (Vapour absorption heat pump) installed for controlling temperature of weaving shed to achieve better utilization.
3. Imported cutting machine (set of hemstitch machine) installed for increasing the capacity of cutting production.
4. Imported stitching machine from peagasus sewing machine is installed for increase the capacity of stitching.
5. Harish – 3 chamber pin clip type HPT air stenter is installed for the increase the capacity in one width without cutting the cloth vertically.
6. Boiler 7.5 ton is installed for the alternative use when bigger Boiler not in production.
7. “POWER” make automatic voltage controller trf capacity 1500KVA is installed for improving the supply of Power in terms of constant voltage.
8. Cooling Tower is installed for increase the capacity of Vam for proper control of temperature in weaving department.

**B. Impact of above measures:**

- Energy Saving
- Increase in Market Share
- New Customers Developed
- New Product Developed

## FORM NO. AOC- 2

## Particulars of Contracts/ Arrangements with Related Parties

[Pursuant to section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

**Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto :**

## 1. Details of contracts or arrangements or transactions not at arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advance s, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
<b>No contracts or arrangements or transactions has been entered by the Company which are not at arm's length basis:</b>								

## 2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
<b>1</b>	Mr. Ravinder Garg, Chairman and Whole-time Director	Leasing of property Administrative Office	One Year	Monthly Rent 12,500/-	It was approved by the Board of Directors of the Company in their meeting held on 13.08.2014 and by the Shareholders on 10.02.2014.	NIL
<b>2</b>	Mr. Amit Garg, Managing Director	Leasing of property registered Office	One Year	Monthly Rent 50,000/-	It was approved by the Board of Directors of the Company in their meeting held on 13.08.2014 and by the Shareholders on 10.02.2014.	NIL
<b>3</b>	Mr. Amit Garg, Whole-time Director	Leasing of property registered Office	One Year	Monthly Rent 50,000/-	It was approved by the Board of Directors of the Company in their meeting held on 13.08.2014 and by the Shareholders on 10.02.2014.	NIL

For and on behalf of the Board of Directors  
**Riba Textiles Limited**

**Ravinder Garg**  
**Chairman and whole-time**  
**Director**  
**DIN 00202164**

Place : Panipat  
Date : 11.08.2015

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**MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

The management discussion and analysis presents the industry Overview, opportunities and Threats, Initiatives by the Company and overall strategy of Riba Textiles Limited becoming a market driven producer/exporter of various innovative models and ranges of Textiles products. The company is very optimistic of capturing a substantial share of Export market in the midst of the threats faced due to the liberalization and increased competition from well established companies from abroad.

**1. Industry Structure and Development:**

India is the one of the world's largest producers of textiles and garments. Abundant availability of raw materials such as cotton, wool, silk and jute as well as skilled workforce have made the country a sourcing hub. It is the world's second largest producer of textiles and garments. The Indian textiles industry accounts for about 24% of the world's spindle capacity and eight per cent of global rotor capacity. The potential size of the Indian textiles and apparel industry is expected to reach US\$ 223 billion by 2021.

The textiles industry has made a major contribution to the national economy in terms of direct and indirect employment earnings. The sector contributes about 14% to industrial production, 4% to the gross domestic product (GDP), and 27% to the country's foreign exchange inflows. It provides direct employment to over 45 million people. The textiles sector is the second largest provide of employment after agriculture. Thus the growth and all round development of this industry has direct bearings of the improvement of India's economy.

India has overtaken Italy, Germany and Bangladesh to emerge as the world's second largest textile exporter. India's share in Global Textiles increased by 17.5% in 2013 compared to 2012. Textiles exports from India will touch US\$ 300 billion by the year 2024-25.

In 2012, apparel had a share of 69 percent of the overall market; textiles contributed the remaining 31 percent.

Terry towel industry is the only industry with limited effect in recessionary time. The Indian terry towel industry is one of largest in the world, contributing significantly to the growth of the national economy in terms of production, revenue, exports and employment. India has become the larger player in this segment i.e. specially in Terry Towel Markets.

Moreover, the global elimination of quotas at the end of 2004 has greatly enhanced the opportunities for sourcing from India. Therefore, the orders position of the company has improved. Normally, Growth Rate is 1 to 2 percent in this segment across the world. But, India has the maximum Growth in this segment. The Textiles Industry in India provides direct employment to about 38 million people and indirect employment to about 55 millions. It is also the highest net foreign earner and accounts for nearly 30% of the country's exports of Textiles.

Your company is the exporter of terry towels. To reduce any specific country risk your company operates across the globe. Since your company has a lot of seasonal products such as Beach Towel, Bath Robes & Bathmat etc. your company operates half of the year in U.S, Europe etc. Then shift to the opposite season market such as Australia, South Africa, Latin America etc. for balance six months. These steps also help your company to reduce any particular country risk. Your company mostly works with large chain store and 100% of our payment is on L/C based or Documents on site basis. Your company is more flexible company in design capabilities.

**2. Opportunities and threats Opportunities**

- i) With the closure of many textiles mills in USA and Europe due to strict pollution control regulations, the demand is likely to increase substantially.
- ii) With the lifting of quota regime as per WTO agreement the exports of the company have increased. The expansion project of 49 crore is under implementation to be completed by October 2016.
- iii) The company is having maximum overseas customers at present.

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**Threats**

With the lifting of quota, the competition has increased from China and other towel exporting countries.

**3. Initiatives taken by the Company**

The company has under taken expansion program to double the existing 3500 MT capacity to 7000 HT annually with a cost of app. 42 crore which will be completed by October 2016.

**4. Financial Performance**

During the year under review your company had achieved a turnover of Rs. 107.02 Crores against the last year turnover of Rs. 85.28 Your Company has earned a net profit of Rs. 99.68 Lacs as against a profit of Rs.98.36 Lacs during the last year. In view of improving financial results and positive outlook of the near future, your directors are hopeful that in current year better financial results would follow.

**5. Risks and concerns**

With the dismantling of quota regime, China is also entering in the terry towels segment, which would increase the competition in the International market. However your company is exporting high value dyed yarn jacquard terry towels which are not likely to be affected in the near future.

**6. Internal Control Systems and their adequacy**

The company has a proper and adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

There is an Internal Audit Committee with clearly laid down powers and responsibilities that are entrusted to them to ensure that the Internal Audit Department works independently. This department maintains various manuals which contain various controls and checklists that are to be carried out before execution of any activity.

Internal checks are exercised so that the various procedures are laid at the time of delegation of authorities and other procedures are strictly followed. The delegation clearly indicates the powers along with the monetary limits, wherever necessary, that can be exercised by various levels of Managers in the Company.

Similarly, the Company has well defined manuals for all the functional areas, viz., Production, Sales, Administration, Personnel, etc. These manuals contain elaborate procedures and checklist for the related activities. Necessary controls and checks are exercised by strictly adhering to the various procedures and checklist prescribed in the Manuals. Also these are updated from time to time on ongoing basis, keeping in view the latest developments in different areas.

Proper controls and checks are exercised by the company by following the procedures prescribed in the various manuals.

**7. Material Developments in Human Resources/ industrial relations front, including number of people employed**

The company believes that employees are the real strength of organization. Employee involvement continued to receive the focus it deserves. The Company has identified Human Resources Development as a major strategic initiative since it believes that people's contribution will be the main engine for growth. Current efforts include building skills, attracting and retaining talent and nurturing and developing leadership potential.

Industrial relations during the year remained cordial and initiative were taken to enhance productivity of employees. The company is gearing itself to take on the challenges in the business environment and march towards achieving its mission with success. At present company is employing man power of around 400 peoples including technical, non technical, managerial and non- managerial, casual and contract labour.

## **8. Cautionary Statement**

The Management Discussion and Analysis statement of the Annual Report has been included in adherence of the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India. Statement in the Management Discussion and Analysis describing the Company's objectives, projects, 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 of the Company's operation include economic conditions affecting demand.

For and on behalf of the Board of Directors  
**Riba Textiles Limited**

**Ravinder Garg**  
**Chairman and whole-**  
**time Director**  
**DIN 00202164**

Place : Panipat  
Date : 11.08.2015

**CORPORATE GOVERNANCE REPORT**

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

**1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :**

Good Corporate Governance is an integral part of the Company's Management and business philosophy. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in enhancing confidence of its various stakeholders thereby paving the way for its long term success.

**2. Board of Directors**

The Composition of the Board of Directors is in consonance with the clause 49 of the Listing Agreement and the Companies Act, 2013. As on 31<sup>st</sup> March, 2015 the Board of Directors comprises of Three Executive Promoter Directors, One Promoter Woman Director and four Non-Executive Independent Directors.

None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2015 have been made by the directors. The composition of the Board of Directors is as under:

Sr No.	Name	Category	Designation	No. of Other Directorships Held	Total No. of Chairmanships / Memberships of Committees #	No. of Board Meetings attended during the year/No. of Board Meeting held during their tenure	Attendance at last AGM	Shareholding (as on 31 <sup>st</sup> March 2015)	
1	Mr. Ravinder Garg	Promoter Executive Director	Chairman & Whole-time Director	1	-	-	10/10	Yes	553952
2	Mr. Amit Garg	Promoter Executive Director	Managing Director	-	-	-	10/10	Yes	992400
3	Mr. Nitin Garg	Promoter Executive Director	Whole-time Director	1	-	-	10/10	Yes	817953
4	Mr. Rakesh Handa	Non-Executive, Independent Director		-	-	-	10/10	Yes	-
5	Mr. P.S. Paliwal	Non-Executive, Independent Director		-	-	-	10/10	Yes	-
6	Mr. Vinod Kumar (resigned w.e.f. 28.07.2015)	Non-Executive, Independent Director		-	-	-	3/3		-

7	Mr. Randhir Singh (appointed w.e.f.11.08.2014)	Non- Executive Independent Director		-	-	-	6/6	Yes	-
8	Mrs. Asha Garg (appointed w.e.f. 30.09.2014)	Non – Executive Promoter Woman Director			-	-	5/5		1690721
9	Mr. Hari Prasad Joshi (appointed w.e.f. 30.09.2014)	Non- Executive Independent Director					3/4		

# In accordance with Clause 49, Memberships/Chairmanships of only Audit Committees and Stakeholders Relationship Committees in all public limited companies whether listed or not (excluding Riba Textiles Limited) have been considered.

