5th ANNUAL REPORT OF R & B DENIMS LTD

2014-15







R & B DENIMS LIMITED



Chairman's Message .....

Dear Stake holders,

The Indian denim industry is showing continual growth trends over the years. With newer territories, technologies and trends, the market is only going to see some exciting moments ahead. Consumers, especially the youth, in cities beyond the metros and mini metros are growing exceptionally aspirational. They are increasingly accepting denim as a core apparel category to be worn as an everyday casual garment.

Internationally, the numbers of denim making units in US has come down. This offers a huge opportunity for denim makers in India. Denim is one of the most promising category in India's apparel market. In 2013, the denim market of India was worth Rs. 13,500 Cr. which accounts for 5 percent of the total apparel market of the country. The market is projected to grow at a CAGR of 15 percent to become Rs. 27,200 Cr. market in 2018. The denim market in India is skewed towards men's segments with 85 percent contribution coming from it. Women's denim segment contributes 9 percent to the market and the kids segment the rest 6 percent. The women's and kid's denim segments are expected to witness higher growth rates due to their lower prices and increasing focus of brands and retailers on those segments.

The value share of denim market is skewed in favour of mega metros and metros which account for almost half of the total denim market at a share of 49 percent. Though the markets of other urban areas and rural India contribute high in volume terms, their combined share in market value is only 51 percent.

As the penetration of denim category and the awareness of denim quality increases in those cities and rural India, their share in market value will start increasing with more number of consumers willing to pay premium for the quality, design and fit.

Denim is primarily produced from cotton and India is expected to overcome China as the single largest producer of cotton in 2015. The country is the second largest producer of cotton yarn. The denim fabric production capacity of India is more than 1,000 million meters per year, and India is still witnessing entrance of more denim fabric manufacturers in the industry.

Denim fabric production in India is concentrated in the western and a northern part of the country with more than 45 percent contribution coming from Gujarat is the production hub.

I am Pleased to report that in light of the above stated facts your company is confident to achieve new milestones in its journey towards sustainable growth through total excellence. R & B Denims Limited has pursued business excellence through passion, Perseverance and precision cum expansion projects successfully thereby improved its cost competitiveness and profitability despite depreciation in rupee against dollar, rising interest rate and high inflation.

We expect our growth strategy will place significant demands on our managerial, financial and other resources. We took a number of improvement initiatives to further sharpen our cost competitiveness through value engineering, technology up-gradation and enhanced value addition. To deliver the best quality & compete in export market we have further made expansion with value addition of machinery with a CAPEX of Rs. 600 Lacs.

Before concluding, let me assure of our commitment to create value for our stakeholders and thanks to our Board of directors for their constant guidance and support. We value the trust repose on us by our shareholders, bankers, employees, suppliers, associates and our loyal customers for their continued support.

Rajkumar Borana
Chairman & Mg. Director

(This does not purport to be part of the proceeding at the meeting)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rajkumar Borana	Chairman / Managing Director
Mr. Amitkumar Dalmia	Whole time Director
Mr. Deepak Dalmia	Whole time Director
Mr. Ankur Borana	Whole time Director

AUDIT COMMITTEE

Mr. Girish Kumar Kalawatia, Chairman
Mr. Dharmesh Mehta
Mr. Rajkumar Borana
Mrs. Prerna Jain

COMPANY SECRETARY

Mr. Pradip K. Dave

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Girish Kumar Kalawatia, Chairman
Mr. Amit Dalmia
Mrs. Prerna Jain

AUDITORS

PRADIP SINGHI & ASSOCIATES
A/501, President Plaza
Near R.T.O., Ring Road,
Nanpura, Surat. (Gujarat)

NOMINATION AND REMUNERATION COMMITTEE

Mr. Girish Kumar Kalawatia, Chairman
Mr. Manaklal Tiwari
Mr. Dharmesh Mehta
Mrs. Prerna Jain

BANKERS

Bank of India
Surat Mid Corporate Branch,
Ghod Dod Road, Surat. (Gujarat)

HDFC Bank Limited
Rivaa House
Near Udhna Darwaja
Ring Road, Surat. (Gujarat)

REGISTERED OFFICE

Block no 467, Sachin Palsana Road,
Palsana, Surat - 394315 (Gujarat)

REGISTRAR & SHARE TRASFER AGENT

M/S BIGSHARE SERVICES PRIVATE LIMITED
E-2/3 Ansa Industrial Estate, Sakivihar, Sakinaka,
Andheri (East), Mumbai - 400 072

5th Annual General Meeting

DATE : 22nd June, 2015

VENUE : Block No 467, Sachin Palsana Road, Palsana, Surat-394315

TIME : 11.00 A.M.

INSTRUCTION TO THE MEMBERS

Members are requested to bring their copy of Annual report at the meeting, as copies of the same will not be circulated at the AGM as a measure of economy.

BOOK CLOSURE: Date: 16/06/2015 to 20/06/2015 (both days inclusive)

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OPERATING & FINANCIAL DATA

(Rs. in Thousands)

OPERATING DATA	**2014-15**	**2013-14**
Sales & Income from operation	1,544,346.65	1,072,804.11
Other Income	21,931.71	17,307.05
Total	1,566,278.36	1,090,111.16
Raw Material Consumed	1,202,505.76	928,669.21
Increase (Decrease) in Inventories	43,151.32	-57,447.90
Staff Cost	71,973.62	46,884.38
Financial cost	44,754.59	38,780.95
Admn Exp & Selling & Dist. Exp.	111,631.59	77,142.53
Depreciation	84,532.69	50,575.22
Total	1,558,549.58	1,084,604.39
Profit/Loss before Exceptional Items & Taxation	7,728.79	5,506.77
Prior Period Items		1,783.86
Profit/Loss before Taxation	7,728.79	3,722.91
Provision for Current year Tax	1,472.72	1,066.99
Provision for MAT Credit	1,429.83	1,364.63
Provision for Deferred Tax Liability		2,286.80
Provision for Tax		
Profit & Loss after Taxation	3,688.19	1,733.74
Earnings per Share (EPS)	0.27	0.20
FINANCIAL DATA		
Share Capital	139,946.88	102,846.88
Share Application Money	-	-
Reserve & Surplus	151,104.03	147,415.84
Deferred Tax Liability	6,279.31	2,286.80
Loan Funds	236,051.14	252,738.77
Capital & Funds Employed	533,381.36	505,288.29
Fixed Assets (Gross)	615,312.04	551,834.83
Depreciation	172,836.39	88853.99
Fixed Assets (Net)	442,475.65	462,980.84
Investments	-	-
Current Assets	246,897.65	279,343.39
Current Liabilites & Provisions	155,991.94	237,035.94
Net Current Assets	90,905.71	42,307.45
Misc. Exp. Not Written off	-	-
Capital & Funds Applied	533,381.36	505,288.29

