

RANJAN POLYSTERS LIMITED

BOARD OF DIRECTORS :

Shri Mahesh Kumar Bhimsaria	Managing Director
Shri Saket Parikh	Executive Director
Shri Mohit Kumar Bhimsaria	Director
Shri Shyam Sunder Agarwal	Director
Shri Sant Kumar Bhimsaria	Additional Director

COMPANY SECRETARY :

CS Neha Jain

BANKERS :

*State Bank of Bikaner & Jaipur
Industrial Estate,
Pur Road, Bhilwara - 311 001.*

STATUTORY AUDITORS :

*M/s RAMANAND GOYAL & CO.
Chartered Accountants
C-94, Lal Kothi Scheme,
Jaipur - 302 015 (Rajasthan)*

REGISTERED OFFICE & WORKS :

*11/12th Km. Stone, Chittorgarh Road
Village - Guwardi
District - Bhilwara (Rajasthan) 311001*

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the "Twenty Fourth Annual General Meeting" of the Members of Ranjan Polysters Limited will be held on Tuesday, 30th day of September, 2014 at 4:00 P.M. at the Registered Office of the Company 11-12th Km. Stone, Chittorgarh Road, Village- Guwardi, Bhilwara-311001 (Raj.) to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014, Profit & Loss Account for the year ended on that date along with Director's and Auditor's report thereon.
2. To appoint a Director in place of Shri Shyam Sunder Agarwal (holding DIN- 05209028) who retires by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint M/s Ramanand Goyal & Co. Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :-

4. 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 Section 260 of the Companies Act, 1956 and Section 160 of Companies Act, 2013, Shri Sant Kumar Bhimsaria (DIN. 00326350) be and is hereby appointed as an Additional Director of the Company w.e.f 31st March, 2014 and whose term of office expires at the Annual General Meeting and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation".

5. 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 196, 197 & 203 of the Companies Act 2013 read with Schedule V of the said Act (including any amendment, modification, variation or re-enactment thereof), and subject to approval of Members of the Company in General Meeting, the re-appointment of Shri Mahesh Kumar Bhimsaria (DIN. 00131930) as the Managing Director of the Company be and is hereby approved for a period of five years effective from 1st May 2014 to 30th April 2019 on the terms and conditions including remuneration as placed before the Board.

Terms and Conditions of Re-Appointment of Mr. Mahesh Kumar Bhimsaria as Managing Director

Shri Mahesh Kumar Bhimsaria was reappointed as the Managing Director of the Company for a period of Five (5) years with effect from 1st May 2014 on the terms and conditions and remuneration as approved by the Members at the Board Meeting held on 30th May 2014. As such, the present term of office of Shri Mahesh Kumar Bhimsaria shall expire on 30th April 2019. Shri Mahesh Kumar Bhimsaria has been associated with the Company since 2003 and currently holds overall responsibility for the working of the Company. Keeping in view the contribution made by Shri Mahesh Kumar Bhimsaria for the growth of the Company, the Board of Directors of the Company and the Remuneration Committee have recommended the reappointment of Shri Mahesh Kumar Bhimsaria for a period of Five (5) years effective from 1st May 2014 on the following terms and conditions:

1. Salary: Rs. 65000-105000/- per month (time scale).
2. Perquisites: Shri Mahesh Kumar Bhimsaria will be entitled to the perquisites / benefits of residential accommodation or house rent allowance in lieu thereof; Gas, Electricity, Water, Furnishings; Medical expenses reimbursement for self and family; leave travel concession, club fees and personal accident insurance in accordance with the rules of the Company subject to limit of an amount equal to the annual salary.

In the event of loss or inadequacy of profits of the Company in any financial year, Shri Mahesh Kumar Bhimsaria will be entitled to such remuneration by way of salary, perquisites and allowance as specified above, subject to the approval of the Central Government.

Provisions for the use of the Company's car for official and personal use and telephone at residence shall not be included in the computation of the perquisites for the purpose of calculating the said ceiling. The Company's contribution to provident fund, gratuity payable as per rules of the Company and encashment of the leave at the end of the tenure shall not be included in the computation of the limits for the remuneration and perquisites as aforesaid.

Shri Mahesh Kumar Bhimsaria has completed 38 years of age and hence Shri Mahesh Kumar Bhimsaria, is reappointed as the Managing Director of the Company.

6. 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 196 & 197 of the Companies Act 2013 read with Schedule V of the said Act (including any amendment, modification, variation or re-enactment thereof), and subject to approval of Members in General Meeting, the approval of the Board be and is hereby accorded the re-appointment of Shri Saket Parikh (DIN. 00105444) as the Executive Director of the Company for a period of five years effective from 1st May 2014 to 30th April 2019 on the terms and conditions as placed before the Board.

Terms and Conditions of Appointment of Mr. Saket Parikh as Executive Director

Shri Saket Parikh was reappointed as the Executive Director of the Company for a period of Five (5) years with effect from 1st May 2014 on the terms and conditions and remuneration as approved by the Members at the Board Meeting held on 30th May 2014. As such, the present term of office of Shri Saket Parikh shall expire on 30th April 2019. Shri Saket Parikh has been associated with the Company since 2003 and currently holds overall responsibility for the working of the Company. Keeping in view the contribution made by Shri Saket Parikh for the growth of the Company, the Board of Directors of the Company and the Remuneration Committee have recommended the reappointment of Shri Saket Parikh for a period of Five (5) years effective from 1st May 2014 on the following terms and conditions:

1. Salary: Rs.55000-95000 /- per month (time scale).
2. Perquisites: Shri Saket Parikh will be entitled to the perquisites / benefits of residential accommodation or house rent allowance in lieu thereof; Gas, Electricity, Water, Furnishings; Medical expenses reimbursement for self and family; leave travel concession, club fees and personal accident insurance in accordance with the rules of the Company subject to limit of an amount equal to the annual salary.

In the event of loss or inadequacy of profits of the Company in any financial year, Shri Saket Parikh will be entitled to such remuneration by way of salary, perquisites and allowance as specified above, subject to the approval of the Central Government.

Provisions for the use of the Company's car for official and personal use and telephone at residence shall not be included in the computation of the perquisites for the purpose of calculating the said ceiling.

The Company's contribution to provident fund, gratuity payable as per rules of the Company and encashment of the leave at the end of the tenure shall not be included in the computation of the limits for the remuneration and perquisites as aforesaid.

Shri Saket Parikh has completed 35 years of age and hence Shri Saket Parikh, is reappointed as the Whole Time Director of the Company.

7. To Consider, and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution :-

To appoint Smt. Shakuntala Devi Bhimsariya (Holding DIN-00547170)(who was appointed as an Additional Director by the Board of Directors, who holds office under the Article and Section 161 of the Companies Act, 2013 only upto the date of this meeting and in respect of whom, the Company has received a notice in writing from a member signifying his intention to propose her as a candidate for the Office of Director) as a Woman Director of the Company and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:

"RESOLVED THAT pursuant to the section 149, 150, 152 of the Company Act, 2013, Smt. Shakuntala Devi Bhimsariya be and is hereby elected and appointed as a Woman Director of the Company".

8. To Consider, and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution :-

To appoint Shri Tejpratap Srivastava Narain (holding DIN 06790051) (who was appointed as an Additional Director by the Board of Directors, who holds office under the said Article and Section 161 of the Companies Act, 2013, only upto the date of this Meeting and in respect of whom, the Company has received a notice in writing signifying his intention to propose her as a candidate for the Office of Director) as a Independent Director of the Company and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or enactments thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and subject to all other approvals, as may be required, Shri Tejpratap Srivastava Narain be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the date of this Annual General Meeting from 30th September, 2014 till 29th September, 2019.