### Independent Directors

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Agreement has been issued and terms and conditions of their appointment are disclosed on the website of the Company. During the year under review, the Independent Directors met separately on 13<sup>th</sup> February, 2015.

### Board/Shareholders' Meetings

During the financial year under review, ten Board Meetings were held on 24<sup>th</sup> May, 2014, 30<sup>th</sup> May, 2014, 24<sup>th</sup> June, 2014, 28<sup>th</sup> July, 2014, 12<sup>th</sup> August, 2014, 30<sup>th</sup> September, 2014, 11<sup>th</sup> November, 2014, 26<sup>th</sup> December 2014, 29<sup>th</sup> December, 2014, 13<sup>th</sup> February, 2015. The maximum time-gap between any two consecutive meetings did not exceed one hundred and twenty days. The last Annual General Meeting (AGM) was held on Tuesday, 22<sup>nd</sup> September, 2014.

### Board Procedure

All material information is placed before the Board with a view to enable it to discharge efficiently its responsibilities in formulating the strategies and policies for the growth of the Company. The Agenda and other relevant papers are circulated prior to the scheduled dates of the meetings. The day-to-day affairs of the Company are managed by the Managing Director and two Whole-time Directors subject to the supervision and control of the Board of Directors. Opinions and advice of the Independent Directors are considered valuable guidance. For specific matters, the various Committees of the Directors deliberate in detail, analyze situations, information and form views & advise the Board on decision making & follow up actions as may be considered appropriate.

### Code of Conduct

The Company has laid down a Code of Conduct for all Board Members and senior management of the Company. The Code of Conduct is available on the website of the Company [www.ribatextiles.com](http://www.ribatextiles.com). The Code has been circulated to all the members of the Board and senior management and they have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is attached to the Annual Report.

### 3. COMMITTEES OF THE BOARD OF DIRECTORS

The Company has four Board level Committees:

- (a) Audit Committee
- (b) Stakeholders Relationship Committee
- (c) Nomination & Remuneration Committee
- (d) Risk Management Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms and reference for members of various committees. The minutes of all the Committee meetings are placed before the Board and noted by the Directors present at the meetings. The role and composition of the Committees including the number of meeting(s) held and the related attendance during financial year 2014-15 are as follows:

#### (a) Audit Committee

Composition of the Audit Committee meets the criteria as prescribed by law. The Committee comprises of three Directors, all being Non-Executive & Independent and all directors were financially literate and meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. It met four times during the financial year 2014-15 on 30<sup>th</sup> May, 2014, 12<sup>th</sup> August, 2014, 11<sup>th</sup> November, 2014 & 13<sup>th</sup> February, 2015. The attendance of the Audit Committee Members was as under:

Name	Category	No. of Meetings Attended
Mr. Prem Singh Paliwal	Chairman	4/4
Mr. Rakesh Handa	Member	4/4
Mr. Vinod Kumar (Ceased w.e.f. 28.07.2014)	Member	1/1
Mr. Randhir Singh (appointed w.e.f. 12.08.2014)	Member	2/2

Head of the Accounts Department, Statutory Auditors/ Internal Auditors attended the meetings of Audit Committee.

#### ROLE/ TERMS OF REFERENCE OF AUDIT COMMITTEE

In terms of Section 177(4) of the Companies Act, 2013, and Clause 49 (III)(D) and SEBI guidelines, the Role / Terms of Reference of Audit Committee are as under:

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Examination of the financial statements and the auditors' report thereon,
3. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company including filling of casual vacancy

4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
6. Reviewing, with the management, the quarterly and Annual financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Monitoring the end use of funds raised through public offers and related matters.
9. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
10. Approval or any subsequent modification of transactions of the Company with related parties;  
Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. To review the functioning of the Whistle Blower mechanism;
20. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;

21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Board has established a vigil mechanism and framed a policy under the name **“Whistle Blower Policy”** for its Directors and employees to report genuine concerns or frauds and no personnel has been denied access to the Audit Committee. The policy is uploaded on the website of the Company [www.ribatextiles.com](http://www.ribatextiles.com) where full information is provided.

**(b) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee of the Company looks into matters relating to supervision of the redressal of shareholders'/Investors' Complaints and oversee the performance of the Registrars and Share Transfer Agents and recommend measures for overall improvement of the quality of investor services.

Stakeholders Relationship Committee, consisting of following Directors, met four times on 30<sup>th</sup> May, 2014, 12<sup>th</sup> August, 2014, 11<sup>th</sup> November, 2014 & 13<sup>th</sup> February, 2015. The attendance of the Members of Stakeholders Relationship Committee was as under:

Name	Category	No. of Meetings Attended
Mr. Prem Singh Paliwal	Chairman	4/4
Mr. Rakesh Handa	Member	4/4
Mr. Vinod Kumar (Ceased w.e.f. 28.07.2014)	Member	1/1
Mr. Randhir Singh (appointed w.e.f. 12.08.2014)	Member	2/2
Mr. Ravinder Garg	Member	4/4

Mr Amit Garg Managing Director is Compliance Officer of the Company. No Complaints have been received by the Company during the financial year.

**(c) Nomination and Remuneration Committee**

Nomination and Remuneration Committee of the Board of Directors recommends/reviews the remuneration package of Managing Director & Whole-time Directors. The Nomination and Remuneration Committee comprises of three Directors, all being Independent Director. It met four times during the year i.e. on 30<sup>th</sup> Sep, 2014, 11<sup>th</sup> November, 2014, 29<sup>th</sup> December, 2014 and 13<sup>th</sup> February, 2015. The attendance of the Remuneration Committee Member was as under:

Name	Category	No. of Meetings Attended
Mr. Prem Singh Paliwal	Chairman	4/4
Mr. Rakesh Handa	Member	4/4
Mr. Randhir Singh (appointed w.e.f. 12.08.2014)	Member	4/4

**ROLE/ TERMS OF REFERENCE OF NOMINATION & REMUNERATION COMMITTEE**

In terms of Clause 49 (IV)(B) of the Listing Agreement, the Role / Terms of Reference of Nomination & Remuneration Committee as approved by the Board of Directors are redefined as under:

1. Formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulate the criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Committee would ensure that:

- a) The level and composition of remuneration is responsible and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to the directors, Key Managerial Personnel and Senior management involves a balance between fixed and incentives pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

**Directors' Remuneration**

The details of remuneration paid/payable to the Directors during the year were as under:

Sl No.	Name	Gross Remuneration (Rs.)			Sitting Fee (Rs.)	Number of share held	Convertible Instrument Held
		Salary	Perquisites	Total			
1	Shri Ravinder Garg- Chairman & Whole-time Director	19,50,000	-	-	-	-	-
2	Shri Amit Garg - Managing Director	19,50,000	-	-	-	-	-
3	Shri Nitin Garg - Whole-time Director	19,50,000	-	-	-	-	-
4	Shri Rakesh Handa	-	-	-	-	-	-
5	Shri P.S. Paliwal	-	-	-	-	-	-
6	Shri Vinod Kumar (resigned w.e.f. 28.07.2015)	-	-	-	-	-	-
7	Shri Randhir Singh	-	-	-	-	-	-
8	Smt. Asha Garg	-	-	-	-	-	-
9	Mr. Hari Prasad Joshi	-	-	-	-	-	-

- Managing Director and Whole-time Directors (WTD) have been appointed for fixed period on the approved remuneration. As per service rules of the Company, either party is entitled to terminate the appointment by giving not less than three months' notice in writing to the other party. There is no severance fee.

#### (d) Risk Management Committee

The Company has constituted a Risk Management Committee to take timely preventive action to minimize the risk in terms of the Clause 49 (VI) of the Listing Agreement with the Stock Exchange. Risk Management Committee met three times on 11<sup>th</sup> November, 2014, 29<sup>th</sup> December, 2014, & 13<sup>th</sup> February, 2015. The Committee comprises the following members and their attendance was as follows:

Name	Category	No. of Meetings Attended
Mr. Ravinder Garg	Chairman	3/3
Mr. Nitin Garg	Member	3/3
Mr. Amit Garg	Member	3/3

#### 4. GENERAL BODY MEETINGS

**Details of last three Annual General Meetings were:**

Nature of Meeting	Date and Time	Venue
Twenty Fourth Annual General Meeting	September 29, 2012 At 11.00 A.M.	DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi – 110019
Twenty Fifth Annual General Meeting	September 30, 2013 At 11.00 A.M.	DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi – 110019
Twenty Sixth Annual General Meeting	September 22, 2014 At 11.00 A.M.	DD-14, Nehru Enclave, Opp. Kalka Ji Post Office, New Delhi – 110019

No resolution has been passed by Postal Ballot in last three years.

#### 5. DISCLOSURES

- (i) There are no materially significant transactions with the related parties' viz. Promoters, Directors or the management, their subsidiaries or relatives conflicting with Company's interest. Suitable disclosures as required by the Accounting Standards (AS18) have been made in the Annual Report.
- (ii) There were no penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- (iii) **Code of Conduct:** The Company has framed a code of conduct for the members of the Board of Directors and Senior Management Personnel of the Company. The said code of conduct is available on the website of the Company. The declaration by Mr. Amit Garg, Managing Director of the Company regarding compliance by the Board members and Senior Management Personnel, with the said code of conduct is given as Annexure to this report. In addition to this a separate code of conduct for dealing in equity shares and other securities conferring voting rights in the Company is also in place and has been complied with.

- (iv) The Company has generally complied with mandatory requirement of clause 49 of the Listing Agreement. A declaration to this effect, duly signed by the Managing Director is annexed and forming part of the Annual report.
- (v) Certificate from the Statutory Auditors confirming compliance with conditions of Corporate Governance as stipulated in clause 49 of the listing agreement, is annexed to this report.

## 6. Means of Communication

- The Company communicates with the shareholders at large through its Annual report and publication of financial results.
- The Board of Directors of the Company approves and takes on record the Un-audited financial results in the Performa prescribed by the stock exchanges within 45 days of the close of the quarter and the results are announced to all the stock exchanges where the shares of the company are listed. Further the highlights of the quarterly results in the prescribed Performa are published in the leading newspapers namely Financial Express and Veer Arjun.
- The Management Discussion and Analysis (MD&A) is a part of the annual report being sent to the shareholders.