KEY EVENTS AND MILESTONE

Year	Key Events /Milestone/Achievements
2010	Incorporation of the Company
2011	Conversion of the Company from Private Limited to Public Limited Company
	Increase in the Authorized share Capital of the Company from Rs. 2,50,00,000 (25,00,000 Equity shares of Rs. 10/- each) to Rs. 5,50,00,000 (55,00,000 Equity shares of Rs. 10/- each)
2012	Commencement of Commercial Production
2013	Increase in the Authorized share Capital of the Company from Rs. 5,50,00,000 (55,00,000 Equity shares of Rs. 10/- each) to Rs. 25,50,00,000 (2,55,00,000 Equity shares of Rs. 10/- each)
	Phase II Development takes pride of increasing production almost double
2014	Achieve Turnover of Rs. 100.00 Crores
	On 22nd day of April, 2014 the Company Listed on SME platform of Bombay Stock Exchange (BSE)
2015	Successfully completed Phase III expansion by installing state of the art (value addition) machineries for producing export quality denim fabric.
	Nominated for Skoch Achiever Award 2015 one amongst 200 out of nearly 500,000 SME organizations in India.

NOTICE OF THE ANNUAL GENERAL MEETING

TO,
THE MEMBERS

Notice is hereby given that the 5th Annual General meeting of members of **M/S R & B DENIMS LIMITED** will be held on 22nd day of June, 2015 at 11.00 a.m. at registered office of the Company situated at Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India to conduct the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2015 including audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. Declaration of dividend on Equity Shares.

3. To appoint a director in place of Mr. Deepak. A. Dalmia (holding DIN 00050547), who retires by rotation at this annual general meeting and being eligible offers himself for re-appointment.

4. To appoint the Auditors and authorise the Board of Directors to fix their remuneration and in this regard to consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:-

   "**RESOLVED THAT** pursuant to the provisions of Section 139 & 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under M/s Pradeep Singhi & Associates, Chartered Accountants (ICAI Registration No.108029W), be and is hereby re-appointed as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the company at such remuneration as shall be fixed by the Board of Directors of company."

SPECIAL BUSINESS

5. To approve the remuneration of the Cost Auditors for the Financial year ending March 31, 2016 and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Messrs V.M. Patel & Associates., Cost Accountants (Membership. No. 32082), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year ending 31st March 2016 be paid a remuneration of Rs. 35000/- (Rupees Thirty Five Thousand only) plus applicable service tax and out of pocket expenses that may be incurred during the course of audit and the said remuneration be and is hereby ratified by the members ."

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

DATE: 20/05/2014
PLACE: SURAT

By Order of Board of Director

SD/-
Pradip Dave
Company Secretary

Registered Office :
Block No.467, Sachin Palsana Road,
Palsana, Surat-394315,
Gujarat, India
CIN: L17120GJ2010PLC062949
E-mail: compliance@rnbdenims.com

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

2. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.

3. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER

4. THE BUSINESS SET OUT IN THE NOTICE WILL BE TRANSACTED THROUGH ELECTRONIC VOTING SYSTEM AND THE COMPANY IS PROVIDING FACILITY FOR VOTING BY ELECTRONIC MEANS. INSTRUCTIONS AND OTHER INFORMATION RELATING TO E-VOTING ARE GIVEN IN THIS NOTICE UNDER NOTE NO. 11. THE COMPANY WILL ALSO SEND COMMUNICATION RELATING TO REMOTE E-VOTING WHICH INTER ALIA WOULD CONTAIN DETAILS ABOUT USER ID AND PASSWORD.

5. CORPORATE MEMBER(S) INTENDING TO SEND THEIR AUTHORIZE REPRESENTATIVE(S) TO ATTEND THE MEETINGS ARE REQUESTED TO SEND TO THE COMPANY A CERTIFIED TRUE COPY OF THE BOARD RESOLUTION PERUSING TO SECTION 113 OF THE COMPANIES ACT, 2013 AUTHORISING THEIR REPRESENTATIVE(S) TO ATTEND AND VOTE ON THEIR BEHALF AT THE MEETING.

6. IN TERMS OF SECTION 152 OF THE COMPANIES ACT, 2013, MR. DEEPAK. A. DALMIA (DIN 00050547) DIRECTOR, RETIRE BY ROTATION AT THE MEETING AND BEING ELIGIBLE, OFFERS HIMSELF FOR REAPPOINTMENT. THE BOARD OF DIRECTORS OF THE COMPANY COMMEND HIS RE-APPOINTMENT. BRIEF RESUME OF DIRECTOR TO BE RE-APPOINTED, NATURE OF HIS EXPERTISE IN SPECIFIC FUNCTIONAL AREAS, NAMES OF COMPANIES IN WHICH HE HOLD DIRECTORSHIPS AND MEMBERSHIPS / CHAIRMANSHIPS OF BOARD COMMITTEES, SHAREHOLDING ARE PROVIDED IN THE CORPORATE GOVERNANCE REPORT FORMING PART OF THE ANNUAL REPORT.

7. THE REGISTER OF MEMBERS AND TRANSFER BOOKS OF THE COMPANY WILL BE CLOSED FROM TUESDAY, JUNE 16, 2015 TO SATURDAY JUNE 20, 2015, BOTH DAYS INCLUSIVE.

8. ELECTRONIC COPY OF THE ANNUAL REPORT FOR 2014-15 IS BEING SENT TO ALL THE MEMBERS WHOSE EMAIL IDS ARE REGISTERED WITH THE COMPANY/ DEPOSITORY PARTICIPANT(S) FOR COMMUNICATION PURPOSES UNLESS ANY MEMBER HAS REQUESTED FOR A HARD COPY OF THE SAME. FOR MEMBERS WHO HAVE NOT REGISTERED THEIR EMAIL ADDRESS, PHYSICAL COPIES OF THE ANNUAL REPORT FOR 2014-2015 IS BEING SENT IN THE PERMITTED MODE.

9. MEMBERS SEEKING ANY INFORMATION WITH REGARD TO THE FINANCIAL STATEMENTS ARE REQUESTED TO WRITE TO THE COMPANY AT LEAST 7 DAYS BEFORE THE MEETING SO AS TO ENABLE THE MANAGEMENT TO KEEP THE INFORMATION READY AT THE MEETING. CHANGE OF ADDRESS, IF ANY, SHOULD BE NOTIFIED TO THE COMPANY IMMEDIATELY.

10. THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) HAS MANDATED THE SUBMISSION OF PERMANENT ACCOUNT NUMBER (PAN) BY EVERY PARTICIPANT IN SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN TO THEIR DEPOSITORY PARTICIPANTS WITH WHOM THEY ARE MAINTAINING THEIR DEMAT ACCOUNTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM CAN SUBMIT THEIR PAN TO THE COMPANY / SHARE TRANSFER AGENT.