By Order of the Board of Directors
s/d

MAHESH KUMAR BHIMSARIYA
Managing Director
DIN No.00131930



RANJAN POLYSTERS LIMITED

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
2. The proxy in order to be effective should be duly stamped, complete and signed and must be deposited at the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting.
3. Since the Company is not declaring any Dividend, Right or Bonus shares to the shareholders, Register of Members will not be closed.
4. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturdays between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.
5. Members desirous of getting any information about accounts of the Company are requested to address their queries to the Registered Office of the Company so as to reach at least seven days in advance of the meeting, so that information requested can be made readily available at the meeting.
6. Members are requested to inform the change, if any, in their Registered Address to the registered office of the Company and always refer their folio number in all correspondence with the Company.
7. Brief resume of directors seeking appointment/ reappointment as stipulated under Clause 49 of the Listing Agreement and explanatory statement pursuant to sections 102 of the Companies Act, 2013 in respect of special business annex hereto.
8. Members / Proxies are requested to kindly bring their copies of the Annual Report at the meeting.
9. Members, who are holding shares in identical names in more than one folio are requested to write to the Company along with the share certificate(s) in original to enable the Company to consolidate their holdings in one folio.
10. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item Nos. 4 to 8 of the Notice set out above, is annexed hereto.

By Order of the Board of Directors
s/d

MAHESH KUMAR BHIMSARIYA
Managing Director

DIN No.00131930

PLACE : BHILWARA
DATE : 30th May, 2014

ANNEXURE TO NOTICE**Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013.****Item No.4**

The Board of Directors at their meeting held on 31st March, 2014 appointed Shri Sant Kumar Bhimsaria as an Additional Director of the Company w.e.f 31st March, 2014. Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) Shri Sant Kumar Bhimsaria holds office only up to the date of this Annual General Meeting of the Company. A notice has been received from a member proposing Shri Sant Kumar Bhimsaria as a candidate for the office of Director of the Company. The Board considers that the appointment of Shri Sant Kumar Bhimsaria as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

Except Shri Sant Kumar Bhimsaria being an appointee, none of the Directors and the Key Managerial Personnel of the Company, including their relatives, is in any way, concerned or interested, financially or otherwise, in the said resolutions. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchange. The resolution for the appointment of Shri Sant Kumar Bhimsaria as a Director of the Company at item No.4 of the Notice is commended by the Members.

Item No.5

Shri Mahesh Kumar Bhimsaria was appointed as a Managing Director of the Company w.e.f. 01.05.2009 by the Members of the Company. During his tenure of last five years, the company has made remarkable progress. Looking to the progress done by the company during his tenure, Board of Directors in their meeting held on 30.05.2014, decided to re-appoint him as a Managing Director of the Company w.e.f. 01.05.2014, subject to approval of Members of the Company. The resolution for the re-appointment of Shri Mahesh Kumar Bhimsaria as a Managing Director of the Company at item No.5 of the Notice is commended by the Members.

Item No.6

Shri Saket Parikh, was re-appointed as a Executive Director of the Company w.e.f. 01.05.2009 by the Members of the Company. The Board of Directors in their meeting held on 30.05.2014, decided to appoint him as an Executive Director of the Company, w.e.f. 01.05.2014 subject to approval of Members of the Company. The resolution for the appointment of Shri Saket Parikh as an Executive Director of the Company at item No.6 of the Notice is commended by the Members.

Item No.7

Smt. Shakuntala Devi Bhimsariya is an Additional Director of the Company, he joined the Board in 30th May, 2014 under the Companies Act, 2013. In terms of section 149 and other applicable provisions of the Companies Act, 2013. Smt. Shakuntala Devi Bhimsariya being eligible and offering himself for appointment is proposed to be appointed as a Woman Director. In the opinion of the Board, Smt. Shakuntala Devi Bhimsariya fulfills the conditions specified in the Company Act, 2013 and Rules made there under and under Listing Agreement for his appointment as a Woman Director of the Company. The Board considers that Smt. Shakuntala Devi Bhimsariya continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. A copy of the draft letter for appointment of Smt. Shakuntala Devi Bhimsariya as a Woman Director setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company. Accordingly, the Board recommends the resolution in relation to appointment of Smt. Shakuntala Devi Bhimsariya as a Woman Director, for the approval by the shareholders of the Company.

Except Smt. Shakuntala Devi Bhimsariya being an appointee, none of the Directors and the Key Managerial Personnel of the Company, including their relatives, is in any way, concerned or interested, financially or otherwise, in the said resolutions. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchange. The resolution for the appointment of Smt. Shakuntala Devi Bhimsariya as a Women Director of the Company at item No.7 of the Notice is commended by the Members.

Item No. 8

Shri Tejpratap Srivastava Narain is an Additional Director of the Company, he joined the Board in 30th May, 2014 under the Companies Act, 2013. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Shri Tejpratap Srivastava Narain being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for the term of Five consecutive years from the date of this meeting till 29th September, 2019. In the opinion of the Board, Shri Tejpratap Srivastava Narain fulfills the conditions specified in the Company Act, 2013 and Rules made there under and under Listing Agreement for his appointment as an Independent Director of the Company. The Board considers that Sh. Tejpratap Srivastava Narain continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. A copy of the draft letter for appointment of Shri Tejpratap Srivastava Narain as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company. Accordingly, the Board recommends the resolution in relation to appointment of Shri Tejpratap Srivastava Narain as an Independent Director, for the approval by the shareholders of the Company.

Except Shri Tejpratap Srivastava Narain being an appointee, none of the Directors and the Key Managerial Personnel of the Company, including their relatives, is in any way, concerned or interested, financially or otherwise, in the said resolutions. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchange. The resolution for the appointment of Shri Tejpratap Srivastava Narain as a Independent Director of the Company at item No.8 of the Notice is commended by the Members.

RANJAN POLYSTERS LIMITED**ANNEXURE TO NOTICE FOR 24TH ANNUAL GENERAL MEETING
DETAILS OF DIRECTORS/INDEPENDENT SEEKING APPOINTMENT/RE-
APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING****(PURSUANT TO CLAUSE 49 OF LISTING AGREEMENT)**

Particulars	Shri Mahesh Kumar Bhimsaria	Shri Saket Parikh	Shri Tejpratap Srivastava Narain	Smt. Shakuntala Devi Bhimsariya	Shri Sant Kumar Bhimsaria
Date of Birth	02/09/1977	28/12/1978	12/01/1949	14/02/1953	02/07/1947
Date of Appointment	03/10/2006	03/10/2003	30/05/2014	30/05/2014	31/03/2014
Qualifications	B.Com	B.Tech	B.Com,	Sec.	B.Com
Expertise in Specific functional areas					
Directorship held in other companies (excluding foreign companies)	Four	Nil	Nil	Nil	Five
Memberships/ Chairmanships of committees of other companies (includes only Audit Committee and Shareholders Grievance Committee)					
Number of shares held in the Company	143900	Nil	50000	139200	145000

DIRECTOR'S REPORT

To the Members,

The Board of Directors have pleasure to present the "TWENTY-FORTH ANNUAL REPORT" and Statement of Accounts for the year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS*(Rs. in Lacs)*

	Year Ended 31.03.2014	Year Ended 31.03.2013
Income from Operation & Others Income	3367.41	3384.08
Profit before interest and Depreciation	365.59	355.41
Less: Interest & Other Finance Cost	145.45	141.46
Profit before Depreciation	220.14	213.95
Less: Depreciation	182.31	171.80
Profit before tax	37.83	42.15
Less: Provision for taxation	7.21	8.03
Less: Tax for Earlier Years	0.00	2.52
Profit after Tax	30.62	31.60
Add: Profit/Loss brought forward from previous year	(+) 134.53	(+) 102.94
Profit available for Appropriation	(+) 165.15	(+) 134.53
APPROPRIATIONS		
General Reserve	0.00	0.00
Dividend on Equity Shares	0.00	0.00
Surplus/ Deficit carried to Balance Sheet	(+) 165.15	(+) 134.54
Earning per share (Rs.)	(+) 1.08	(-) 1.11

Note : Figures regrouped and rearranged wherever necessary.