## 7. GENERAL SHAREHOLDER'S INFORMATION

### a) Annual General Meeting

Date and Time : **30<sup>TH</sup> September, 2015 at 11.00 A.M.**

Venue : DD-14, Nehru Enclave, Opp. Kalka Ji Post  
Office, New Delhi – 110019.

### b) Financial Calendar: 2015-2016 (Tentative)

The Company follows financial year of April to March.

Financial reporting for

- |                                       |   |                       |
|---------------------------------------|---|-----------------------|
| - Quarter ending June 30, 2015        | : | Upto 14 August, 2015  |
| - Half year ending September 30, 2015 | : | Upto 14 November 2015 |
| - Quarter ending December 31, 2015    | : | Upto 14 February 2016 |
| - Year ending March 31, 2016          | : | Upto 30 May 2016      |

c) **Date of Book Closure/Record Date** : **26.09.15 to 30.09.15**  
(Both days inclusive)

d) **Registered Office** : DD-14, Nehru Enclave,  
Opp. Kalka Ji Post Office,  
New Delhi – 110019.

e) **Dividend Payment Date** : Not Applicable as the  
Board has not proposed  
Any dividend

- f) **Listing of Equity Shares on Stock Exchanges** : BSE Limited, Mumbai

Listing Fees for the Mumbai Stock Exchange has been paid as per the Listing Agreements.

- g) **Stock Code**  
-BSE Limited, Mumbai : 531952

- h) **Demat ISIN Numbers in NSDL & CDSL** :

Company ISIN Number in NSDL & CSNL for Demat of Equity Shares is INE811H01017. As on 31st March, 2015, total 98.13% (i.e. 94,72,293/- Equity Shares) of the total equity share capital were held in dematerialised form.

- i) **Registrar & Share Transfer Agents**

The Company has appointed a common Registrar and Share Transfer Agent for share transfer, transmission, dematerialisation and other requests pertaining to their shares. Their contact details are as follows:

**M/s BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.**

3<sup>rd</sup> Floor, 99 Madangir Behind Local Shopping Center,  
Near Dada Harsukhdas Mandir, New Delhi – 110 062

PH: 29961281, 29961282

Fax: 29961284.

Email: [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com), [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

- j) **Monthly high & low of the shares in the last financial year:**

Market Price of the Equity Shares of ₹ 10/- each of the Company on BSE are as under:

Month	Highest	Lowest	No. of Trades
April 2014	29.60	27.00	103
May 2014	26.90	24.70	50
June 2014	27.85	26.90	24
July 2014	30.95	28.50	90
August 2014	27.50	25.00	45
September 2014	24.15	21.30	158
October 2014	23.85	20.75	42
November 2014	23.95	21.40	137
December 2014	21.55	18.85	121
January 2015	21.00	18.15	279
February 2015	18.25	15.50	48
March 2015	16.60	15.85	20

- k) **Distribution of Shareholding** and Shareholding pattern

**Shareholding Pattern**

Shareholding pattern as on **31.3.2015** is given below

Category	No. of Shares	%
Promoters	5749197	59.56
Financial Institutions	00.00	00.00
Body Corporate	2010279	20.83
Indian Public	1603006	16.61
NRI's	290388	03.00

**Distribution of Shareholding as on 31.3.2015 is given below**

<b>Share Holding of Nominal Value of</b>	<b>No. of Shareholders</b>	<b>Share Amount</b>
Up to 5000	605	821990
5001-10000	120	997850
10001-20000	73	1213730
20001-30000	37	976950
30001-40000	10	355160
40001-50000	21	988610
50001-100000	29	2082210
100001 and above	70	89092200
<b>Total</b>	<b>965</b>	<b>96528700</b>

**m) Liquidity**

Shares of Riba Textiles limited are listed on the Mumbai.

**n) Dematerialization of Shares**

Company Shares are eligible for dematerialization.

**o) Outstanding GDRs/ADRs/Warrants or any other convertible instruments**

Company does not have any GDRs/ADRs/Warrants or any other Convertible Instruments.

**p) Plant Location**

RIBA TEXTILES LTD. VILLAGE CHIDANA, THESIL GOHANA, DIST.SONEPAT HARYANA

**q) Registered Office**

Riba Textiles Limited  
DD-14, Nehru Enclave,  
Opp. Kalkaji Post Office, New Delhi – 110 019.  
PH: +91 11 26213012, 26236986  
**Fax: + 91 11-26465227**  
Email: [riba@ribatextiles.com](mailto:riba@ribatextiles.com)

For and on behalf of the Board of Directors  
**Riba Textiles Limited**

**Ravinder Garg**  
**Chairman and whole-**  
**time Director**  
**DIN 00202164**

Place : Panipat  
Date : 11.08.2015

**Annexure to the Corporate Governance Report**

**Declaration of compliance of Code of Conduct**

1. The Code of Conduct has been laid down for all the Board members and Senior Management and other employees of the Company.
2. The Code of conduct has been posted on website of the Company.
3. The Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2014-15.

**Place: Panipat**  
**Date: 11 August' 2015**

**Amit Garg**  
**Managing Director**  
**DIN No. 00202171**

**CERTIFICATE PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT**

**To  
The Board of Directors  
Riba Textiles Limited**

We the undersigned hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the Financial Year 2014-15 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2014-15 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (c) we have indicated to the auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) that there were no significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
  - (iii) that there was no instance of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Rajnish Mittal  
Chief Financial Officer**

**Amit Garg  
Managing  
Director  
DIN 00202171**

**Place: PANIPAT  
Date: 11<sup>th</sup> August' 2015**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of RIBA TEXTILES LIMITED.

We have examined the compliance of conditions of corporate governance by M/s. RIBA TEXTILES LIMITED. For the year ended on 31.03.2015, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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

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

We state that no grievance(s) is pending against the company as per the records maintained by the Company.

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

For MIDHA & KHURANA  
Chartered Accountants

Sd/-  
R.K.MIDHA (Partner)  
ICAI Firm Registration No. 003903N  
11August 2015  
1053, SECTOR-13,U.E,KARNAL

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2015**

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

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>		
1	CIN	L18101DL1989PLC034528
2	Registration Date	01/04/1989
3	Name of the Company	RIBA TEXTILES LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares
		Indian Non Government Company
5	Address of the Registered office & contact details	DD-14, Nehru Enclave Opp. Kalkaji Post Office New Delhi - 110 019 Email: company.affairs@ribatextiles.com, Tel No. : +91 11 26236986, Fax No.: +91 11 26465227
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD. 3rd Floor, 99 Madangir Behind Local Shopping Center, Near Dada Harsukhdas Mandir, New Delhi – 110 062 PH: 29961281, 29961282 Fax: 29961284. Email: beetal@beetalfinancial.com, beetalrta@gmail.com

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

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Terry Towel	131	100
2			
3			

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

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	None				
2					
3					

#### IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

[illegible]

h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1,741,662	4,900	1,746,562	18.09%	2005379	4900	2,010,279	20.83%	15.10%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	362,020	183,877	545,897	5.66%	465551	175677	641,228	6.64%	17.46%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1,265,159	-	1,265,159	13.11%	912583	0	912,583	9.45%	-27.87%
c) Others (specify) HUF	48,181		48,181	0.50%	48,983	-	48,983	0.51%	1.66%
Non Resident Indians	340,283	-	340,283	3.53%	290,388	-	290,388	3.01%	-14.66%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members	41,481	-	41,481	0.43%	212	-	212	0.00%	-99.49%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	3,798,786	188,777	3,987,563	41.31%	3,723,096	180,577	3,903,673	40.44%	-2.10%
<b>Total Public (B)</b>	3,798,786	188,777	3,987,563	41.31%	3,723,096	180,577	3,903,673	40.44%	-2.10%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00%				0.00%	0.00%
<b>Grand Total (A+B+C)</b>	9,464,093	188,777	9,652,870	100.00%	9,472,293	180,577	9,652,870	100.00%	

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Amit Garg	992,400	10.28%		992,400	10.28%		0.00%
2	Mr. Amit Garg HUF	2,000	0.02%		2,000	0.02%		0.00%
3	Mr. Ravinder Kumar Garg	536,712	5.56%		542,512	5.62%		1.08%
4	Mr. Nitin Garg	817,953	8.47%		817,953	8.47%		0.00%
5	Mr. Asha Garg	1,601,493	16.59%		1,661,250	17.21%		3.73%
6	Mr. Bhawna Garg	612,800	6.35%		618,850	6.41%		0.99%
7	Mr. Babita Garg	401,949	4.16%		414,232	4.29%		3.06%
8	Ravi Promoters Private Limited	700,000	7.25%		700,000	7.25%		0.00%
	Total	5,665,307	1		5,749,197	1		0

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Ravinder Kumar Garg						
	At the beginning of the year			536,712	5.56%	536,712	5.56%
	Changes during the year	30.06.2014	Transfer	5,800	0.06%	542,512	5.62%
	At the end of the year			542,512	5.62%	542,512	5.62%
2	Mr. Asha Garg						
	At the beginning of the year			1,601,493	16.59%	1,601,493	16.59%
	Changes during the year	06.02.2015	Transfer	41,068	0.43%	1,642,561	17.02%
		06.03.2015	Transfer	7,672	0.08%	1,650,233	17.10%
		20.03.2015	Transfer	1,339	0.00%	1,651,572	17.11%
		31.03.2015	Transfer	9,678	0.10%	1,661,250	17.21%
	At the end of the year			1,661,250	17.21%	1,661,250	17.21%

3	Mr. Bhawna Garg						
	At the beginning of the year			612,800	6.35%	612,800	6.35%
	Changes during the year	06.02.2015	Transfer	6,050	0.06%	618,850	6.41%
	At the end of the year			618,850	6.41%	618,850	6.41%
4	Mr. Babita Garg						
	At the beginning of the year			401,949	4.16%	401,949	4.16%
	Changes during the year	06.02.2015	Transfer	12,283	0.13%	414,232	4.29%
	At the end of the year			414,232	4.29%	414,232	4.29%