11. VOTING THROUGH ELECTRONIC MEANS

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on 19th June, 2015 (9:00 am) and ends on 21st June, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 15th June, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

(iii) Click on Shareholder - Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of "R & B denims Limited".

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@rnbdenims.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 15th June, 2015.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 15th June, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIII. Shah Jainam Navinchandra, Practicing Company Secretary, Proprietor of M/s. Jainam N. Shah & Co., of Surat (Membership No. 35397) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. 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 "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. 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.

XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.rnbdenims.com and on the website of NSDL 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 BSE Limited, Mumbai.

12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the company on any working day excluding public holidays and Sundays, between 11.00 A.M. to 1.00 P.M. upto and including the date of Annual General Meeting

DATE: 20/05/2014
PLACE: SURAT

By Order of Board of Director

SD/-
Pradip Dave
Company Secretary

Registered Office :
Block No.467, Sachin Palsana Road,
Palsana, Surat-394315,
Gujarat, India
CIN: L17120GJ2010PLC062949
E-mail: compliance@rnbdenims.com

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company across various segments, for the financial year ending March 31, 2016 as per the following details:

Sr. No.	Name of the Cost Auditor	Audit Fees (Rs.)
1	Messrs V.M. Patel & Associates	35,000

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the 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. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

DATE: 20/05/2014
PLACE: SURAT

By Order of Board of Director

SD/-
Pradip Dave
Company Secretary

Registered Office :
Block No.467, Sachin Palsana Road,
Palsana, Surat-394315,
Gujarat, India
CIN: L17120GJ2010PLC062949
E-mail: compliance@rnbdenims.com

BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To The Members of
R & B Denims Limited

The Directors take pleasure in presenting the Fifth Annual Report together with the audited financial statements for the year ended March 31, 2015. The Management Discussion and Analysis has also been incorporated into this report.

1. HIGHLIGHTS OF PERFORMANCE

- Standalone net sales for the year was Rs. 1,544,346.65 (in thousands) as compared to Rs. 1,072,804.11 (in thousands) in 2014, a growth of 43.95%;
- Standalone profit before tax for the year was Rs. 7,728.79 (in thousands)as compared to Rs. 5506.77 (in thousands)in 2014;
- Standalone Profit after tax for the year was Rs. 3,688.19 (in thousands) as compared to Rs. 1,733.74 (in thousands) in 2014.

2. FINANCIAL RESULTS

(Rs. In thousands)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Sales/ Business Income	1,544,346.65	1,072,804.11
Other Income	21,931.71	17,307.05
Total Income	**1,566,278.36**	**1,090,111.16**
Profit Before Tax and Exceptional Items	7,728.79	5,506.77
Exceptional Items	-	(1,783.86)
Profit before Taxation	**7,728.79**	**3,722.91**
Income Tax	(1,477.92)	(1,066.99)
Deferred Tax	(3,992.50)	(2,286.80)
MAT Credit Provision	1,429.83	1,364.63
Profit after Taxation	**3,688.19**	**1,733.74**

The financial year 2014-15 has been a very successful and important year for the Company. In this year, company brought an Initial Public Offer Issue and listed on SME Platform of Bombay Stock Exchange (BSE)

3. TRANSFER TO RESERVES IN TERMS OF SECTION 134(3)(J) OF THE COMPANIES ACT, 2013

For the financial year ended on March 31, 2015, the Company is proposed to carry an amount of Rs 3,688.19 (in thousands) to Balance Sheet under the head General Reserve Account.

4. DIVIDEND

During the year Company has earned adequate profit and your directors have decided to plough back the profit into the business and hence no dividend could be recommended.

5. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

6. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2015 was Rs. 139,946.88 (in thousands). During the year under review, the Company has issued 3,710,000 Equity shares of Rs. 10/- each without differential voting rights. As on March 31, 2015, the Directors of the Company holds 21.32% shares of the Company.

7. FINANCE

Cash and cash equivalent as at March 31, 2015 was Rs. 8,040.85 (in thousands) The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

ACCEPTANCE OF DEPOSITS

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the **"Annexure-A"** to the Board of Directors Report.

8. OPERATIONS

As per the latest GDP growth estimates, Indian economy grew by 7.4% in FY15 compared to 6.9% in FY14, mostly driven by improved economic fundamentals and revision of GDP methodology calculation. Even inflation showed signs of moderation, a welcome sign - wholesale price and consumer price inflation declined to 4.2% and 7.4% respectively. Compare with the last year's 6.3% and 10.1% However, high interest rates, a depreciated currency led to deceleration in the economic recovery. Particularly, performance of industry sector was lackluster last year, owing to high interest cost and low investment. In the backdrop of above macro-economic scenario, the performance of your Company is highly encouraging. Your Company has closed the financial year 2014-15 with 44% growth in sales and PBT (excluding Exceptional items) has shown a growth of 40.35% compared to the previous year. Your Company has achieved the growth across all business segments.

9. DENIM INDUSTRY OUTLOOK AND OPPORTUNITIES

The Indian denim industry is showing continual growth trends over the years. With newer territories, technologies and trends, the market is only going to see some exciting moments ahead. Consumers, especially the youth, in cities beyond the metros and mini metros are growing exceptionally aspirational. They are increasingly accepting denim as a core apparel category to be worn as an everyday casual garment.

Denim is of the most promising category in India's apparel market. In 2013, the denim market of India was worth Rs. 13,500 Cr. which accounts for 5 percent of the total apparel market of the country. The market is projected to grow at a CAGR of 15 percent to become Rs. 27,200 Cr. market in 2018. The denim market in India is skewed towards men's segments with 85 percent contribution coming from it. Women's denim segment contributes 9 percent to the market and the kids segment the rest 6 percent. The women's and kid's denim segments are expected to witness higher growth rates due to their lower base and increasing focus of brands and retailers on those segments.

The value share of denim market is skewed in favour of mega metros and metros which account for almost half of the total denim market at a share of 49 percent. Though the markets of other urban areas and rural India contribute high in volume terms, their combined share in market value is only 51 percent.

As the penetration of denim category and the awareness of denim quality increases in those cities and rural India, their share in market value will start increasing with more number of consumers willing to pay premium for the quality, design and fit.

Denim is primarily produced from cotton and India is expected to overcome China as the single largest producer of cotton the world in 2015. The country is the second largest producer of cotton yarn. The denim fabric production capacity of India is more than 1,000 million meters per year, and India is still witnessing entrance of more denim fabric manufacturers in the industry.

Denim fabric production in India is concentrated in the western and a northern part of the country with more than 45 percent contribution coming from Gujarat is the production hub.

10. COSTS-DENIM BUSINESS

During the year 2014, the economy witnessed an upward movement in the overall cost structure and the Company continued to focus on cost improvements through its excellent programs.