OPERATIONS

During the period under review, the Company has maintained a stable position on production as compare to last year. The Processing for the period has increased from 297.34 lacs Mtrs. to 298.11 lacs Mtrs., which is 0.26 % higher from last year whereas in the weaving unit decreased from 17.89 Lacs Mtrs to 1.86 Lacs mtrs as compared to corresponding previous year. Turnover of processing unit in terms of amount has increased from 3061.60 lacs in last year to Rs. 3293.46 lacs in current year where the turnover of weaving unit has decreased from Rs. 315.12 lacs to Rs.41.25 lacs.

EXPANSION & MODERNISATION OF PLANT & MACHINERY

Company is adopting Technologies upgradation, accordingly the modernization of old plant & machinery is in progress.

Directors hope for better results in coming year.

DIRECTORS

Shri Shyam Sunder Agarwal, Director of the company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

Shri Sant Kumar Bhimsaria, additional Director is appointed as a Director of the company.

Shri Mahesh Kumar Bhimsaria, Managing Director is re-appointed as a Managing Director of the company.

Shri Saket Parikh, Executive Director is re-appointed as an Executive Director of the company.

Smt. Shakuntala Devi, Additional Director is appointed as a Women Director of the company.

Shri Tejpratap Srivastava Narain, Additional Director is appointed as an Independent Director of the company.

FINANCE

During the year company planed a new project in process unit with total cost of Rs.234.30Lacs. Company has applied for TUFF interest & capital subsidy but sanction is still awaited.

The company has repaid the interest and installments of term loan in time.

DIVIDEND

In view of very low profits during current year Directors are unable to recommend any dividend on the equity shares of the Company.

PUBLIC DEPOSITS

The Company has not accepted any Public Deposit in contravention of section 58A of the Companies Act, 1956 read with the provisions of the Companies (Acceptance of Deposits) Rules, 1975.

RISKS AND INTERNAL ADEQUACY

Management of risks to the business is a continuous challenge for any organization growing in size and enhancing its value. The traditional risk factors like client risks, industry segment risks and economic risks are well understood and the means to handle them are also fairly established.

Our company is mainly engaged in processing and weaving of Synthetics fabrics on job-work basis. The business segment in which your company operates, viz. the textile business has several inherent risks. As part of its overall risk management strategy, we always adopt appropriate technologies, manufacturing practices.

INTERNAL CONTROL SYSTEM

The company has adequate internal control commensurate with its size & nature of business. The company also has Internal Audit Team, which carries out audit throughout the year. The company also has audit committees, which comprise two non-executive directors; the committees regularly review the significant observation & quarterly result of the company.



CAUTIONARY STATEMENT

The Textile industry has globalized. The consumer preferences and choices are changing very fast. The fabric manufacturing units are changing their production as per requirement of customers. The company is mainly engaged in processing of fabrics also would be required to adopt the processing requirement of customers. The domestic tariffs were being harmonized with international tariffs, thus the changed tariffs structure for textile industry may affect the result of the company in the years to come.

DISPOSAL

The Company has disposed off some of old plant & Machinery. The inefficient plant and machinery are identified for replacement. The company has also sold old plant and machinery pertains to weaving unit during the current year.

PERSONNEL

Your Company continues to enjoy cordinal relations with employees at all levels.

AUDITORS

M/s Ramanand Goyal & Co., Chartered Accountants and Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The Board of Directors recommend for their re-appointment

COST AUDITORS

M/s K.C.Moondra & Associates, Cost Accountant appointed Cost Auditor of the Company for the Financial Year 2014-15.

AUDITORS REPORT

The observations in the Auditor's Report are dealt-with in the Notes on Accounts at appropriate place and are self explanatory. The deferred tax liability has not been provided, as the Board of directors is of opinion based on quantum of depreciation and brought forward losses, no liability is likely to arise in foreseeable future.

The Treatment of Capital Subsidy would be finally done, on clarification by the Textile Ministry.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state and affirm:

- (i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) That the Directors had prepared the annual accounts on a going concern basis;

ADDITIONAL INFORMATION

As regards disclosure under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Directors) Rules 1988, a statement showing particulars of conservation of energy, Technology Absorption and Foreign Exchange earnings and outgo is annexed hereto and forms part of this report.

POLLUTION CONTROL

Your Directors re-affirm the commitment of the Company to maintain high standards in pollution related issues and confirm that the Company has taken all necessary steps to prevent pollution.

ACKNOWLEDGEMENTS

Your Directors places on record its gratitude to the Financial Institutions, Bankers and Government Authorities for their support, co-operation, assistance and valuable guidance. The Directors are thankful to the shareholders for their continued support to the Company. Your Directors also wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success.

By Order of the Board of Directors

Place: Bhilwara
Date: 30.05.2014

(Mahesh Kumar Bhimsariya)
Managing Director
DIN No.00131930

(Saket Parikh)
Executive Director
DIN No.00105444

**INDEPENDENT AUDITOR'S REPORT**

To The Members of,

Ranjan Polyesters Limited**Report on the Financial Statements**

We have audited the accompanying financial statements of Ranjan Polyesters Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"), which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 qualified audit opinion.

Basis for Qualified Opinion

a) The company has not provided for the Deferred Tax Liability amounting to Rs.49,47,560/- (Previous Year Rs. 34,89,724/-). (Refer Note No. 4)

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the 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, 2014;

- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note no.30 regarding pending confirmation and reconciliation of some of the Trade Payables, Trade Receivables, Loans and Advances. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013: and
 - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Ramanand Goyal & Co.
Chartered Accountants
FRN 002384C

s/d
HIMANSHU GOYAL
PARTNER
Membership No. : 404669

PLACE : BHILWARA
DATE : 30th May, 2014

**ANNEXURE TO AUDITOR'S REPORT**

Referred to in paragraph under the heading of "Report on other Legal & Regulatory Requirement" of our report of even date to the Members of Ranjan Polysters Limited ('the company') on the financial statement for the year ended 31st March, 2014;

- (i)
 - (a) The Company is maintaining proper records to show full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the Company has a programme of physically verifying all its fixed assets over a period of three years, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. In accordance with this programme, some of the fixed assets were physically verified by the management during the period. The discrepancies noticed on such verification between the physical balances and the fixed assets records were not material and have been properly dealt with in the books of account.
 - (c) In our opinion, the company has not disposed off substantial part of fixed assets weaving division during the year. However, going concern status of the company is not affected by the same.
- (ii)
 - (a) During the period the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) On the basis of our examination of the record of inventories, we are of the opinion that, the company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii)
 - (a) The Company has not granted any loan to the Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, hence clause b, c & d are not applicable.
 - (b) According to the information and explanations given to us, the Company has taken unsecured loans from 31 parties and Maximum amount outstanding during the year was Rs. 662.81 lacs and year the end balance Rs. 286.59 lacs from, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (c) The rate of interest, other terms & conditions of unsecured loans so taken are not prima facie prejudicial to the interest of the Company.