**Note: There were no changes in shareholdings of promoters during the financial year 2014-2015**

**(iv) Shareholding Pattern of top ten Shareholders**

*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Goldtech Software Private Limited						
	At the beginning of the year			396,765	4.11%	396,765	4.11%
	Changes during the year	15.08.2015	Transfer	(396,765)	-4.11%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
2	Dasu Daulatram Datwani						
	At the beginning of the year			340,000	3.52%	340,000	3.52%
	Changes during the year	09.01.2015	Transfer	(50,000)	-0.52%	290,000	3.00%
	At the end of the year			290,000	3.00%	290,000	3.00%
3	Motilal Oswal Financial Services Limited						
	At the beginning of the year			310,643	3.22%	310,643	3.22%
	Changes during the year				0.00%	-	0.00%
	At the end of the year			310,643	3.22%	310,643	3.22%
4	Kajol Shailesh Patel						
	At the beginning of the year			214,325	2.22%	214,325	2.22%
		09.05.2014	Transfer	(11,605)	-0.12%	202,720	2.10%
		05.09.2014	Transfer	(10,290)	-0.11%	192,430	1.99%
		19.09.2014	Transfer	(9,500)	-0.10%	182,930	1.90%
		03.10.2014	Transfer	(5,800)	-0.06%	177,130	1.83%
		07.11.2014	Transfer	(23,902)	-0.25%	153,228	1.59%
		14.11.2014	Transfer	(15,000)	-0.16%	138,228	1.43%

		28.11.2014	Transfer	(3,459)	-0.04%	134,769	1.40%
		19.12.2014	Transfer	(14,025)	-0.15%	120,744	1.25%
		31.12.2014	Transfer	(3,020)	-0.03%	117,724	1.22%
		13.02.2015	Transfer	(5,000)	-0.05%	112,724	1.17%
		20.03.2015	Transfer	(628)	-0.01%	112,096	1.16%
	Changes during the year	31.03.2015	Transfer	(16,000)	-0.17%	96,096	1.00%
	At the end of the year			96,096	1.00%	96,096	1.00%
5	Kushal Laddhad						
	At the beginning of the year			418,399	4.33%	418,399	4.33%
		25.04.2014	Transfer	(79,000)	-0.82%	339,399	3.52%
		02.05.2014	Transfer	(40,000)	-0.41%	299,399	3.10%
		09.05.2014	Transfer	4,484	0.05%	303,883	3.15%
		16.05.2014	Transfer	(90,429)	-0.94%	213,454	2.21%
		23.05.2014	Transfer	(15,000)	-0.16%	198,454	2.06%
		30.05.2014	Transfer	46,810	0.48%	245,264	2.54%
		06.06.2014	Transfer	(63,013)	-0.65%	182,251	1.89%
		13.06.2014	Transfer	(5,000)	-0.05%	177,251	1.84%
		20.06.2014	Transfer	(163,544)	-1.69%	13,707	0.14%
		30.06.2014	Transfer	(13,668)	-0.14%	39	0.00%
		04.07.2014	Transfer	9,400	0.10%	9,439	0.10%
		11.07.2014	Transfer	10,000	0.10%	19,439	0.20%
		18.07.2014	Transfer	7,500	0.08%	26,939	0.28%
		01.08.2014	Transfer	(10,000)	-0.10%	16,939	0.18%
		08.08.2014	Transfer	1,200	0.01%	18,139	0.19%
		15.08.2014	Transfer	9,650	0.10%	27,789	0.29%
		22.08.2014	Transfer	(1,400)	-0.01%	26,389	0.27%
		05.09.2014	Transfer	(26,000)	-0.27%	389	0.00%
		19.09.2014	Transfer	5,038	0.05%	5,427	0.06%
		30.09.2014	Transfer	(20)	0.00%	5,407	0.06%
		14.11.2014	Transfer	59,952	0.62%	65,359	0.68%
		21.11.2014	Transfer	(41,600)	-0.43%	23,759	0.25%
		28.11.2014	Transfer	(23,538)	-0.24%	221	0.00%
		27.02.2015	Transfer	3,649	0.04%	3,870	0.04%

	Changes during the year	06.03.2015	Transfer	(3,649)	-0.04%	221	0.00%
	At the end of the year			221	0.00%	221	0.00%
6	FRR Shares and Securities Limited						
	At the beginning of the year			138,384	1.43%	138,384	1.43%
		04.04.2014	Transfer	10,000	0.00%	148,384	1.54%
		02.05.2014	Transfer	(14,280)	0.00%	134,104	1.39%
		11.07.2014	Transfer	3,971	0.00%	138,075	1.43%
		22.08.2014	Transfer	(3,971)	-0.04%	134,104	1.39%
	Changes during the year	21.11.2014	Transfer	(134,104)	-1.39%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
7	Rapid Credit & Holdings Private Limited						
	At the beginning of the year			117,831	1.22%	117,831	1.22%
	Changes during the year	19.09.2014	Transfer	(60,000)	-0.62%	57,831	0.60%
	At the end of the year			57,831	0.60%	57,831	0.60%
8	Shri Parasram Holdings Private Limited						
	At the beginning of the year			116,440	1.21%	116,440	1.21%
		18.04.2014	Transfer	1,597	0.02%	118,037	1.22%
		09.05.2014	Transfer	(300)	0.00%	117,737	1.22%
		06.06.2014	Transfer	1,224	0.01%	118,961	1.23%
		13.06.2014	Transfer	1,256	0.01%	120,217	1.25%
		20.06.2014	Transfer	(1,400)	-0.01%	118,817	1.23%
		30.06.2014	Transfer	(300)	0.00%	118,517	1.23%
		04.07.2014	Transfer	(379)	0.00%	118,138	1.22%
		11.07.2014	Transfer	(1,000)	-0.01%	117,138	1.21%
		18.07.2014	Transfer	(78)	0.00%	117,060	1.21%
		25.07.2014	Transfer	1,500	0.02%	118,560	1.23%
		29.08.2014	Transfer	45	0.00%	118,605	1.23%
		05.09.2014	Transfer	(11)	0.00%	118,594	1.23%
		12.09.2014	Transfer	27	0.00%	118,621	1.23%
		19.09.2014	Transfer	512	0.01%	119,133	1.23%
		30.09.2014	Transfer	305	0.00%	119,438	1.24%
		10.10.2014	Transfer	(1,490)	-0.02%	117,948	1.22%
		17.10.2014	Transfer	(465)	0.00%	117,483	1.22%
		31.10.2014	Transfer	(1,370)	-0.01%	116,113	1.20%

		14.11.2014	Transfer	(320)	0.00%	115,793	1.20%
		21.11.2014	Transfer	122	0.00%	115,915	1.20%
		28.11.2014	Transfer	3,003	0.03%	118,918	1.23%
		5.12.2014	Transfer	(2,618)	-0.03%	116,300	1.20%
		12.12.2014	Transfer	(1,928)	-0.02%	114,372	1.18%
		19.12.2014	Transfer	(3,949)	-0.04%	110,423	1.14%
		31.12.2014	Transfer	(17,333)	-0.18%	93,090	0.96%
		02.01.2015	Transfer	(10,898)	-0.11%	82,192	0.85%
		09.01.2015	Transfer	(11,762)	-0.12%	70,430	0.73%
		16.01.2015	Transfer	(13,707)	-0.14%	56,723	0.59%
		23.01.2015	Transfer	(15,929)	-0.17%	40,794	0.42%
		30.01.2015	Transfer	1,000	0.01%	41,794	0.43%
		06.02.2015	Transfer	(3,090)	-0.03%	38,704	0.40%
		13.02.2015	Transfer	65	0.00%	38,769	0.40%
		20.02.2015	Transfer	1,334	0.01%	40,103	0.42%
		27.02.2015	Transfer	(707)	-0.01%	39,396	0.41%
	Changes during the year	31.03.2015	Transfer	2,846	0.03%	42,242	0.44%
	At the end of the year			42,242	0.44%	42,242	0.44%
9	Malav Rajen Shah						
	At the beginning of the year			100,000	1.04%	100,000	1.04%
	Changes during the year	30.05.2014	Transfer	(100,000)	0.00%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%
10	R K Commodities Services Private Limited						
	At the beginning of the year			100,000	1.04%	100,000	1.04%
	Changes during the year			-	0.00%	100,000	1.04%
	At the end of the year			100000	1.04%	100,000	1.04%
11	Fortune Credit Capital Limited						
	At the beginning of the year			396,765	4.11%	396,765	4.11%
		15.08.2014	Transfer	-	0.00%	396,765	4.11%
	Changes during the year	12.09.2014	Transfer	17,753	0.18%	414,518	4.29%
	At the end of the year			414,518	4.29%	414,518	4.29%
12	4A Securities Limited						
	At the beginning of the year			56,809	0.59%	56,809	0.59%
		04.04.2014	Transfer	(32,548)	-0.34%	24,261	0.25%

		02.05.2014	Transfer	15,000	0.16%	39,261	0.41%
		23.05.2014	Transfer	(16,296)	-0.17%	22,965	0.24%
		20.06.2014	Transfer	29,826	0.31%	52,791	0.55%
		30.06.2014	Transfer	10,895	0.11%	63,686	0.66%
		04.07.2014	Transfer	26,047	0.27%	89,733	0.93%
		11.07.2014	Transfer	1	0.00%	89,734	0.93%
		25.07.2014	Transfer	(6,042)	-0.06%	83,692	0.87%
		17.10.2014	Transfer	765	0.01%	84,457	0.87%
		14.11.2014	Transfer	79,564	0.82%	164,021	1.70%
		28.11.2014	Transfer	600	0.01%	164,621	1.71%
		05.12.2014	Transfer	25,301	0.26%	189,922	1.97%
		12.12.2014	Transfer	99,921	1.04%	289,843	3.00%
		09.01.2015	Transfer	6,400	0.07%	296,243	3.07%
		30.01.2015	Transfer	17,001	0.18%	313,244	3.25%
		06.05.2015	Transfer	15,526	0.16%	328,770	3.41%
	Changes during the year	31.31.2015	Transfer	19,008	0.20%	347,778	3.60%
	At the end of the year			347,778	3.60%	347,778	3.60%
13	Roopam Financers Private Limited						
	At the beginning of the year			127,739	1.32%	127,739	1.32%
	Changes during the year	29.08.2014	Transfer	-	0.00%	127,739	1.32%
	At the end of the year			-	0.00%	-	0.00%
14	Globe Capital Market Limited						
	At the beginning of the year			3,074	0.03%	3,074	0.03%
		04.04.2014	Transfer	(610)	-0.01%	2,464	0.03%
		18.04.2014	Transfer	1,450	0.02%	3,914	0.04%
		09.05.2014	Transfer	446	0.00%	4,360	0.05%
		11.07.2014	Transfer	201	0.00%	4,561	0.05%
		18.07.2014	Transfer	(1,992)	-0.02%	2,569	0.03%
		25.07.2014	Transfer	7,500	0.08%	10,069	0.10%
		01.08.2014	Transfer	(612)	-0.01%	9,457	0.10%
		08.08.2014	Transfer	(3,829)	-0.04%	5,628	0.06%
		15.08.2014	Transfer	(2)	0.00%	5,626	0.06%
		12.09.2014	Transfer	2,090	0.02%	7,716	0.08%
		19.09.2014	Transfer	24,236	0.25%	31,952	0.33%