Cost of materials consumed

Cost of materials consumed accounted for 78% of total income from operations (87% in 2014). Cost of material consumed increased by 29% in 2015 over 2014. Yarn prices were increased by 23% in 2015 as compared to 2014 while Coal/Lignite prices were increased by 84% in 2015 as compared to 2014. Color/Chemical prices increased by 66% in 2015 over 2014. The cost of material consumed during the year increased on account of fully utilization of capacity of Plant and machinery installed.

Power & Fuel

The power and fuel spend was Rs. 146,167.66 (in thousands) which constitutes 9% of the total income from operations of the company. Coal cost increased by 130% in 2015 over 2014 while Electricity purchased increased by 42% in 2015 over 2014 mainly on account of a fully utilization of capacity of Plant and machinery installed.

Other Expenditure

Other expenditure constitutes 1% of total income from operations of the Company. The increase in other expenditure was 18% in 2015 over 2014.

11. SUSTAINABLE DEVELOPMENT

Sustainability has been deeply embedded into the Company's business and has become an integral part of its decision making process while considering social, economic and environmental dimensions. During the year 2014-15, a Sustainability Development was developed with a focus on the following areas:

a. Dust Emissions
b. Air Emissions

Dust Emissions

- Our Company is a member of Gujarat Eco-Textile Park (GETP), The Park help us to reduce dust pollution. The Company has also implemented various measures across all its operations to control fugitive emissions.

Air Emissions

- Initiatives were taken to reduce air pollution cause due to production processes. Company has taken license from Gujarat Pollution Control Board (GPCB). The officers of the board often comes on a surprise visit to our factory and takes the sample of air to verify level of air pollution. The samples are tested by GPCB in their own laboratory and report is issued to us.

12. HEALTH & SAFETY

Health & Safety (H&S) remains the Company's top priority. Our company is equipped with proper first aid facilities, Medical facilities and stretchers. The shift supervisors have been trained in basic life support techniques.

With regard to safety, two key areas of focus identified were Facility Management for the employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for employees such as washrooms with bathing facilities, rest rooms, proper availability of drinking water etc. The Equipment, Tools & Material Management program ensured that the tools used by employees were safe and the company provides earplugs, helmet, nose & face mask, hand gloves, safety shoes to protect its employees. The process of screening of employees was made more stringent to ensure that the employees were aligned with the Company's objectives.

13. HUMAN RESOURCES

Many initiatives have been taken to support business through organizational efficiency, process change support, and various employees' engagement programs, which have helped the Organization, achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/functional capabilities in order to meet future talent requirement.

The Company's HR processes such as hiring and on boarding, fair transparent performance evaluation and talent management process, and market aligned policies have been seen as at good level practices in the Industry.

Employees of Choice:

The Company has positioned itself as one of the best companies to work for. Employees have option to work with the world class technologies and have flexibility to pursue different functions. Employees are encouraged to express their views and are empowered to work independently. Employees are given the opportunity to learn through various small projects, which make them look at initiatives from different perspectives and thus provide them with a platform to become result oriented. This has helped greatly in overall development of the employee and has significantly arrested the attrition rate.

Leadership Development:

As a part of leadership development, talented employees have been seconded to the senior leadership team to mentor them and prepare them for the next higher role. Apart from this, a large number of senior, middle and other employees are sent for leadership programs or are assigned to small independent projects, which are planned for identified talent.

Industrial Relation:

The Company shares relevant business information with the union in order to enlighten them and make them sensitive towards business requirements. This has helped to build a healthy relationship and resolve issue through mutual dialogue.

Individual Development Planning:

This is an annual process tied to business planning and the budget cycle, whereby the management in our organization establishes training goals and plans for employees of the organization.

14. CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors of the Company hereby confirms that the provisions of Section 135(1) of the Companies Act, 2013 is not applicable to our company.

15. BUSINESS RISK MANAGEMENT

The Board of Directors of the Company hereby confirms that, according to the provisions contained in circular no. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014 of SEBI, clause 49 of the listing agreement is not applicable to our company.

16. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

17. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance. The Company has a vigil mechanism and whistle blower policy to deal with unethical behavior, fraud or violation of the Company's code, if any. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: http://www.rnbdenims.com/images/VIGIL%20MECHANISM%20FOR%20DIRECTORS%20AND%20EMPLOYEES.pdf

18. DIRECTORS

The members had appointed Mrs. Prerna Jain as Independent Director in the Fourth AGM of the Company pursuant to the provisions of Section 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013 for a period of 5 years with effect from September 22, 2014.

Mr. Kapil Hemantkumar Hojiwala former Independent Director retired from the services of the Company with effect from August 25, 2014.

The Board has placed on record its appreciation for the outstanding contributions made by Mr. Kapil Hemantkumar Hojiwala during their respective tenures of office.

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.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Deepak A Dalmia retires by rotation and is eligible for re-appointment.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

Meetings

Meetings is prepared and circulated in advance to the Directors. During the year, Board Meetings and Committee Meetings were convened and held. The details of which are given herein below and also in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Details of Meetings held during the F.Y. 2014-15

Sr. No.	Date of Meeting	Class of Meeting	Board Strength	No. of Directors Present
1	10/04/2014	Stakeholders' Relationship Committee	3	3
2	11/04/2014	Board of Director Meeting	8	6
3	10/05/2014	Audit Committee	4	4
4	25/05/2014	Board of Director Meeting	8	6
5	10/06/2014	Board of Director Meeting	8	4
6	21/07/2014	Stakeholders' Relationship Committee	3	3
7	18/08/2014	Nomination & Remuneration Committee	4	4
8	24/08/2014	Audit Committee	4	4
9	25/08/2014	Board of Director Meeting	8	6
10	30/09/2014	Board of Director Meeting	8	6
11	05/11/2014	Stakeholders' Relationship Committee	3	3
12	12/11/2014	Audit Committee	4	4
13	14/11/2014	Board of Director Meeting	8	8
14	10/02/2015	Board of Director Meeting	8	4
15	17/02/2015	Nomination & Remuneration Committee	4	4
16	25/02/2014	Stakeholders' Relationship Committee	3	3
17	02/03/2015	Audit Committee	4	4

19. DIRECTORS' RESPONSIBILITY STATEMENT

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

a. that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual financial statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

20. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large and the details of which is prescribed in **Form AOC-2 as an "Annexure-B"** attached to this report.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions, which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The statement is supported by a Certificate from the CEO & MD and the CFO.