RANJAN POLYSTERS LIMITED

- (d) The Company is regular in repayment of principal and interest on borrowing.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods & services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- (v) (a) According to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 in respect of each party during the period have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) As per information and explanation given to us the Company has taken / retained the borrowing in the nature of unsecured loans from related parties, bodies corporate & other to maintain margin required by Bankers. In our opinion the company has to comply with the provision of Section 58A of the Companies Act, 1956 and rules framed there under. No order has been passed by company Law Board, RBI or any other Court or any other Tribunal in respect of unsecured loan accepted by the company.
- (vii) In our opinion, the Company has an in house internal audit system. However same needs to be strengthened looking to the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- (ix) (a) As explained to us, the statutory dues payable by the Company comprises of Provident fund, Employee's State Insurance, Income -Tax, Sales Tax, Excise duty, Service Tax and Entry tax. According to the records of the Company and information and explanations given to us, the Company has been regularly depositing the aforesaid undisputed statutory dues with the appropriate authorities. There are no undisputed statutory dues as referred to above as on March 31, 2014 outstanding for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and the records of the Company, the following are the particulars of disputed dues that have not been deposited by the Company :-

Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs) (Net of Deposit)	Period in which Amount Dues	Forum Where Dispute is Pending
Central Excise Act 1944	Excise Duty	2.60	2004-2005	Commissioner Appeals Jaipur
Textile Committee Act 1963	Textile Cess	36.01	2001-2006	Textile Committee Mumbai
Rajasthan Vat Act	Entry Tax	51.09	2006-2012	Rajasthan High Court Jodhpur

- (x) The Company has not incurred cash losses during the years ended on 31st March, 2014 and in the immediately preceding financial year.
- (xi) During the period there was no default in respect of principal or interest payable to Financial Institutions, bank.
- (xii) As the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4 (xii) of the Order is not applicable.
- (xiii) As the Company is not a chit fund / nidhi / mutual benefit funds / society to which the provisions of special statute relating to chit fund are applicable, paragraph 4(xiii) of the order is not applicable.
- (xiv) In our opinion, the company is not dealing in or trading share, securities, debentures and other investments.
- (xv) The Company has not given guarantee for the loan taken by others from the bank and Financial Institution. According to information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial interest of the company.

- (xvi) The company has received disbursement of term loan during the year. The term loan raised during the year has been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, We are of the opinion that no funds raised on short term basis have been used for long term investments.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended on 31st March, 2014.

PLACE : BHILWARA
DATE : 30th May, 2014

For Ramanand Goyal & Co.
Chartered Accountants
FRN 002384C

s/d
HIMANSHU GOYAL
PARTNER
Membership No. : 404669

RANJAN POLYESTERS LIMITED

ANNEXURE-I

1. Statement of particulars pursuant to Companies (Disclosure of particulars in the report of board of Directors) rules 1988 and forming part of Directors' report for the year ended 31st March, 2014.

A. Conservation of Energy :	Explanations
(a) Energy Conservation measures taken:	The company has installed high speed stretchers to reduce energy consumption.
(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy,	No specific investment.
(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.	The consumption of power could be managed inspite of increase in production.
(d) Total Energy consumption and energy consumption per unit of production as per Form "A" of the Annexure in respect of industries specified in the schedule thereto:	Enclosed
B. Technology absorption :	
(e) Efforts made in technology absorption as per Form "B" of the Annexure	Nil
C. Foreign Exchange earning and outgo :	
(f) Activities relating to exports; initiative taken to increase exports; development of new market for products and services; and export plans;	The Plant is based on processing of indigenous fabric,
(g) Total foreign exchange used and earned.	Total Earning : Nil Total Outgo : 2.56 Lacs (P.Year Rs. 159.04 Lacs)

FORM "A"

	CURRENT YEAR 01.04.2013 to 31.03.2014		CURRENT YEAR 01.04.2012 to 31.03.2013	
	Weaving	Processing	Weaving	Processing
A. POWER & FUEL CONSUMPTION				
1. ELECTRICITY				
a Purchased (KWH)	60581	4798382	512481	4617443
Total Amount (Rs.)	350764	29170101	2958498	26734823
Rate Unit (Rs.)	5.79	6.08	5.77	5.79
b Own Generation				
Through Diesel Generator				
Units (KWH)	Nil	125306	Nil	213859
Units Per Liter of DIESEL OIL	Nil	2.95	Nil	2.80
Cost/Unit (Rs.)	Nil	19.32	Nil	14.65
2. Steam Coal/Lignite				
Quantity (M.T.)	Nil	7711.16	Nil	8628.48
Total Cost (Rs.)	Nil	58304414	Nil	57618842
Average rate/M.T. (Rs.)	Nil	7561.04	Nil	6677.75
3. Others	Nil	Nil	Nil	Nil
B. CONSUMPTION PER UNIT OF				
1. PRODUCTION:				
Production in Mtrs.	186362.40	29810923.44	1788905.70	29999343.15
Electricity Unit/ Mtrs.	0.33	0.16	0.28	0.16
Coal / Mtrs.	Nil	0.26	Nil	0.29
2. TECHNOLOGY ABSORPTION	Nil	Nil	Nil	Nil
3. a FOREIGN EXCHANGE	Nil	Nil	Nil	Nil
Earning				
b Outgo (Revenue Account) Rs. in Lacs (For Stores and Capital Assets imported)	Nil	2.56	Nil	159.04

RANJAN POLYSTERS LIMITED

BALANCE SHEET AS AT 31st MARCH, 2014

PARTICULARS	Note No.	(Rs.)	AS AT 31.03.2014 (Rs.)	(Rs.)	AS AT 31.03.2013 (Rs.)
I EQUITY AND LIABILITIES					
1 SHARE HOLDERS FUNDS					
a) Share Capital	1	29,109,800		29,109,800	
b) Reserves & Surplus	2	<u>33,711,791</u>	62,821,591	<u>30,649,650</u>	59,759,450
2 NON CURRENT LIABILITIES					
a) Long Term Borrowings	3	72,707,528		102,010,732	
b) Deferred Tax Liability (Net)	4	<u>0</u>	72,707,528	<u>0</u>	102,010,732
3 CURRENT LIABILITIES					
a) Short Term Borrowings	5	27,444,477		18,189,029	
b) Trade Payables	6	18,957,404		13,526,368	
c) Other Current Liabilities	7	23,208,828		24,051,523	
b) Short Term Provisions	8	<u>2,647,529</u>	72,258,238	<u>2,207,137</u>	57,974,057
			<u>207,787,357</u>		<u>219,744,239</u>
TOTAL					
II ASSETS					
1 Non-Current Assets					
a) Fixed Assets				128,773,412	
i) Tangible Assets	9	111,419,849		3,000	
b) Non-Current Investments	10	3,000			
c) Long-term Loans and advances	11	<u>3,471,486</u>	114,894,335	<u>3,453,137</u>	132,229,549
2 Current Assets					
a) Inventories	12	28,913,664		24,166,006	
b) Trade Receivables	13	41,140,599		42,075,434	
c) Cash and Cash equivalents	14	5,406,208		5,404,186	
d) Short-term loans and advances	15	<u>17,432,551</u>	92,893,022	<u>15,869,064</u>	87,514,690
				<u>207,787,357</u>	<u>219,744,239</u>
TOTAL					
Significant Accounting Policies					
Notes on Financial Statements	1 to 32				