		30.09.2014	Transfer	(31,952)	-0.33%	-	0.00%
		03.10.2014	Transfer	11,525	0.12%	11,525	0.12%
		10.10.2014	Transfer	(9,001)	-0.09%	2,524	0.03%
		17.10.2014	Transfer	(524)	-0.01%	2,000	0.02%
		24.10.2014	Transfer	4,001	0.04%	6,001	0.06%
		31.10.2014	Transfer	(2,983)	-0.03%	3,018	0.03%
		07.11.2014	Transfer	(1,000)	-0.01%	2,018	0.02%
		14.11.2014	Transfer	(1,483)	-0.02%	535	0.01%
		21.11.2014	Transfer	50	0.00%	585	0.01%
		28.11.2014	Transfer	250	0.00%	835	0.01%
		05.12.2014	Transfer	(567)	-0.01%	268	0.00%
		31.12.2014	Transfer	(50)	0.00%	218	0.00%
		16.01.2015	Transfer	550	0.01%	768	0.01%
		23.01.2015	Transfer	20,004	0.21%	20,772	0.22%
		30.01.2015	Transfer	1,221	0.01%	21,993	0.23%
		13.02.2015	Transfer	(1,766)	-0.02%	20,227	0.21%
		20.02.2015	Transfer	(19,477)	-0.20%	750	0.01%
		27.02.2015	Transfer	37,000	0.38%	37,750	0.39%
		13.03.2015	Transfer	(700)	-0.01%	37,050	0.38%
	Changes during the year	31.03.2014	Transfer	40,000	0.41%	77,050	0.80%
	At the end of the year			77,050	0.80%	77,050	0.80%
15	Aditi Srivastava						
	At the beginning of the year			97,009	1.00%	97,009	1.00%
	Changes during the year			-	0.00%	97,009	1.00%
	At the end of the year			97,009	1.00%	97,009	1.00%
16	Sudhir Kumar						
	At the beginning of the year			29,110	0.30%	29,110	0.30%
	Changes during the year	11.04.2014	Transfer	59,315	0.61%	88,425	0.92%
		01.08.2014	Transfer	1,000	0.01%	89,425	0.93%
	At the end of the year			89,425	0.93%	89,425	0.93%

(v) Shareholding of Directors and Key Managerial Personnel:					Shareholding at the beginning of the year					
SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason				Cumulative Shareholding during the year			
				No. of shares			No. of shares	% of total shares		
1	Amit Garg									
	At the beginning of the year				992,400	10.28%	992,400		10.28%	
	Changes during the year				-	0.00%	992,400		10.28%	
	At the end of the year				992,400	10.28%	992,400		10.28%	
2	Ravinder Garg									
	At the beginning of the year				536,712	5.56%	536,712		5.56%	
	Changes during the year				5,800	5.56%	542,512		5.62%	
	At the end of the year				542,512	5.62%	542,512		5.62%	
3	Nitin Garg									
	At the beginning of the year				817,953	8.47%	817,953		8.47%	
	Changes during the year				-	0.00%	817,953		8.47%	
	At the end of the year				817,953	8.47%	817,953		8.47%	
4	Mr. Asha Garg									
	At the beginning of the year				1,601,493	16.59%	1,601,493		16.59%	
	Changes during the year	06.02.2015	Transfer		41,068	0.43%	1,642,561		17.02%	
		06.03.2015	Transfer		7,672	0.08%	1,650,233		17.10%	
		20.03.2015	Transfer		1,339	0.00%	1,651,572		17.11%	
		31.03.2015	Transfer		9,678	0.10%	1,661,250		17.21%	
	At the end of the year				1,661,250	17.21%	1,661,250		17.21%	

V. INDEBTEDNESS										
Indebtedness of the Company including interest outstanding/accrued but not due for payment.										
Particulars		Secured Loans excluding deposits		Unsecured Loans		Deposits		(Amt. Rs./Lacs)		
								Total Indebtedness		
<b>Indebtedness at the beginning of the financial year</b>										
i) Principal Amount			40,745,893		3,107,386					43,853,279
ii) Interest due but not paid			-		-					-
iii) Interest accrued but not due			484,555		-					484,555
<b>Total (i+ii+iii)</b>			<b>41,230,448</b>		<b>3,107,386</b>		<b>-</b>			<b>44,337,834</b>
<b>Change in Indebtedness during the financial year</b>										
* Addition			-		-					-
* Reduction			(8,728,736)		(2,876,028)					(11,604,764)
<b>Net Change</b>			<b>(8,728,736)</b>		<b>(2,876,028)</b>		<b>-</b>			<b>(11,604,764)</b>
<b>Indebtedness at the end of the financial year</b>										
i) Principal Amount			32,017,157		231,358					32,248,515
ii) Interest due but not paid			-		-					-
iii) Interest accrued but not due			362,621		-		-			362,621
<b>Total (i+ii+iii)</b>			<b>32,379,778</b>		<b>231,358</b>		<b>-</b>			<b>32,611,136</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Amit Garg			Total Amount
	Name	Ravinder Garg	Managing Director		Nitin Garg	(Rs/Lac)
	Designation	Chairman & Whole Time Director	1950000		Wholetime Director	
1	Gross salary	1950000	1950000		1950000	
		1950000			1950000	5850000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission					-
	- as % of profit					-
	- others, specify					-
5	Others, please specify		1,950,000.00			-
	Total (A)	1,950,000.00	4,200,000.00		1,950,000.00	5850000
	Ceiling as per the Act	4,200,000.00			4,200,000.00	

B.	Remuneration to other Directors			
SN.	Particulars of Remuneration	Name of Directors		Total Amount
				(Rs/Lac)
1	Independent Directors			
	Fee for attending board committee meetings			-
	Commission			-
	Others, please specify		-	-
	Total (1)	-	-	-
2	Other Non-Executive Directors			-
	Fee for attending board committee meetings			-
	Commission			-
	Others, please specify		-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration			5850000
	Overall Ceiling as per the Act			

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel				Total Amount
	Name			CFO		(Rs/Lac)
	Designation	CEO			CS	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
						-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission					
	- as % of profit					-
	- others, specify					-
5	Others, please specify			-		-
	Total					-
			-		-	-

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

**Annexure VI**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2015

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

To,  
The Members,  
Riba Textiles Limited  
DD-14, Nehru Enclave,  
Opp. Kalka Ji, Post Office,  
New Delhi - 110019

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 1956 and the Companies Act, 2013 ('the Act') and the rules made there under, as applicable
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009–**Not Applicable as no security has been issued during the year.**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- **Not Applicable as no ESOP is framed by the company.**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable as no debt securities has been issued/listed.**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 –**Not Applicable as no delisting has been taken place during the year.**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not Applicable as no security was bought back by the Company during the year.**

- (vi) Other laws as are applicable to the Company as per representation made by the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India-**Not notified for the Financial Year under Report.**
- (i) The Listing Agreements entered into by the Company with Bombay Stock Exchange(s), if applicable;

During the period under review and as per representation made by the management the Company has generally complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observations:

1. **The Company has not made disclosure regarding change in shareholding of promoters required under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 .**
2. **The Company has not filed MGT 10 for change in shareholding of promoters and top 10 shareholders under section 93 of the Act.**
3. **The Company has not filed MGT 14 reappointment of Managing Director and MR-1 for re appointment of one Whole-time Director.**
4. **The Company has not appointed Company Secretary and Chief Financial Officer during the financial year**

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

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

Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

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

**We further report that** during the audit period the following event/ action has taken place which may have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

- (i) Sec. 180(1)(c) – power to Directors to borrow over and above paid up capital and free reserves.
- (ii) Sec. 180(1)(a) – power to Directors to create charge on the assets of the Company to secure borrowings.

**For KJ & Associates,  
Company Secretaries**

**Rajesh K. Jha  
Partner  
FCS 6390  
CP No. 5737**

**Place : Delhi  
Date : 11.08.2015**

**Annexure A**

To,  
The Members,  
Riba Textiles Limited  
DD-14, Nehru Enclave,  
Opp. Kalka Ji, Post Office,  
New Delhi - 110019

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

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

**For KJ & Associates,  
Company Secretaries**

**Place : Delhi**

**Date : 11.08.2015**

**Rajesh K. Jha  
Partner  
FCS 6390  
CP No. 5737**

## **Independent Auditor's Report**

To the Members of  
**Riba Textiles Limited**

### **Report on the Financial Statement**

We have audited the accompanying financial statements of **RIBA TEXTILES LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statement**

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.

### **Auditor's Responsibility**

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

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

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, 2015;
- b) in the case of the Statement of Profit and Loss Account, of the **Profit** for the year ended on that date;
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on the other Legal and regulatory Requirements**

- 1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, We give in the Annexure statement on the matters specified in paragraph 3 & 4 of the order.
- 2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) on the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) 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 which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. No amount is required to be transferred to the Investor Education and Protection Fund by the Company as on 31 March, 2015.

For **Midha & Khuranna,**  
Chartered Accountants  
FRN: 003903N

**(R.K. Midha)**  
(Partner)  
Membership No. : 017912

**Place:** Karnal  
**Date:** 30.05.2015

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of RIBA TEXTILES LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2015.**

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:

(i) In respect of Fixed Assets:-

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.