None of the Directors has any pecuniary relationships or transactions vis-a-vis the Company

21. AUDITORS

Statutory Auditors

The Company's Auditors, Messrs PRADEEP SINGHI & ASSOCIATES, Chartered Accountants, Surat who retire at the ensuing Annual General Meeting of the Company are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company. The auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its denim activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed Messrs V. M Patel & Associates to audit the cost accounts of the Company for the financial year 2014-15 on a remuneration of Rs. 35,000 plus Service tax, if applicable and out of pocket expenses. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to Messrs V. M Patel & Associates, Cost Auditors is included at Item No. 5 of the Notice convening the Annual General Meeting.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 The Board has appointed Messrs JAINAM N SHAH & CO, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as **"Annexure C"** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

22. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders.

Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively affect the socio-economic and environmental dimensions and contribute to sustainable growth and development.

23. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report. The Report on Corporate Governance by Auditor is annexed herewith as "**Annexure-D".**

24. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **"Annexure-E".**

25. EXTRACT OF ANNUAL RETURN

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

26. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure-G of the Annual Report

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours of the Company up to the date of the ensuing Annual General Meeting and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their email addresses and is available on the Company's website.

27. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors gratefully acknowledge all stakeholders of the Company viz. workers, staff, customers, members, dealers, vendors, banks, concerned authorities and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

28. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

29. DISCLAIMER

Certain statements in this report relating to Company's objectives, projections, outlook, expectations, estimates, etc may be forward looking statements within the meaning of applicable laws and regulations. Although the Company believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, actual results or performance could differ materially from such expectations, projections, etc whether express or implied as a result of among other factors, changes in economic conditions affecting demand and supply, success of business and operating initiatives and restructuring objectives, change in regulatory environment, other government actions including taxation, natural phenomena such as floods and earthquakes, customer strategies, etc over which the Company does not have any direct control.

BY ORDER OF THE BOARD OF DIRECTORS

SD/-

Amitkumar Anandbhai Dalmia
(Chairman & Whole-time Director)
DIN: 00034642
Add: C/602/603 Regency Tower, Dumas Road,
Piplod, Surat-394550

Place: **SURAT**

Date: 20/05/2015

"ANNEXURE-A"

LOANS, GUARANTEES AND INVESTMENTS

The Company has not grant any Loans, not given any Guarantee and does not made any Investments pursuant to section 186 of the Companies Act, 2013 in the financial year ended March 31, 2015:

SN	Date of Transaction	Particular/Purpose/Nature of Transaction	Amount of Transaction
NOT APPLICABLE			

"ANNEXURE-B"

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for 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		
Sr. No.		
(a)	Name(s) of the related party and nature of relationship	NOT APPLICABLE
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at arm's length basis		
Sr. No.		
(a)	Details of material contracts or arrangement or transactions at arm's length basis	Lease Rent paid by the Company to: I. Amit Kumar Dalmia- Promoter II. Ankur Borana- Promoter III. Deepak Dalmia- Promoter IV. Rajkumar Borana- Promoter
(b)	Nature of contracts/arrangements/transactions	Lease Rent
(c)	Duration of the contracts / arrangements/transactions	12 Months
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	NA
(e)	Date(s) of approval by the Board, if any:	11/04/2014
(f)	Amount paid as advances, if any:	NA

BY ORDER OF THE BOARD OF DIRECTORS

SD/-

Amitkumar Anandbhai Dalmia
(Chairman & Whole-time Director)
DIN: 00034642
Add: C/602/603 Regency Tower, Dumas Road,
Piplod, Surat-394550

Place: **SURAT**

Date: 20/05/2015

"ANNEXURE-C"

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

To,
The Members,
R & B Denims Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by R & B Denims Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the R & B Denims Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under 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;

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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; and
h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
i. Employees Provident Fund and Miscellaneous Provisions Act, 1952
j. Employees State Insurance Act, 1948
k. Employers Liability Act, 1938
l. Environment Protection Act, 1986 and other environmental laws
m. Equal Remuneration Act, 1976
n. Factories Act, 1948
o. Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003
p. Indian Contract Act, 1872
q. Income Tax Act, 1961 and Indirect Tax Laws
r. Indian Stamp Act, 1999
s. Industrial Dispute Act, 1947
t. Maternity Benefits Act, 1961
u. Minimum Wages Act, 1948
v. Negotiable Instruments Act, 1881
w. Payment of Bonus Act, 1965
x. Payment of Gratuity Act, 1972
y. Payment of Wages Act, 1936 and other applicable labour laws

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.
ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

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

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

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

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

Its seems that the company has not filed form regarding appointment of internal auditor within the time prescribed

I further report that during the audit period, there were instances of:

i. Public Issue of 3,710,000 Equity shares of Rs. 10/- each without differential voting rights.

ii. No Redemption / buy-back of securities
iii. No Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
iv. No Merger / amalgamation / reconstruction, etc. take place
v. No Foreign technical collaborations take place during the audit year

Place: **SURAT**

Date: 20/05/2015

SD/-

Shah Jainam Navinchandra-Proprietor
JAINAM N SHAH & CO.
M. No.:35397
C P No. 13108

"ANNEXURE-E"

FORM A
Form for Disclosure of Particulars with respect to Conservation of Energy

(Amount in Rs.)

Power and fuel consumption	Current Year 2014-15	Previous Year 2013-14
A. Power and fuel consumption		
1. Electricity		
(A) Purchased		
Unit (Lacs KWH)	15,117,088	10,935,104
Total amount (Rs. In Lacs)	95,747,269	67,429,921
Rate / unit (KWH)	6.33	6.17
2. Coal		
Quantity (tonnes)	13,116	7,127
Total cost (Rs.)	50,319,840	21,870,991
Average rate (Rs.)	3,837	3,069
3. Diesel oil		
Quantity (k. ltrs.)	1,600	12,200
Total amount (Rs.)	100,554	707,716
Average rate (Rs.)	63	58

Note: Diesel Oil consumption is only for backup power of system and not for production.

Foreign Exchange Inflow & Outflow:

Inflow: NIL

Outflow: US $: 1,292,568.60
Euro: 2,278.75
Yen: 665,919

"ANNEXURE-F"

EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2015
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

I Registration and other details

CIN:	L17120GJ2010PLC062949
Registration Date	17th November, 2010
Name of the Company	R & B DENIMS LIMITED
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	Block No. 467 Sachin Palsana Road, Palsana, Surat-394315 Tel. No. +91-96 01 281648
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited E-3, Ansa Industrial Estate, Sakhivihar Road, Sakinaka, Mumbai-400072 Tel. No. 022-40430200

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:

Sr. No.	Name and Description of main Products / ~~Services~~	NIC Code of the Product / ~~Service~~	% to total turnover of the Company
1	Manufacturing and sale of quality Denim Textile Products	5209 & 5211	100%

III Particulars of Holding, Subsidiary and Associate Companies

[No. of Companies for which information is being filled]