As per our report of even date

FOR RAMANAND GOYAL & COMPANY
CHARTERED ACCOUNTANTS
 FRN 002384C

sd/-
(Himanshu Goyal)
 Partner
 M.No. 404669

For and on behalf of the board

sd/-
(Mahesh Kumar Bhimsariya)
 Managing Director

sd/-
(Mohit Kumar Bhimsariya)
 Director

sd/-
(Neha Jain)
 Company Secretary

sd/-
(Saket Parikh)
 Executive Director

sd/-
(Shyam Sunder Agarwal)
 Director

sd/-
(Manoj Jain)
 Finance Manager

Place : BHILWARA
 Date : 30.05.2014

RANJAN POLYSTERS LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	Note No.	Year Ended 31.03.2014 (Rs.)	Year Ended 31.03.2013 (Rs.)
INCOME			
Revenue from Operations	16	333,470,869	337,672,294
Other Income	17	3,270,259	735,466
Total Revenue		<u>336,741,128</u>	<u>338,407,760</u>
EXPENSES			
Cost of Materials Consumed	18	103,174,485	102,009,370
Changes in Inventories of Finished Goods	19	(232,814)	2,040,260
Employee Benefit Expenses	20	41,633,110	46,651,666
Finance Cost	21	14,545,014	14,145,625
Depreciation and Amortization Expenses	22	18,231,455	17,180,133
Other Expenses	23	155,606,888	152,165,427
Total Expenses		<u>332,958,138</u>	<u>334,192,481</u>
Profit Before Tax		3,782,990	4,215,279
Tax Expenses			
Current Tax		720,849	803,221
Earlier Year Tax		0	252,468
Deferred Tax		-	-
Profit/ (Loss) for the year		<u>3,062,141</u>	<u>3,159,590</u>
Earning per equity share of face value of Rs. 10 Each			
Basic and Diluted	25	1.08	1.11
Significant Accounting Policies			
Notes on Financial Statements	1 to 32		

As per our report of even date

FOR RAMANAND GOYAL & COMPANY
 CHARTERED ACCOUNTS
 FRN 002384C

sd/-
(Himanshu Goyal)
 Partner
 M.No. 404669

For and on behalf of the board

sd/-
(Mahesh Kumar Bhimsariya)
 Managing Director

sd/-
(Mohit Kumar Bhimsariya)
 Director

sd/-
(Neha Jain)
 Company Secretary

sd/-
(Saket Parikh)
 Executive Director

sd/-
(Shyam Sunder Agarwal)
 Director

sd/-
(Manoj Jain)
 Finance Manager

Place : BHILWARA
 Date : 30.05.2014

SIGNIFICANT ACCOUNTING POLICIES**(A) Basis of Preparation of Financial Statements :-**

- a) The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted Accounting principles and the provisions of the Companies Act, 1956 subject to otherwise stated herein below, are adopted consistently by the Company.
- b) The Company generally follows mercantile systems of accounting and recognise significant items of income and expenditure on accrual basis, except
- i) The rebates and claims, remaining unsettled for the year are not provided for and accounted for in respective years on settlement.
- ii) Settlement of rate difference for job processing charges/material supplied by the parties are charged/credited to respective income/expenditure account on crystallisation.

(B) Fixed Assets :-

- i) Fixed Assets are stated at cost including cost of acquisition/installation and accumulated depreciation. Lease hold land has not been written off.
- ii) Interest on borrowed fund & other preoperative expenses incurred for addition in Assets are being capitalized till the date of put to use of such Assets.

(C) Depreciation :-**i) Process Division :-**

The Company was providing depreciation on plant and machinery at the rates applicable for the continuous Process plant and on other assets at SLM rate as provided in schedule XIV of the Companies Act 1956. With effect from financial year ended 31.03.2009 the company has changed the method of providing depreciation from straight line method to written down value method.

ii) Weaving Division :-

The depreciation on the assets was being provided at SLM rate specified in schedule XIV of the Companies Act, 1956. On the basis of technical opinion, the weaving unit has been designed as "continuous process plant" accordingly the depreciation rate prescribed for continuous process plant has been adopted. With effect from financial year ended 31.03.2009 the company has changed the method of providing depreciation from straight line method to written down value method.

(D) Inventories :-

The valuation of inventories have been taken as under:-

- | | |
|------------------------------------|--|
| (a) Raw Material | : At Cost. |
| (b) Stores & Spares | : At Cost. |
| (c) Finish processed fabrics (job) | : At lower of Cost or Net Realisable Value. |
| (d) Finish Fabric (Own) | : At lower of Cost or Net Realisable Value. |
| (e) Work in process | : At cost or realizable value wherever possible, whichever is lower. |
| (f) Waste Stock/scrap | : At estimated realisable value. |

Cost of inventories comprise of all cost to bring the inventories to their present location & position except the additional rates & taxes charged under local laws. Cost of raw materials, stores & spares are determined on Weighted Average basis. Cost of work in progress & finished job is determined on material plus overheads basis.

(E) Investment :-

Long term Investments are valued at Cost.

(F) EXCISE DUTY / CENVAT :-

Company surrendered its Excise Registration from 04.03.2008 therefore company has neither availed CENVAT Credit nor paid excise duty during the year.

(G) Foreign Currency Transaction :-

Foreign currency transaction are recorded at exchange rate prevailing on the respective date of relevant transactions. Any income or expenses on account of exchange difference either on settlement or on translation is recognized in statement of Profit & Loss Account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to carrying amount of such assets.

(H) Retirement Benefits :-

- i) Gratuity payable to all the eligible employees are provided for on the basis of provisions of Payment of Gratuity Act, 1972 Leave pay has also been provided for.
- ii) The company's contribution to Govt. PF scheme is recognized as an expenses in the statement of P&L during the period in which employee render related service.

(I) Impairment of Assets (AS-28) :-

Factor giving rise any indication of any impairment of carrying amount of the company's assets are appraised at each Balance Sheet date to determine and provide/revert an impairment loss following Accounting Standard (AS-28) for impairment of assets.

(J) Capital Subsidy :-

Capital Subsidy being received under TUFS is being accounted for under capital reserves.

RANJAN POLYSTERS LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

Previous year figures have been regrouped or rearranged wherever found necessary.