(b) As explained to us, fixed assets have been physically verified by the management reasonable intervals; no material discrepancies were noticed on such verification.

(c) During the year Company has sold/discarded assets under the head Plant & Machinery WDV as on 01/04/2014 of Rs 4.02 Lac (Original Cost Rs 233.80 lac and accumulated depreciation Rs 229.78 lacsold at Rs 3.34 Lac at a loss of Rs. 0.77 Lac. Loss on sale/discard of fixed assets has been recognized in profit and loss account.

In our opinion and according to the information and explanations given to us, no substantial part of fixed asset has been disposed off during the year and therefore does not affect the going concern assumption.

(ii) In respect of its inventories:

(a) As explained to us, the inventories of finished and semi- finished goods and raw material at works, Godown was physically verified during the year by the management. In respect to stores and spares parts, the company has programme of verification of stocks, hence the stock in trade are only reconciled/verified by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedure for verification of demat stock followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its stocks. No discrepancies have been noticed on verification of stocks as compared to book records.

(iii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii(a) and iii(b) of the order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and for the sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

(v) In our opinion, and according to the information and explanation given to us, the company has not accepted any deposits; hence, clause (v) is not applicable to the company. Accordingly, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable.

(vi) The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Act.

- (vii) (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value added tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited on account of any disputes.
- (c) Company does not have any amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The Company does not have any accumulated loss at the end of the financial year and has not incurred cash losses in the financial year and in the financial year immediately preceding such financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by other from bank or financial institutions.
- (xi) According to the information and explanations given to us, the Company has not raised any term loans during the year.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Midha & Khuranna,**  
Chartered Accountants  
FRN: 003903N

**(R.K. Midha)**  
(Partner)  
Membership No. : 017912

**Place:** Karnal  
**Date:** 30.05.2015

**M/S RIBA TEXTILES LIMITED**  
**BALANCE SHEET AS AT 31st March, 2015**

(In Rupees)

S. No	PARTICULARS	Note No.	As at March 31, 2015	As at March 31, 2014
<b>I</b>	<b><u>Equity and liabilities</u></b>			
<b>1</b>	<b><u>Shareholders funds</u></b>			
	(a) Share capital	<b>3</b>	96,528,700	96,528,700
	(b) Reserves and surplus	<b>4</b>	278,015,772	272,718,523
	Total(1)		374,544,472	369,247,223
<b>2</b>	<b><u>Non-current liabilities</u></b>			
	(a) Long term borrowings	<b>5</b>	32,248,515	43,853,279
	(b) Deffered tax liabilities (NET)	-	-	-
	(c) Other long-term liabilities	-	-	-
	(d) Long- term provisions	-	-	-
	Total (2)		32,248,515	43,853,279
<b>3</b>	<b><u>Current liabilities</u></b>			
	(a) Short term borrowings	<b>6</b>	159,984,690	208,531,624
	(b) Trade payables	<b>7</b>	102,517,268	20,017,170
	(c) Other current liabilities	<b>8</b>	5,501,140	10,053,408
	(d) Short term provisions	<b>9</b>	3,265,301	1,870,311
	Total (3)		271,268,399	240,472,513
	<b>Total (1+2+3)</b>		<b>678,061,387</b>	<b>653,573,015</b>
<b>II</b>	<b><u>Assets</u></b>			
<b>1</b>	<b><u>Non - current assets</u></b>			
	(a) Fixed Assets			
	(i) Tangible assets	<b>10</b>	336,344,679	307,231,117
	(ii) Intangible assets	-	-	-
	(iii) Capital work-in-progress	-	-	-
	(b) Non-Current Investments	<b>11</b>	250,000	250,000
	(c) Long-Term Loans And Advances	<b>12</b>	19,607,447	15,192,558
	(d) Other Non-Current Assets	-	-	-
	Total (1)		356,202,126	322,673,675
<b>2</b>	<b><u>Current assets</u></b>			
	(a) Current Investments	-	-	-
	(b) Inventories	<b>13</b>	85,176,000	162,701,562
	(c) Trade Receivables	<b>14</b>	209,740,452	131,804,191
	(d) Cash And Bank Balances	<b>15</b>	4,398,721	4,061,900
	(e) Short-Term And Advances	<b>16</b>	22,519,411	32,213,096
	(f) Other Current Assets	<b>17</b>	24,677	118,591
	Total(2)		321,859,261	330,899,340
	<b>Total (1+2)</b>		<b>678,061,387</b>	<b>653,573,015</b>

Notes 1 to 27 form an integral part of Balance Sheet and statement of Profit &amp; Loss

For and behalf of the Board of Directors

As per our report of even date attached

Sd/-

Sd/-  
Amit Garg  
Managing Director

Sd/-  
Nitin Garg  
Director

(R.K. Midha)  
(017912-FCA,PARTNER)

For and on behalf of  
Midha & Khurana  
Chartered Accountants

Place: PANIPAT  
Date : 30.05.2015

## M/S RIBA TEXTILES LIMITED

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st March, 2015**

(In Rupees)

S. No.	PARTICULARS	NOTE NO.	As at March 31,2015	As at March 31,2014
	<b><u>Revenue From Operations</u></b>			
1	Revenue From Operations	18	1,169,521,749	931,549,991
2	Other Income	19	19,893,599	973,736
3	<b>Total Revenue(I+II)</b>		<b>1,189,415,349</b>	<b>932,523,726</b>
4	<b><u>Expenses:</u></b>			
A	Cost of raw material consumed	20	743,134,534	604,253,779
B	Purchase goods stock in trade	21	36,843,473	36,123,179
C	Changes in inventories of finished goods work in progress	22	49,031,562	(19,354,705)
d	Employee benefits expenses	23	32,651,779	17,391,923
e	Finance costs	24	29,428,051	21,539,839
f	Depreciation and amortization expense	25	28,662,906	18,257,321
g	Other expences	26	259,694,917	244,476,521
	<b>Total Expenses</b>		<b>1,179,447,222</b>	<b>922,687,857</b>
5	<b>Profit before exceptional and Tax (3-4)</b>		<b>9,968,127</b>	<b>9,835,869</b>
6	Exceptional items		-	-
7	<b>Profit before extraordinary items and Tax(5+6)</b>		<b>9,968,127</b>	<b>9,835,869</b>
8	Extraordinary Items		-	-
9	<b>Profit Before Tax (7-8)</b>		<b>9,968,127</b>	<b>9,835,869</b>
10	<b>Tax Expense</b>			
a	Current tax		3,579,020	1,900,000
b	Earlier years tax		124,031	116,835
c	Deferred tax		-	-
11	<b>Profit for the period (9-10)</b>		<b>6,265,076</b>	<b>7,819,034</b>
12	Earning per equity share		0.65	0.81
a	Basic			-
b	Diluted		N.A.	N.A.

See accompanying notes forming part of the financial statements

For and behalf of the Board of Directors

As per our report of even date attached

Sd/-

Sd/-

Sd/-

(R.K. Midha)

Amit Garg

Nitin Garg

(017912-FCA,PARTNER)

Managing Director

Director

For and on behalf of

Midha &amp; Khurana

Place: Panipat

Chartered Accountants

Dated: 30.05.2015

**CASH FLOW STATEMENT**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2015**

(In Rupees)

Sr.No.	Particulars	As at March 31,2015	As at March 31,2014
<b>A. Cash flow from operating activities</b>			
	Net profit before Tax, interest and extraordinary items	39396178	31375708
	Adjustment for depreciation	28662906	18257321
	Other income	(19893599)	(973736)
	Operating profit before working capital changes	48165485	48659293
	Adjustment in sundry debtors	(77936261)	(28858517)
	Adjustment in Inventories	77525562	12325499
	Adjustment in Loan and Advances	9693684	(13589265)
	Adjustment in other current assets	93914	(18591)
	Adjustments in Current Liabilities & provisions	30795886	24072778
	Cash generated from operatins	88338270	42591197
	Income Tax Paid	(3703051)	(2016835)
	Cash flow from extraordinary items	84635219	40574362
	Extraordinary items	0	0
	<u>Net cash from operating activities</u>	84635219	40574362
<b>B. Cash flow from investing activities</b>			
	Purchase of fixed Assets	(60717541)	(67581280)
	Increase in Investments	0	5000
	Increase in capital advances	(4414889)	(4807564)
	Proceeds from sale of Fixed Assets	1973248	1015487
	Other Income	19893599	973736
	<u>Net Cash from Investing activities</u>	(43265583)	(70394622)
<b>C. Cash flow from financing activities</b>			
	Issue of Share Capital	0	0
	Increase in Share Premium	0	0
	Repayment of Secured Loans & unsecured loans	(11604764)	32096272
	Interest Paid	(29428051)	(21539839)
	<u>Net cash from financing activities</u>	(41032815)	10556433
	Net increase/(decrease) in cash & cash activities (A)+(B)+(C)	336821	(19263826)
	Cash & cash equivalent opening balance	4061899	23325725
	Cash & cash equivalent closing balance	4398721	4061899

Note:- Cash &amp; Cash equivalents represents cash and bank balances

For and on behalf of the Board  
of Directors

Place: - Panipat

DATED: 30.05.2015

(Amit Garg )  
Managing Director

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as stated in AS-3 in Cash Flow Statement.

▪ **Notes forming parts of financial statements for the year ended 31<sup>st</sup> March 2015.**

**1- Corporate Information:**

Riba Textiles Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares is listed on Bombay Stock Exchange (BSE). The Company is engaged in Manufacturing & Export of terry towels.

**2- Significant Accounting Policies**

**A) Basic of Accounting & preparation of Financial Statement**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting principles in India (India GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 (“the 1956 Act”) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 (“the 2013 Act”) in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/2013 Act, as applicable. The financial statements have been prepared 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.

**B) Use of estimates**

The preparation of the financial statements in conformity with India GAAP requires the Management to make estimates and assumption 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 period in which the results are known/ materialize.

**C) . Inventories**

1. Raw materials, stores and spares are valued at cost.
2. The value of work in process is taken on estimated cost of process completed.
3. Finished goods are valued at cost or net realizable value, whichever is less.