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NOT APPLICABLE					

IV Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (1) Indian									
a) Individual / HUF	-	3981678	3981678	38.72	3981678	-	3981678	28.45	(10.27)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	
d) Bodies Corporate	-	1875000	1875000	18.23	1875000		1875000	13.40	(4.83)
e) Banks / FI	-	-	-	-	-	-	-	-	-
F) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	-	**5856678**	**5856678**	**56.95**	**5856678**	-	**5856678**	**41.85**	**(15.10)**
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	-	**5856678**	**5856678**	**56.95**	**5856678**	-	**5856678**	**41.85**	**(15.10)**
B. Public Share-holding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt(s)	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-

h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.									
(i) Indian	-	3750000	3750000	36.46	2060000	3750000	5810000	41.52	5.06
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individuals Shareholders holding nominal share capital upto Rs. 1 lakh	-	10	10	0.00	320000	10	320010	2.29	2.28
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	678000	678000	6.59	2008000	0	2008000	14.35	7.76
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2): Total Public Shareholding (B)=(B)(1)+(B)(2)	**-**	**4428010**	**4428010**	**43.05**	**4388000**	**3750010**	**8138010**	**58.15**	**15.10**
C. Shares Held by Custodian for GRDs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**10284688**	**10284688**	**100**	**10244678**	**3750010**	**13994688**	**100**	**-**

ii) Share holding Pattern

Sr. No.	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	Hem Securities Limited	-	-	-	1600000	11.4329	-	11.4329
2	Rawatkhedia Silk Mills Private Limited	1500000	14.58	-	1500000	10.7184	-	-
3	Rajkumar Mangilal Borana	942921	9.17	-	942921	6.7377	-	-
4	Ankur Mangilal Borana	942918	9.17	-	942918	6.7377	-	-
5	Clubside Dealcom Private Limited	750000	7.29	-	750000	5.3592	-	-
6	Positive Vinimay Private Limited	750000	7.29	-	750000	5.3592	-	-
7	Newtown Mercantiles Private Limited	750000	7.29	-	750000	5.3592	-	-
8	Singrodia Bros Holding Private Limited	750000	7.29	-	750000	5.3592	-	-
9	Shri Ramrathi Marketing Private Limited	750000	7.29	-	750000	5.3592	-	-
10	Amitkumar Anandbhai Dalmia	549171	5.34	-	549171	3.9241	-	-
11	Deepak A Dalmia	549168	5.34	-	549168	3.9241	-	-
12	Amit Kumar Jain	-	-	-	390000	2.7868	-	2.7868
13	Mayfair Vinimay Private Limited	375000	3.65	-	375000	2.6796	-	-
14	Mangilal Ambalal Borana	300000	2.92	-	300000	2.1437	-	-
15	Lalita Nareshkumar Borana	228000	2.22	-	228000	1.6292	-	-
16	Nareshkumar Ambalal Borana	225000	2.19	-	225000	1.6078	-	-
17	Nareshkumar Ambalal Borana HUF	225000	2.19	-	225000	1.6078	-	-
18	Mangilal Ambalal Borana HUF	225000	2.19	-	225000	1.6078	-	-
19	K.K. Stock Management Pvt. Ltd.	-	-	-	210000	1.5006	-	1.5006
20	Rajkumar Mangilal Borana HUF	183000	1.78	-	183000	1.3076	-	-
21	Dhwani Ankur	153000	1.49	-	153000	1.0933	-	-

	Borana							
22	Krishankumar M. Jethani	-	-	-	110000	0.7860	-	0.7860
23	Rajmala Finlease Pvt. Ltd.	-	-	-	110000	0.7860	-	0.7860
24	Krishan Kumar M. Jethani (HUF)	-	-	-	100000	0.7146	-	0.7146
25	Hem Financial Services Limited	-	-	-	90000	0.6431	-	0.6431
26	Ankur Mangilal Borana HUF	85500	0.83	-	85500	0.6109	-	-
27	Manjudevi Surendrakumar Dharewa	-	-	-	80000	0.5716	-	0.5716
28	Elavia Rayomand M	-	-	-	80000	0.5716	-	0.5716
29	Danesh D Gandhi	-	-	-	80000	0.5716	-	0.5716
30	Ved Prakash Goel	-	-	-	70000	0.5002	-	0.5002
31	Sarita Anil Jain	-	-	-	60000	0.4287	-	0.4287
32	Pushpa Sajjan Kumar Jain	-	-	-	60000	0.4287	-	0.4287
33	Shantidevi Sajjan Jain	-	-	-	60000	0.4287	-	0.4287
34	Anita Jain	-	-	-	60000	0.4287	-	0.4287
35	Kiran Devi Goel	-	-	-	60000	0.4287	-	0.4287
36	Ritesh Tulshyan-HUF	-	-	-	20000	0.1429	-	0.1429
37	Jitendra Kumar Jain	-	-	-	20000	0.1429	-	0.1429
38	Popatlal Tarachand Jain	-	-	-	20000	0.1429	-	0.1429
39	Pinky Popatlal Jain	-	-	-	20000	0.1429	-	0.1429
40	Ghisulal Somaji Rawal	-	-	-	20000	0.1429	-	0.1429
41	Moneycare Securities And Financial services Ltd	-	-	-	20000	0.1429	-	0.1429
42	Sushil Financial Services Pvt Ltd	-	-	-	20000	0.1429	-	0.1429
43	Mohini Devi Mangilal Borana	10500	0.10	-	10500	0.0750	-	-
44	Sharmila Rajkumar Borana	10500	0.10	-	10500	0.0750	-	-
45	Raj Kishore HUF	-	-	-	10000	0.0715	-	0.0715
46	Jayantibhai Thakarshibhai Lakhmani	-	-	-	10000	0.0715	-	0.0715
47	Sonal Agarwal HUF	-	-	-	10000	0.0715	-	0.0715
48	Bharati Jain	-	-	-	10000	0.0715	-	0.0715
49	Jimmy Jain	-	-	-	10000	0.0715	-	0.0715
50	Sonal Agarwal	-	-	-	10000	0.0715	-	0.0715
51	Sunita Rani	-	-	-	10000	0.0715	-	0.0715
52	Vivek Sharma	-	-	-	10000	0.0715	-	0.0715