PARTICULARS

	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)
1 SHARE CAPITAL		
Authorized :		
35,00,000 (P.Y. 35,00,000) Equity Shares of Rs. 10/- each	35,000,000	35,000,000
	<u>35,000,000</u>	<u>35,000,000</u>
Issued		
30,00,905 (Previous year 30,00,905) Equity Shares of Rs. 10/- each	30,009,050	30,009,050
	<u>30,009,050</u>	<u>30,009,050</u>
Subscribed & Paid up		
28,41,605 (Previous year 28,41,605) Equity Shares of Rs. 10/- each fully paid up	28,416,050	28,416,050
ADD : Forfeited Shares	693,750	693,750
	<u>29,109,800</u>	<u>29,109,800</u>

1.1 The details of Shareholding more than 5% Shares
No Person is Holding More than 5% shares in the Company

1.2 The Reconciliation of number of share outstanding is set out below

	No. of Shares	No. of Shares
Equity Shares at the beginning of year	2841605	2841605
Add : Share Issued	0	0
Less : Shares cancelled on buy back of equity share	0	0
Equity share at the end of the year	<u>2841605</u>	<u>2841605</u>

2 RESERVES & SURPLUS

Capital Reserve (Capital Subsidy)			
As per last Balance Sheet	9,887,473		9,887,473
Securities Premium Reserve			
As per last Balance Sheet	6,608,750		6,608,750
General Reserve			
As per last Balance Sheet	700,000		700,000
Profit & Loss Account (Surplus)			
As per last Balance Sheet	13,453,427		
Add : Profit / (Loss) for the Year	<u>3,062,141</u>	10,293,837	<u>3,159,590</u>
		<u>33,711,791</u>	<u>30,649,650</u>

2.1 The Company has received Capital subsidy of Rs. NIL in Current year (Cumulative Rs. 54,55,676/- upto 31st March, 2014) for processing machinery installed under Technology Upgradation Fund Scheme of Ministry of Textile. On the basis of expert opinion, capital subsidy is in the nature of funding of promoters contribution, the Company has accounted for the same under capital reserves, being the nature of capital receipts. However the company had sought clarification from Ministry of Textiles, regarding nature of Capital Subsidy. As per AS-12, if the amount is treated as subsidizing the plant and machinery, company would be liable to recognized revenue amounting to Rs. 2,81,525/- for the year and Rs. 33,31,372/- for earlier year, either by transfer from capital reserve or mitigation of provision of depreciation for the these amount. The final adjustment will be done on confirmation from Ministry of Textiles.

2.2 Securities Premium Reserve Includes Premium on Forfeited shares Rs. 693750/-

RANJAN POLYSTERS LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)
3 LONG TERM BORROWINGS		
Secured		
Term Loan from Bank	38,743,975	50,005,794
Unsecured		
Loans and advances from related parties	33,963,553	46,220,992
Other	0	5,783,946
	<u>72,707,528</u>	<u>102,010,732</u>

3.1 Term Loans from Bank are secured by

- a) First & Exclusive charge of Land & Building, Plant & Machinery & Other fixed Assets present & future of the company situated at Village- Guwardi, Chittorgarh Road, Bhilwara
- b) First & Exclusive charge by way of Hypothecation of company's Stocks & Book Debts & other current assets.
- c) Pledge of FDR for Rs. 15,00,000/- (Renewed face value Rs. 16,21,521/-) (Value as on 31-3-2014 including Interest accrued Rs. 19,73,080/-)
- d) Negative Lien of agriculture land Measuring 18 Bigha 2.94 Biswa.
- e) Personal Guarantee of Directors Shri Mahesh Kumar Bhimsariya, Shri Saket Parikh & Shri Mohit Kumar Bhimsariya

3.2 Repayment terms of outstanding Long term borrowings (Excluding current maturities)

- a) Term loans from Bank are repayable in monthly installments.
- b) Aggregate amount payable in F.Y. 2014-15 Rs. 1,59,44,708/-, in F.Y. 2015-16 Rs. 1,49,36,450/- & in F.Y. 2016-17 Rs. 1,04,84,000/-, in FY 2017-18 Rs. 68,04,000/- & in FY 2018-19 Rs. 65,19,525/-

*Pending Disbursement of New Loan 1,46,20,550/- (Rs.175 Lacs) not considered in above payable year wise liabilities.

4 DEFERRED TAX LIABILITY (net)

Deferred Tax Liability

Tax impact due to difference between tax
Depreciation and book depreciation

67,25,149

56,90,468

Deferred Tax Assets

Unabsorbed depreciation
Expenses allowable for tax purpose when paid

7,94,324

13,70,656

9,85,769

8,30,088

Net Deferred Tax Liability

4,945,056

3,489,724

The net deferred tax liability Rs. 49,45,056/- is not being provided, as the liability is not foreseeable to crystallize in near future, looking to major replacement of plant & machineries and very thin margin in Fabric processing unit.

5 SHORT TERM BORROWINGS

Secured

Working Capital Borrowings from Banks

27,444,477

18,189,029

27,444,477

18,189,029

RANJAN POLYSTERS LIMITED**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014**

PARTICULARS	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)
5.1 Working Capital Borrowing from Bank is secured by		
a) First & Exclusive charge of Land & Building, Plant & Machinery & Other fixed Assets present & future of the company situated at Village- Guwardi, Chittorgarh Road, Bhilwara		
b) First & Exclusive charge by way of Hypothecation of company's Stocks & Book Debts & other current assets.		
c) Pledge of FDR for Rs. 15,00,000/- (Renewed face value Rs. 16,21,521/-) (Value as on 31/03/2014 including Interest accrued Rs. 19,73,080)		
d) Negative Lien of agriculture land Measuring 18 Bigha 2.94 Biswa.		
e) Personal Guarantee of Directors Shri Mahesh Kumar Bhimsariya, Shri Saket Parikh & Shri Mohit Kumar Bhimsariya		
6 TRADE PAYABLE		
Trade Payable	18,957,404	13,526,368
	<u>18,957,404</u>	<u>13,526,368</u>
6.1 The company is in process or compiling relevant information from its suppliers about their converge under the Micro, Small and Medium Enterprises Development Act. 2006. Since the relevant information is not readily available, no disclosure has been made in the accounts However, in the view of management, the impact of interest, if any, that may be payable in accordance with provisions of this Act is not expected to be material.		
7 OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt	15,944,708	16,932,000
Others*	7,264,120	7,119,523
	<u>23,208,828</u>	<u>24,051,523</u>
*Includes Payables for Expenses and Services, Statutory dues, Advance from Customer.		
8 SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Provision for Gratuity	2,248,022	1,926,528
Provision for Leave Encashment	399,507	280,609
	<u>2,647,529</u>	<u>2,207,137</u>

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

Rupees

9 FIXED ASSETS		GROSS BLOCK				DEPRECIATION / AMORTISATION				WRITTEN DOWN VALUE		
		AS AT 01.04.2013	Additions	Deduction/ Adjustments	AS AT 31.03.2014	Depreciation 01.04.2013	Depreciation For the year	Depreciation Arrear	Deduction/ 31.03.2014	Depreciation 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
I.	Tangible Assets :											
1	Land & Side Development											
	Lease Hold	75990	0	0	75990	0	0	0	0	75990	75990	
	Free Hold	621442	0	0	621442	0	0	0	0	621442	621442	
	Agriculture	2020231	0	0	2020231	0	0	0	0	2020231	2020231	
2	Building #	37450710	407300	0	37858010	24358898	1211505		0	25571403	12286607	13090812
3	Plant & Machinery	208370075	7089683	28151249	187308509	98557526	16402688		21158434	93801760	93506749	109812549
4	Electrical Installation	5507830	0	710149	4797681	4760220	100973		487813	4363380	434301	747610
5	Office Equipment	1322632	173580	0	1496212	887859	76439		0	966298	529814	434773
6	Furniture And Fixture	2350750	512000	0	2862750	1185668	241854		0	1427522	1435228	1165082
7	Vehicle	2697205	88689	718468	2067426	1892282	196016		530259	1558039	509387	804923
8	TOTAL	260416865	8271252	29579866	239108251	131643453	18231455		22186506	127688402	111419849	128773412
	Previous Year	217122997	53548720	10254852	260416865	122400570	17180133		7937250	131643453	128773412	94722427

Building includes Temple for Rs. 320945/- on which no depreciation has been provided.