**D) Depreciation on tangible fixed assets**

Depreciation is provided on straight line basis over the useful life of the assets, which is stated in schedule II of Companies Act, 2013 or reassessed by the company based on technical evaluation. Accordingly Rs. 9.67 Lac on account of assets with no remaining useful life as on 1<sup>st</sup> April 2014 has been adjusted to retained earnings.

**E) Revenue recognition**

Revenue including other income is recognized when no significant uncertainty as to its’ determination or realization exists.

**F) Export Benefits**

Export Benefits available under prevalent schemes are accrued in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate realization/utilization of such benefits.

**G) Tangible fixed assets**

Fixed assets are recorded at cost of acquisition or construction. They are started at the historical cost less accumulated depreciation, amortization and impairment loss, if any.

**H) Foreign currency transaction and translations**

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency and forward exchange contracts are reported using closing rates of exchange. Exchange differences arising thereon and on realization/payment of foreign exchange are accounted, in the relevant year, as income or expense.

In case of forward exchange contracts, or other financial instruments that are in substance forward exchange contracts, the premium or discount arising at the inception of the contracts is amortized as expense or income over the life of the contracts. Gains/losses on settlement of transactions arising on cancellation/renewal of forward exchange contracts are recognized as income or expense.

**I) 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. Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalized and depreciated in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Tangible Assets.

**J) Employee benefits**

- a) The Company contributes towards Provident Fund, Welfare fund. Fund which are defined contribution scheme. Liability in respect thereof is determined on the basis of contribution as required to be made under the statutes/rules.
- b) Gratuity Liability, a defined benefit scheme, and provision for compensated absences are accrued and provided for on the basis of actuarial valuations made at the year /period end.

**K) Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**L) Taxes on income**

Tax expenses comprise both current and deferred tax at the applicable enacted/substantively enacted rates. Current tax represents the amount of income tax payable/recoverable in respect of the taxable income/loss for the reporting period.

**M) Provisions and contingencies**

A provision is recognized when the Company has a present obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are not recognized in the financial statement.

**N) Earnings per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding at end of the year.

**O) Operating Cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(in Rupees)

**3. Share Capital**

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
<b>Authorised</b> Equity shares of 10 each( with voting rights)	15,000,000	150,000,000	15,000,000	150,000,000
<b>Issued</b> Equity shares of 10 each (with voting rights)	9,652,870	96,528,700	9,652,870	96,528,700
<b>Subscribed &amp; Paid up</b> Equity shares of 10 each (with voting rights)	9,652,870	96,528,700	9,652,870	96,528,700
<b>Total</b>		96,528,700		96,528,700

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
(1) Issued, Subscribed and Paid up equity shares				
Shares outstanding at the beginning of the year	9,652,870	96,528,700	96,52,870	96,52,8700
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	9,652,870	96,528,700	9,652,870	96,528,700

(b) Rights, preference and restrictions attached to shares issued:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) The detail of shareholder holding more than 5% shares:

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Amit Garg	992,400	10.28%	992,400	10.28%
Nitin Garg	817,953	8.47%	817,953	8.47%
Asha Garg	1,661,250	17.21%	1,601,493	16.59%
Bhawna Garg	618,850	6.41%	612,800	6.35%
Ravinder Garg	542,512	5.62%	536,712	5.56%
Ravi Promoters Pvt Ltd	700,000	7.25%	700,000	7.25%

(In Rupees)

NOTE NO.	PARTICULARS	As at March 31,2015	As at March 31,2014
4	<b><u>Reserve &amp; surplus:</u></b>	-	
	<b><u>General Reserve</u></b>		
	At the beginning of the accounting period	-	-
	Additions during the year	-	-
	At the end of the accounting period	-	-
	<b><u>Share Premium</u></b>		
	At the beginning of the accounting period	82,469,485	82,469,485
	Additions during the year		
	At the end of the accounting period	82,469,485	82,469,485
	<b><u>Surplus</u></b>		
	At the beginning of the accounting period	176,465,858	168,646,824
	Depreciation on Fixed Assets in which useable life is over	(967,827)	
	Additions during the year	6,265,076	7,819,034
	(Balance in statement of profit & loss a/c)		
	Balance at the end of the year	181,763,107	176,465,858
	Share forfeiture	13,783,180	13,783,180
	<b>Grand Total</b>	<b>278,015,772</b>	<b>272,718,523</b>
5	<b><u>Long term borrowings</u></b>	-	
	<b><u>Term loans-secured</u></b>	-	
	From banks	30,271,871	37,976,596
	<b><u>Other loans- secured</u></b>		
	Vehicle loans from banks		
	Vehicle loans from financial institutions	1,745,286	2,769,297
	<b><u>Unsecured long term borrowings</u></b>		
	Directors & promoters	231,358	3,107,386
	Others	-	-
		<b>32,248,515</b>	<b>43,853,279</b>

Term loans are secured from Exclusive first charge over fixed and moveable assets created out of bank finance and on present and future assets in the name of the company. Vehicle loan are secured by way of a charge created on the underlying vehicle & further guranted by the directors of the co.

6	<b><u>Short-term borrowings:</u></b>		
	EPC - State Bank of India -secured	63,416,718	142,941,204
	FBN/FBP-State Bank of India-secured	96,567,972	65,590,420
		159,984,690	208,531,624
	Export packing credit & foreign bills purchase limit are secured by exclusive first charge on entire current assets of the Company including raw material, semi-finished goods including goods in transit, book debts & other current assets of the Company (Present & Future.) Hypothecation of bills also in case of FBP limit.		
7	<b><u>Trade payables</u></b>		
	Sundry creditors	102,517,268	20,017,170
		102,517,268	20,017,170
8	<b><u>Other current liabilities</u></b>		
	Payable to employees	2,042,128	1,151,446
	Statutory remittances payable	555,169	256,030
	Other payables	12,000	12,000
	Advance received from coustomers	2,891,843	8,633,932
		5,501,140	10,053,408
9	<b><u>Short-term provisions</u></b>		
	(a) Provisions for employee benefits	850,000	650,000
	(b) Provisions for taxation(net of advance tax & Tds)	2,415,301	1,220,311
		3,265,301	1,870,311
10	<b><u>Tangible assets</u></b>		
	As Per Annexure (ref. to below)	336,344,679	307,231,117
		336,344,679	307,231,117

Annexure  
Fixed Assets

Riba Textiles Limited

DEPRECIATION CHART AS PER COMPANIES ACT

(Amount in Rs.)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2014	Additions during the year	Sale/Adj. during the year	As at March 31, 2015	As at April 1, 2014	For The Year	Sale/Adj. during the year	Dep. Adjusted with Retained earning	As at March 31, 2015	As at March 31, 2014
<b>FIXED ASSETS</b>										
Land	2,084,130	23,311,554	-	25,395,684	-	-	-	-	25,395,684	2,084,130
Building	25,496,800	1,155,983	-	26,652,783	9,923,788	774,695	-	-	15,954,300	15,573,012
Plant & Machinery	523,131,532	35,157,517	24,951,247	533,337,802	244,881,221	26,104,325,68	22,978,000	(117,775)	285,448,032	278,250,312
Office equipments	4,905,516	40,000	-	4,945,516	3,074,690	309,156	-	1,082,148	479,522	1,830,825
Computers	814,606	95,300	-	909,906	535,459	150,152	-	35,503	188,792	279,147
Furniture & Fixtures	3,071,607	90,290	-	3,161,897	592,134	341,219	-	(4,671)	2,233,215	2,479,473
Vehicles	10,176,625	866,897	-	11,043,522	3,442,407	983,358	-	(27,378)	6,645,135	6,734,218
	<u>569,680,816</u>	<u>60,717,541</u>	<u>24,951,247</u>	<u>605,447,110</u>	<u>262,449,699</u>	<u>28,662,906</u>	<u>22,978,000</u>	<u>967,827</u>	<u>336,344,679</u>	<u>307,231,116</u>
Previous period		67,581,280	-	569,680,816		18,257,321			262,449,699	307,231,117

(In Rupees)

NOTE NO.	PARTICULARS	As at March 31,2015	As at March 31,2014
11	<b><u>Non current investments</u></b>		
	Share of sportking india limited	250,000	250,000
	HDFC cash management	-	-
		<b>250,000</b>	<b>250,000</b>
12	<b><u>Long term loans and advances:</u></b> (Unsecured considered good unless otherwise stated)		
	Security deposits	10,669,994	10,134,994
	Capital advances	8,937,453	5,057,564
		<b>19,607,447</b>	<b>15,192,558</b>
13	<b><u>Inventories:</u></b>		
	Raw materials	25,112,000	51,727,000
	Work in process	27,282,000	72,529,562
	Finished & semi finished goods	30,396,000	34,180,000
	Stores, spares & loose tools;	2,386,000	4,265,000
		<b>85,176,000</b>	<b>162,701,562</b>
	(As taken, valued & Certified by management)		
14	<b><u>Trade receivables:</u></b> (Unsecured considered good unless otherwise stated)	-	-
	Debts outstanding for a period exceeding six months from the date they are due	-	-
	Other debts	55,886,309	30,647,215
	Export receivable	153,854,143	101,156,976
		<b>209,740,452</b>	<b>131,804,191</b>
15	<b><u>Cash &amp; bank balances</u></b>		
	Cash in hand	866,442	1,375,835
	Balance in bank (in current accounts)	1,695,091	1,356,735
	Other bank balances-		
	- In Earmarked accounts	-	-
	Held as margin money or security against borrowing	1,837,188	1,329,330
	and other commitments		
		<b>4,398,721</b>	<b>4,061,900</b>