53	Govind Bihani	-	-	-	10000	0.0715	-	0.0715
54	Ranjana Hemant Agarwal	-	-	-	10000	0.0715	-	0.0715
55	Karvy Stock Broking Limited	-	-	-	10000	0.0715	-	0.0715
56	Bonanza Portfolio Ltd	-	-	-	10000	0.0715	-	0.0715
57	PLG Securities Private Limited	-	-	-	10000	0.0715	-	0.0715
58	Laxmi Basandani	-	-	-	10000	0.0715	-	0.0715
59	Rahul Jain	-	-	-	10000	0.0715	-	0.0715
60	Sanjay N Goenka	-	-	-	10000	0.0715	-	0.0715
61	Sanju Kabra	-	-	-	10000	0.0715	-	0.0715
62	Trupti Tukaram Pawar	-	-	-	10000	0.0715	-	0.0715
63	Sanjay Popatlal Jain	-	-	-	10000	0.0715	-	0.0715
64	Popatlal Tarachand Jain	-	-	-	10000	0.0715	-	0.0715
65	Rinku Sanjay Jain	-	-	-	10000	0.0715	-	0.0715
66	Mukeshkumar Ghisulal Rawal	-	-	-	10000	0.0715	-	0.0715
67	Kamlabai Popatlal Jain	-	-	-	10000	0.0715	-	0.0715
68	Hetal Jagdish Rawal	-	-	-	10000	0.0715	-	0.0715
69	Sangeeta Mukesh Rawal	-	-	-	10000	0.0715	-	0.0715
70	Ghisulal Somaji Rawal	-	-	-	10000	0.0715	-	0.0715
71	Jagdish Kumar Rawal	-	-	-	10000	0.0715	-	0.0715
72	Sanjay Popatlal Jain	-	-	-	10000	0.0715	-	0.0715
73	Raj Kishore	-	-	-	10000	0.0715	-	0.0715
74	Munni Lal Dugar	-	-	-	10000	0.0715	-	0.0715
75	Laxmi Devi Dugar	-	-	-	10000	0.0715	-	0.0715
76	Puneet Goel	-	-	-	10000	0.0715	-	0.0715
77	Hem Chand Jain	-	-	-	10000	0.0715	-	0.0715
78	Tripti Jain	-	-	-	10000	0.0715	-	0.0715
79	Pratibha Bhandari	-	-	-	10000	0.0715	-	0.0715
80	Amitkumar Anand Dalmia HUF	6000	0.06	-	6000	0.0429	-	-
81	Deepak A Dalmia HUF	6000	0.06	-	6000	0.0429	-	-
82	Deepa Amitkumar Dalmia	6000	0.06	-	6000	0.0429	-	-
83	Shashi Anand Dalmia	6000	0.06	-	6000	0.0429	-	-
84	Sunaina Deepak Dalmia	6000	0.06	-	6000	0.0429	-	-
85	Vikas Ummedmal Jain	10	0.0001	-	10	0.0001	-	-

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	3981678	38.71	3981678	38.71
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / Sweat Equity etc):	NA			
3	At the end of the year	3981678	28.4514	3981678	28.4514

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Hem Securities Limited	-	-	1600000	11.4329
2	Clubside Dealcom Private Limited	750000	7.29	750000	5.3592
3	Positive Vinimay Private Limited	750000	7.29	750000	5.3592
4	Newtown Mercantiles Private Limited	750000	7.29	750000	5.3592
5	Singrodia Bros Holding Private Limited	750000	7.29	750000	5.3592
6	Shri Ramrathi Marketing Private Limited	750000	7.29	750000	5.3592
7	Amit Kumar Jain	-	-	390000	2.79
8	Lalita Nareshkumar Borana	228000	2.22	228000	1.63
9	Nareshkumar Ambalal Borana	225000	2.19	225000	1.61
10	Nareshkumar Ambalal Borana HUF	225000	2.19	225000	1.61

*Shares Increased because of Allotment made by the company dated 11/04/2014

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Rajkumar Mangilal Borana	942921	9.17	942921	6.74
2	Ankur Mangilal Borana	942918	9.17	942918	6.74
3	Amit Kumar Dalmia	549171	5.34	549171	3.92
4	Deepak Dalmia	549168	5.34	549168	3.92
5	Alpesh Patel	-	-	-	-
6	Hitesh Modi	-	-	-	-
7	Pradip Dave	-	-	-	-

V INDEBTEDNESS

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

Sr. No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1	**Indebtedness at the beginning of the financial year**			NOT APPLICABLE	
	i) Principal Amount	317,022,772	-		317,022,772
	ii) Interest due but not paid	-	-		-
	iii) Interest accrued but not due	-	-		-
	Total (i+ii+iii)	**317,022,772**	**-**		**317,022,772**
2	**Change in Indebtedness during the financial year**				
	• Addition	47,596,367	28,500,000		76,096,367
	• Reduction	64,284,000	28,500,000		92,784,000
	Net change	**(16,687,633)**	**-**		**(16,687,633)**
3	**Indebtedness at the end of the financial year**				
	i) Principal Amount	300,335,139	-		300,335,139
	ii) Interest due but not paid	-	-		-
	iii) Interest accrued but not due	-	-		-
	Total (i+ii+iii)	**300,335,139**	**-**		**300,335,139**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total Amount
		Amit Kumar Dalmia	Deepak A Dalmia	Ankur M. Borana	Rajkumar M. Borana	
1	Gross Salary					
	a) Salary as per provisions contained in the section 17(1) of the Income-tax Act, 1961	300,000	300,000	300,000	300,000	1,200,000
	b) Value of perquisites u/s 17(2)	-	-	-	-	-
	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 (A)	300,000	300,000	300,000	300,000	1,200,000

Managerial remuneration paid to the executive directors is Rs. 12 lakh. (As per the schedule v of companies act 2013 in case of inadequate profit where the effective capital is Negative or less than 5 crores ,yearly remuneration payable shall not exceed Rs 30 lakhs)

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager					Total Amount
		Dharmesh P. Mehta	Girish Kumar Kalawatia	Manak Lal Tiwari	Prerna V. Jain	Kapil H. Hojiwala	
1	Independent Directors						
	• Fee for attending board / committee meetings	14,000	14,000	14,000	7,000	7,000	56,000
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
2	Total (1)						
	Other Non-Executive Directors						
	• Fee for attending board / committee meetings	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-

	Total (B)=(1+2)	14,000	14,000	14,000	7,000	7,000	56,000
	Total Managerial Remuneration						1,256,000

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

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Alpesh Patel	Hitesh Modi	Pradip Dave	
1	Gross Salary				
	a) Salary as per provisions contained in the section 17(1) of the Income-tax Act, 1961	360,000	360,000	270,000	990,000
	b) Value of perquisites u/s 17(2)	-	-	-	-
	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	**360,000**	**360,000**	**270,000**	**990,000**

VII ~~PENALTIES / PUNISHMENT~~ / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of ~~Penalty / Punishment~~ / Compounding fees imposed	Authority [RD / NCLT / court]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	211 & 295 (Companies Act, 1956)	1. Violation of Section 211 r.w. Accounting Staandards-15 of the Companies Act, 1956 2. Violation of Section 295 of the Companies Act, 1956	17,000	CLB	NA
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	211 & 295 (Companies Act, 1956)	1. Violation of Section 211 r.w. Accounting Staandards-15 of the Companies Act, 1956	68,000*	CLB	NA

		2. Violation of Section 295 of the Companies Act, 1956			
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

*Note: Total Compounding Fees imposed on all four Executive directors is Rs. 68,000/- (Rs. 17,000/- each).