RANJAN POLYSTERS LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)
10 NON CURRENT INVESTMENTS		
Other Investment		
In Government Securities- Unquoted		
7 years National Saving Certificate (Deposited with Sales tax department)	3,000	3,000
	<u>3,000</u>	<u>3,000</u>
11 LONG TERM LOANS & ADVANCES		
(Unsecured and Considered Good)		
Security Deposit	3,396,567	3,396,567
Prepaid Expenses	74,919	56,570
	<u>3,471,486</u>	<u>3,453,137</u>
12 INVENTORIES		
(As taken, valued and Certified by management)		
RAW MATERIALS	7,859,118	6,047,645
STOCK IN PROCESS		
Fabric Process (Job Work)	1,462,847	1,083,472
STORES & SPARES , COAL & FUELS	6,929,472	4,226,101
FINISHED GOODS		
Fabric Process (Job Work)	12,662,227	11,387,682
Fabric Weaving (Job Work)	0	258,345
Fabric Weaving (Own)	0	0
	12,662,227	1,035,851
WASTE STOCK	0	126,910
	<u>28,913,664</u>	<u>24,166,006</u>
13 TRADE RECEIVABLES		
Unsecured- Considered good:-		
Over Six months		
Others	41,140,599	42,075,434
	<u>41,140,599</u>	<u>42,075,434</u>
14 CASH & CASH EQUIVALENTS		
Cash in hand	1,112,648	579,431
Balance with Scheduled Banks		
In Current Account	10,450	10,000
Fixed Deposits with Banks	4,283,110	4,814,755
	<u>5,406,208</u>	<u>5,404,186</u>

14.1 Fixed Deposits with bank includes deposits of face value Rs 34,98,521/- (Prev.Year 34,98,521/-)with maturity of more than 12 months.

14.2 Fixed Deposits of Rs. 42,83,110/- including accrued interest of Rs. 7,84,589/- are Pledged with Bank against Bank Guarantee and term loans.

RANJAN POLYESTERS LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)		
15 SHORT - TERM LOANS & ADVANCES				
Unsecured and considered good	4,407,194	4,407,194		
Balance with Excise Department	3,315,762	2,520,104		
CST/Entry tax Under Protest	60,526	58,945		
Prepaid expenses	391,884	131,452		
Employees Advance		4,286,922		
Advance Income Tax / TDS (Net Provision) 6,345,913	5,625,064	803,221		
Less : Provision for Income Tax* 720,849	0	0		
Capital Advance	3,632,121	5,267,668		
Others**	<u>17,432,551</u>	<u>15,869,064</u>		
<p>*Provision of income tax for current year has been made as per provisions of section 115 JB of Income Tax Act. 1961. **Includes Advance to Supplier.</p>				
16 REVENUE FROM OPERATIONS				
Sales Of Product (Net of returns)	2,566,832	22,857,763		
Sale of Services	330,904,037	314,814,531		
Less : Excise Duty	0	0		
Total Revenue from Operations	<u>333,470,869</u>	<u>337,672,294</u>		
16.1 PARTICULARS OF SALE OF PRODUCTS				
Grey Fabric Sales	540,879	16,025,486		
Finish Fabric Sales	2,025,953	6,832,277		
	<u>2,566,832</u>	<u>22,857,763</u>		
16.2 PARTICULARS OF SALE OF SERVICES				
Job Processing Income	329,345,737	306,160,089		
Job Weaving Income	1,558,300	8,654,442		
	<u>330,904,037</u>	<u>314,814,531</u>		
17 OTHER INCOME				
Interest Income	966,120	735,466		
Profit on sale of Fixed Assets	2,304,139	0		
	<u>3,270,259</u>	<u>735,466</u>		
18 COST OF MATERIALS CONSUMED				
Opening Stock	6,047,645	5,718,328		
Add : Purchases	104,985,958	102,338,687		
Less : Closing Stock	7,859,118	6,047,645		
Consumption	<u>103,174,485</u>	<u>102,009,370</u>		
18.1 Details of Imported and Indigenous materials				
	Rupees	% of Consumption	Rupees	% of Consumption
Imported	0	0	0	0
Indigenous	103,174,485	100	102,009,370	100
	<u>103,174,485</u>	<u>100</u>	<u>102,009,370</u>	<u>100</u>

RANJAN POLYSTERS LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)
18.2 Details of Materials Consumed		
Dyes Chemicals	101,638,045	82,640,774
Yarn	1,536,440	19,368,596
	<u>103,174,485</u>	<u>102,009,370</u>
19 Changes In Inventories Of Finished Goods, Stock In Process		
Opening Stock :		
Finished Goods	12,681,878	14,743,873
Stock in Process	1,083,472	1,157,759
Waste	126,910	30,888
	13,892,260	15,932,520
Closing Stock		
Finished Goods	12,662,227	12,681,878
Stock in Process	1,462,847	1,083,472
Waste	0	126,910
	<u>14,125,074</u>	13,892,260
	<u>(232,814)</u>	<u>2,040,260</u>
20 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Allowances & Bonus	39,269,015	44,507,552
Contribution to Provident Fund & Other Fund	1,533,437	1,396,046
Employees Welfare Expenses	830,658	748,068
	<u>41,633,110</u>	<u>46,651,666</u>
21 FINANCE COST		
Interest Expense	14,099,791	13,893,830
Bank Charge	445,223	251,795
	<u>14,545,014</u>	<u>14,145,625</u>
22 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation for the year	18,231,455	17,180,133
	<u>18,231,455</u>	<u>17,180,133</u>
23 OTHER EXPENSES		
MANUFACTURING EXPENSES		
Store & Spare parts Consumed	19,680,718	20,911,683
Water Softening & E.T.P. Expenses	3,405,855	3,647,078
Other Mfg. Expenses	24,318,892	16,133,540
Repairs & Maintenance		
:- Machinery	3,583,199	5,332,847
:- Building	915,868	973,465
Power Charges	29,520,865	29,693,321
Fuel Expenses	63,359,243	66,091,238
	<u>144,784,640</u>	142,783,172
ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Rent, Rates & Taxes	424,746	686,343
Insurance	196,925	189,879
Travelling & Conveyance	785,437	589,529
Printing & Stationery	338,516	331,470
Postage, Telegram & Telephone	243,161	322,195

RANJAN POLYSTERS LIMITED

26	EARNINGS IN FOREIGN EXCHANGE	NIL	NIL
27	REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND	NIL	NIL

28 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities

a Claims against the Company not acknowledged as debt

i) Excise Duty Demand

In respect of demand on account of excise duty Rs. 3,45,000/- (Previous year Rs. 3,45,000/-) against which the amount deposited Rs. 85,000/- (Previous year Rs. 85,000/-) under protest. The liability for show cause notice being protested is not ascertainable.

ii) Textile Cess Demand

In respect of Textile Cess demand up to 30th June 2006 of Rs. 36,01,181/- (Previous year Rs. 36,01,181/-) under protest. The Company has not received show cause notice after that.

iii) Entry Tax Demand

The Company has received Entry Tax demand including interest of Rs. 84,11,402/- (Previous year Rs. 65,30,413/-) for the A.Y. 2006-07 to A.Y. 2011-12 against which amount of Rs. 33,02,602/- (Previous year Rs. 25,06,944/-) has been deposited. Company has protested the demand before Hon'ble Rajasthan High Court Jodhpur. The Entry Tax Demand for the year 2012-13 & 2013-14 is not ascertainable.