16	<b>Short term loans &amp; advances:</b> (Unsecured considered good unless otherwise stated)	-	
	Advances to suppliers	3,947,705	1,444,980
	Balance with Coustoms & Taxation Department	18,571,706	30,768,116
		<b>22,519,411</b>	<b>32,213,096</b>
17	<b>Other current assets:</b>		
	Advance premium to ECGC	24,677	118,591
		<b>24,677</b>	<b>118,591</b>
18	<b>Revenue From Operations</b>		
	Sale of products	1,070,232,932	852,854,710
	Sale of services		
	Other operating revenues	99,288,817	78,695,281
		<b>1,169,521,749</b>	<b>931,549,991</b>
	Less: Excise duty	-	-
	Net revenue from operations	<b>1,169,521,749</b>	<b>931,549,991</b>
19	<b>Other income:</b>		
	Dividend received		
	Currency Fluctuation	19,893,599	-
	Insurance claim	-	910,039
	Interest	-	62,965
	Profit on sale of investment	-	732
		<b>19,893,599</b>	<b>973,736</b>
20	<b>Cost of materials consumed:</b>		
	Purchases raw materials	716,519,534	571,823,925
	Add: Opening balance of stock	51,727,000	84,156,854
		<b>768,246,534</b>	<b>655,980,779</b>
	Less: Closing balance of stock	25,112,000	51,727,000
	Consumption of materials	<b>743,134,534</b>	<b>604,253,779</b>
21	Purchases of goods stock in trade	36,843,473	36,123,179
	Total Purchases	<b>36,843,473</b>	<b>36,123,179</b>

22	<b>Changes in inventories</b>		
	<b>Finished goods</b>		
	At the beginning of the accounting period	34,180,000	22,490,000
	At the end of the accounting period	30,396,000	34,180,000
		3,784,000	(11,690,000)
	<b>Work in progress</b>		
	At the beginning of the accounting period	72,529,562	64,864,857
	At the end of the accounting period	27,282,000	72,529,562
		45,247,562	(7,664,705)
	<b>Grand Total</b>	49,031,562	(19,354,705)
23	<b>Employee benefits expense</b>		
	Salary and wages	25,031,843	13,960,627
	Contribution to provident fund	841,124	417,308
	Contribution to other funds	47,140	36,700
	Bonus	850,094	427,288
	Gratuity	-	30,000
	Other expenses	31,578	
	Director's Remuneration	5,850,000	2,520,000
		32,651,779	17,391,923
24	<b>Financial costs:</b>		
	Interest expenses		
	Interest to bank	21,168,620	17,048,288
	Interest to others	138,396	63,554
	Other borrowing cost	8,121,035	4,427,997
		29,428,051	21,539,839
25	<b>Depreciation and amortization expenses</b>		
	Depreciation	28,662,906	18,257,321
		28,662,906	18,257,321

**Other Expenses:****Cost of materials Consumed:**

Purchases stores & packing material	81,248,363	129,962,333
Add: Opening balance of stock	4,265,000	3,515,350
	85,513,363	133,477,683
Less: Closing balance of stock	2,386,000	4,265,000
Consumption of materials	83,127,363	129,212,683
Electricity & diesel exp.	64,991,105	48,450,881
Freight inward	4,052,946	1,624,951
Import exp.	838,814	867,386
Embroidery, stitching, packing, clipping & weaving Exp.	26,460,175	3,306,349
Repair & Maint.		
Administrative charges	398,775	404,457
Computer repair & maint.	172,840	235,860
Consultation charges	618,982	244,079
Office equip. Repair maintains	216,885	741,822
Festival exp.	192,220	154,250
General exp.	139,447	90,310
Insurance	952,701	996,776
Local conveyance	71,943	46,477
Advertisement exp.	121,383	33,769
Payment to auditor (refer detail below)	200,000	66,000
Postage & courier	1,347,897	1,350,115
Printing & stationery exp.	329,180	208,929
Repair & Maint.	5,501,660	3,621,088
Rent a/c	1,350,000	1,350,000
Security service exp	1,478,731	1,291,010
Fees & taxes	619,258	870,795
Telephone exp.	566,211	524,281
Vehicle running & repair exp.	1,879,559	1,514,248
Loss on sale of tangible assets	77,000	235,488
Rebate & discount	14,351,405	12,871,518
ECGC exp.	979,970	533,409
Freight, cartage (outward) & shipping Exp.	34,967,665	23,630,717
Dr./Cr. w/o	(355)	(3,960)
Sales promotion	4,846,765	3,681,862
Travelling expenses	7,625,218	4,732,992
Testing & inspection charges	1,219,174	1,587,980
	259,694,917	244,476,521

**Note;****Payments to the Auditors**

Audit fees	150,000	21,000
Taxation matters	15,000	11,000
Company law matters	30,000	30,000
Management Services	-	-
Other services	5,000	4,000
<b>Total</b>	<b>200,000</b>	<b>66,000</b>

<b>27</b>	<b><u>ADDITIONAL INFORMATION</u></b>		
<b>27.1</b>	<b><u>Contingent liabilities and commitments</u></b> (To the extent not provided for) <b><u>Contingent Liabilities</u></b> (a) Claim against the company not acknowledged As debts; (b) Guarantees Corporate Gurantee and Pari Passu charges over the fixed assets of company given to SBI, delhi for limit sanctioned to M/s Adanya Impex		0
<b>27.2</b>	<b><u>CIF value of import</u></b>		
	Packing Material	2,890,807	-
	Components and spare parts;	3,701,731	3,700,770
	Capital goods;	15,010,239	29,927,425
	<b>Total</b>	<b>21,602,777</b>	<b>33,628,195</b>
<b>27.3</b>	<b><u>Expenditure in foreign currency</u></b>		
	Exhibition & fair charges	4,322,885	3,513,921
	Travelling	1,635,615	753,127
	Others	11,135,900	10,621,867
	<b>Total</b>	<b>17,094,400</b>	<b>14,888,915</b>
<b>27.4</b>	<b><u>Details of consumption of imported and indigenous items</u></b> <b><u>Raw Materials</u></b>		
	Indigenous	743,134,534	604,253,779
	% Of Total	100	100
	Imported		-
	% Of Total		-
	<b>Total consumption</b>	<b>743,134,534</b>	<b>604,253,779</b>
	<b>Spare parts and components</b>		
	Indigenous	76,534,826	125,511,913
	% Of Total	92	97
	Imported	6,592,538	3,700,770
	% Of Total	8	3
	<b>Total consumption</b>	<b>83,127,363</b>	<b>129,212,683</b>
<b>27.5</b>	<b><u>Earning in foreign exchange</u></b> Direct export of good calculated on FOB basis Previous year's figures have been regrouped	1,058,526,047	817,822,013
<b>27.6</b>	reclassified wherever necessary to correspond with the current year' classification / disclosure		

## 28 Related Party Disclosures

28.1 Related Parties and transactions with them during the year as identified by the Management are given below:

(i) Key Management personnel's

Sh. Ravinder Garg, Mr. Amit Garg, Mr. Nitin Garg

**Details of transactions carried out with related parties in the ordinary course of business:**

(Rupees in Lacs)

Sr. No	Nature of Business	Key Mangement persone's		Enterprises over which key management personnel & their relatives are able to exercise significant influence.		Total	
						2014-15	2013-14
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
(i)	<b>Remuneration Paid</b>						
	Ravinder Garg	19.50	8.40			19.50	8.40
	Amit Garg	19.50	8.40			19.50	8.40
	Nitin Garg	19.50	8.40			19.50	8.40
(ii)	<b>Rent Paid</b>						
	Ravinder Garg	1.50	1.50			1.50	1.50
	Amit Garg	6.00	6.00			6.00	6.00
	Nitin Garg	6.00	6.00			6.00	6.00

**Form No. MGT-11  
PROXY FORM**

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

CIN No. : **L18101DL1989PLC034528**  
 Name of the company : **Riba Textiles Limited**  
 Registered office : DD-14, Nehru Enclave, Opp. Kalkaji Post Office  
 New Delhi - 110 019

Name of the Member(s)	
E mail ID	
Folio No. / Client Id No	
DP Id	

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

1.	Name	
	Address	
	E mail ID	Signature
	Or Failing him	
2.	Name	
	Address	
	E mail ID	Signature
	Or Failing him	
3.	Name	
	Address	
	E mail ID	Signature
	Or Failing him	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on the **30<sup>th</sup> day of 2015 At 11.00 a.m.** at DD-14, Nehru Enclave, Opp. Kalkaji Post Office, New Delhi- 110 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the below:-

Sl. No.	Resolution	For	Against
1	Adoption of the audited Financial statements of the Company as on 31 <sup>st</sup> March 2015 together with the Reports of the Board of Directors and the Auditors' thereon.		
2	Re-appointment of Mr. Amit Garg (DIN: 00202171) Director, who retires by rotation.		
3	Re-appointment of Mr. Ravinder Garg (DIN: 00202164) Director, who retires by rotation.		
4	Appointment of Midha & Khurana , Chartered Accountants, Karnal, Haryana, as the Statutory Auditors of the Company.		
5	Appointment of Mrs. Asha Garg (DIN No. 06987609 ) as Director		
6	Appointment of Mr. Hari Prasad Joshi (DIN No. 00898587 ) as Director		
7	Appointment of Mr. Amit Garg (DIN No. 00202171 ) as Managing Director		
8	Appointment of Mr. Ravinder Garg (DIN No. 00202164 ) as Whole time Director		
9	Appointment of Mr. Nitin Garg (DIN No. 00202179 ) as Director		

Signed .....this..... day of..... 20.....

Signature of shareholder

Signature of Proxy holder(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.**



# Riba Textiles Limited

Registered Office: DD-14, Nehru Enclave, Opp. Kalkaji Post Office, New Delhi - 110 019  
(Corporate Identity No. L18101DL1989PLC034528)

## ATTENDANCE SLIP

**27<sup>TH</sup> EXTRAORDINARY GENERAL MEETING – 30<sup>TH</sup> SEPTEMBER' 2015 AT 11:00 A.M.**

DP ID.		Name & Address of the registered Shareholder
Client Id/Regd. Folio No.		
No. of Shares held		

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the **ANNUAL GENERAL MEETING** of the Company being held on Monday the 30<sup>th</sup> September' 2015 at DD-14, NEHRU ENCLAVE, OPP. KALKAJI POST OFFICE, NEW DELHI.

.....  
Member's/Proxy's Signature

Note: Please complete this and hand it over at the entrance of the hall.  
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## Electronic voting particulars

The e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com). The electronic voting particulars are set out as follows

<b>E-Voting Sequence Number (EVSN)</b>	<b>User Id</b>	<b>Password</b>



# riba TEXTILES

## Contact Us:

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**Fax: -** 91-11-2645227

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