b Guarantees

i) Bank Guarantees

Bank Guarantee of Rs. 18,77,000/- (Previous year Rs. 27,07,000/-), Margin their against Rs. 18,77,000/- (Previous year Rs. 27,07,000/-)

c Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for	2267171	3249106
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29 RELATED PARTY DISCLOSURE

Names and Relationship of related parties

i) Key Management personnel

Mahesh Kumar Bhimsariya	Managing Director
Saket Parikh	Executive Director
Mohit Kumar Bhimsariya	Director
Shyam Sunder Agarwal	Director
Sant Kumar Bhimsariya I	Additional Director

ii) Relatives of Key Managerial Personnel

Aakash Temani	Vijay Khaitan	Sarita Devi Bhimsariya
Vinod Kumar Temani	Chiranji Lal Mukhram HUF	Santosh Kumar Parikh
Nand Kishore Bhimsariya	Shree Ram Bhimsariya	Santosh Parikh HUF
Nand Kishore Chiranjilal HUF	Mamta Sunil Kumar Khaitan	Sharda Parikh
Rinku Parikh	Sant Kumar HUF	Sunil Kumar Khetan
Saket Parikh HUF	Sant Kumar Nand Kishore HUF	Sunil Kumar Khetan HUF
Smiple Parikh	Tripti Parikh	

iii) Enterprise over which Key Managerial personnel are able to exercise significant influence

Stuti Processors Pvt. Ltd. (UL)

RANJAN POLYESTERS LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	Key Management Personnel	Relatives of Key Management Personnel	Enterprise over which Key Managerial Personal are able to exercise significant Influence	Total
Current Year				
Transactions with related parties		0	0	1,190,000
Remuneration	1,190,000	17,844,636	7,259,449	25,740,785
Unsecured Loan Taken (Including Accrued Interest)	636,700	29,267,428	13,847,418	43,302,979
Unsecured Loan Paid (Including Interest)	188,133			
Balance As on 31.03.14				
Unsecured Loan	1,098,464	24,035,480	3,524,854	28,658,798
Remuneration Payable	89,700	0	0	89,700
Previous Year				
Transactions with related parties		0	0	1,070,000
Remuneration	1,070,000	10,348,730	46,725,360	57,681,381
Unsecured Loan Taken (Including Accrued Interest)	607,291	14,346,366	39,117,523	53,533,233
Unsecured Loan Paid (Including Interest)	69,344			
Balance As on 31.03.13				
Unsecured Loan	649,897	35,458,272	10,112,823	46,220,992
Remuneration Payable	83,820	0	0	83,820

- 30 Trade receivables, Trade Payables, loans and advance represented as per books of the Company are subject to confirmation.
- 31 The refund claim against excise department for an amount of Rs. 73.31 lacs will be accounted for on receipt of such refund claim.

32 SEGMENTS REPORTING (AS-17)

32.1 BUSINESS SEGMENT

PARTICULARS	Current Year		Total
	Weaving Unit	Process Unit	
Revenue	4,125,132	328,842,694	332,967,826
External Revenue		503,043	503,043
Internal Revenue	4,125,132	329,345,737	333,470,869
Total Revenue			
Result Segment Result	1,351,492	15,565,169	16,916,661
Interest Income			966,120
Interest Expense			14,099,791
Interest Taxes			720,849
Net Profit			3,062,141
Assets			
Segment Assets	59,160,258	143,002,031	202,162,289
Income Tax Assets			5,625,064
Total Assets			207,787,353
Liabilities			
Capital Expenditure	68,298	144,897,468	144,965,786
Depreciation		8,271,252	8,271,252
Non Cash Expenses	563,902	17,667,553	18,231,455
Previous Year			
Revenue	31,512,205	305,028,849	336,541,054
External Revenue		1,131,240	1,131,240
Internal Revenue	31,512,205	306,160,089	337,672,294

RANJAN POLYSTERS LIMITED**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014**

Result			
Segment Result	877,716	16,49,527	17,373,643
Interest Income			735,466
Interest Expense			13,893,830
Interest Taxes			1,055,689
Net Profit			3,159,590
Assets			
Segment Assets	124,254,557	92,005,981	216,260,538
Income Tax Assets			3,483,701
Total Assets			219,744,239
Liabilities			
Capital Expenditure	68,334,636	91,650,153	159,984,789
Depreciation	767,000	52,781,720	53,548,720
Non Cash Expenses	1,784,794	15,395,339	17,180,133
	262885	(183,811)	79,074

32.2 GEOGRAPHICAL SEGMENT

All the sales and assets of the Company are located in India hence disclosure of geographical is not required.

As per our report of even date

FOR RAMANAND GOYAL & COMPANY
CHARTERED ACCOUNTS
FRN 002384C

HIMANSHU GOYAL
Partner
M.No. 404669

Place : BHILWARA
Date : 30.05.2014

For and on behalf of the board

Mahesh Kumar Bhimsariya

(Managing Directors)

Saket Parikh

(Executive Director)

Mohit Kumar Bhimsariya

(Director)

Shyam Sunder Agarwal

(Director)

Neha Jain

(Company Secretary)

Manoj Jain

(Finance Manager)

RANJAN POLYSTERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2014

PARTICULARS	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES		4,215,279
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS	3,782,990	
ADJUSTMENT FOR :		17,180,133
Depreciation	18,231,455	79,074
Profit / Loss on Sale Fixed Asstes	(2,304,139)	(735,466)
Interest Income	(966,120)	13,893,830
Interest Cost	14,099,791	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	32,843,977	34,632,850
ADJUSTMENT FOR :		(4,545,568)
Trade and Other Receivables	934,835	2,673,047
Inventories	(4,747,658)	3,778,001
Trade payable and Other Payable	14,284,181	(738,216)
Long Term Loans and Advances	(18,349)	(1,330,934)
Short Term Loans and Advances	(1,481,115)	
CASH GENERATION FROM OPERATION	41,815,871	34,424,180
Income Tax Paid	803,221	2,682,782
CASH FLOW FROM OPERATING ACTIVITIES	41,012,650	31,741,398
CASH FROM INVESTING ACTIVITIES		(53,548,720)
Purchase of fixed assets	(8,271,252)	2,238,528
Sale of fixed assets	9,697,498	340,986
Interest on FDR	531,645	735,466
Interest Income	966,120	
Net cash from Investing Activities	2,924,011	(50,233,740)
CASH FLOW FROM FINANCING ACTIVITIES		22,226,653
Decrease in long term borrowings	(29,303,204)	(13,893,830)
Interest Cost	(14,099,791)	
Net Cash used in Finance Activities	(43,402,995)	8,332,823
Net Chang in cash and cash equivalents	533,666	(10,159,519)
Cash and Cash Equivalent at beginning of period	589,431	10,748,950
Cash and Cash Equivalent at end of period	1,123,097	589,431

We have examined the above cash flow statement of Ranjan Polysters Limited for the year ended on 31st March 2014. The Statement has been prepared by the company in accordance with the requirement of clause 32 of the listing agreement with stock exchange and is based on and in agreement with the corresponding Statement of Profit & Loss and Balance Sheet of the company covered by our report of 30th May 2014 to the members of the company.

FOR RAMANAND GOYAL & COMPANY
 CHARTERED ACCOUNTANTS
 FRN 002384C
HIMANSHU GOYAL
 Partner
 M.No. 404669

For and on behalf of the board

Saket Parikh
 Executive Director

Mahesh Kumar Bhimsariya
 Managing Directors

Place : BHILWARA
 Date : 30.05.2014