"ANNEXURE-G"

EXTRACT OF ANNUAL RETURN

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The percentage increase in remuneration of each Director and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

SR . No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2014-15 (in Rs.)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of
1	Rajkumar Borana (Chairman and Managing Director)	300000	NIL	139	Profit before Tax increased by 107% and Profit After Tax increased by 112.73% in financial year 2014-15
2	Mr. Amitkumar Dalmia (Whole time Director)	300000	NIL	139	
3	Mr. Deepak Dalmia (Whole time Director)	300000	NIL	139	
4	Mr. Ankur Borana (Whole time Director)	300000	NIL	139	
5	Mr. Pradip Dave (Company Secretary)	270000	29.57	125	

i. The median remuneration of employees of the Company during the financial year was Rs. 216000.

ii. There were 307 permanent employees on the rolls of Company as on March 31, 2015;

iii. In the Financial year, there was an increase of 5.89% in the median remuneration of employees;

iv. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The total remuneration of Key Managerial Personnel increased by 6.06% from Rs. 9.30 Lakh in 2013-14 to Rs. 9.90 Lakh in 2014-15 whereas the Profit before Tax increased by 107% to Rs. 77.29 Lakh in 2014-15 (Rs. 37.23 Lakh in 2013-14).

v. Variations in the market capitalisation of the Company

(1) The market capitalisation as on March 31, 2015 was Rs. 12.11 crore. Shares of the Company was not listed as on March 31, 2014.
(2) Price Earnings ratio of the Company was 40.74 as at March 31, 2015. Shares of the Company was not listed as on March 31, 2014
(3) 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 had come out with Initial Public Offer (IPO) in April 2014. An amount of Rs. 1,000 invested in the said IPO would be worth Rs. 1,100 as on March 31, 2015 indicating a Annual Growth Rate of 10.00 %.

vi. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 8.66% whereas the increase in the managerial remuneration for the same financial year was 6.06%.

vii. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

viii. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

"ANNEXURE-D"

CORPORATE GOVERNANCE REPORT

(As required under clause 52 of the Listing Agreement with Stock Exchanges)

Corporate Governance refers to a combination of regulations, procedures and voluntary practices that enable Companies to maximize shareholder's value by attracting financial and human capital and efficient performance. The Company believes that good corporate governance contemplates that corporate actions balance the interest of all shareholders and satisfy the tests of accountability and transparency.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance at R & B Denims Limited is a value-based framework to manage our Company affairs in a fair and transparent manner. As a responsible corporation, we use this framework to maintain accountability in all our affairs and employ democratic and open processes. We have evolved guidelines and best practices to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company.

Our corporate governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose.
- Make a clear distinction between personal conveniences and corporate resources.
- Communicate externally, in a truthful manner, about how the Company is run internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- The Management is the trustee of the shareholders' capital and not the owner.

The Board of Directors ('the Board') is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

In our Board, 4 out of 8 are independent members. Given below is the report on Corporate Governance at R & B Denims Limited.

2. BOARD OF DIRECTORS

Composition of the Board

The Board has 8 Directors, comprising of Chairman / Managing Director, 3 Executive Whole time Directors and 4 Non-Executive Directors. The Non-Executive Directors who are also Independent Directors possess rich and vast knowledge and experience in the varied fields that bring in independent judgment to the Board's discussions and deliberations.

The following is the Composition of the Board as at 31st March, 2015:

Sr. No.	Name of Director	category	Attendance of Board meeting	Attendance at the last AGM	No. of other Directorship / Committees Membership/ Chairmanship		
					O.D.	C.M.	C.C.
1	Rajkumar Mangilal Borana	Executive - Chairman & Managing Director	7	Yes	.	.	.
2	Amitkumar Anand Dalmia	Executive - Whole time Director	7	Yes	.	.	.
3	Deepak Anand Dalmia	Executive - Whole time Director	7	Yes	.	.	.
4	Ankur Mangilal Borana	Executive - Whole time Director	7	Yes	.	.	.
5	Dharmesh Prafulchandra Mehta	Non-executive - Independent Director	4	Yes	.	.	.
6	Girish Kumar Kalawatia	Non-executive - Independent Director	4	Yes	.	.	.
7	Manak Lal Tiwari	Non-executive - Independent Director	4	Yes	.	.	.
8	Prerna Vikas Jian**	Non-executive - Independent Director	2	No	·	.	.

(O.D.) Directorship in other Public Limited Company

(C.M.) Committee Membership

(C.C.) Committee Chairmanship

** Mr. Kapil Hemant kumar Hojiwala has resigned from the board w.e.f. 25- 08-2014 and Mrs. Prerna Jain was appointed as an independent director w.e.f. 22- 09-2014

The annual calendar of Board and Committee Meetings is agreed upon at the beginning of each year. Meetings are governed by a structured Agenda and a Board member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board members at least 4-5 working days in advance. Detailed presentations are made at the meetings on all major issues to enable the Board to take informed decisions.

A) NO. OF BOARD MEETING HELD AND DATES

1	**11/04/2014**	**2**	**25/05/2014**	**3**	**10/06/2014**	**4**	**25/08/2014**
5	**30/09/2014**	**6**	**14/11/2014**	**7**	**10/02/2015**		

Committees of the Board

The Board of Directors has constituted 3 Committees of the Board viz.

- Audit Committee
- Stakeholders Relationship Committee
- Nomination & Remuneration Committee

The Board determines the terms of reference of these Committees from time to time. Meetings of these Committees are convened by the respective Committee Chairman/Company Secretary. At each Board Meeting, minutes of these Committees are placed before the Directors for their perusal and noting.

3. AUDIT COMMITTEE

The Audit Committee of the Company comprises of 4 members, 3 of whom are Non-Executive-Independent Directors. Mr. Girish Kumar Kalawatia, an Independent Director acts as Chairman of the Committee. The Committee members are Qualified having requisite experience in the fields of Finance and Accounts, Banking and Management. The Director and Statutory Auditors are invitees to Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

The following is the Composition of the Audit Committee as at 31st March, 2015:

Sr. No	Name of the Director	Status in Committee	Nature of Directorship	No. of Meetings	
				Held	Attend
1	Mr. Girish Kumar Kalawatia	Chairman	Non-Executive & Independent Director	4	4
2	Mr. Dharmesh Mehta	Member	Non-Executive & Independent Director	4	4
3	Mr. Rajkumar Borana	Member	Managing Director	4	4
4	Mrs. Prerna Jain**	Member	Non-Executive & Independent Director	2	2

** Mr. Kapil Hemant kumar Hojiwala has resigned from the board w.e.f. 25- 08-2014 and Mrs. Prerna Jain was appointed as an independent director w.e.f. 22- 09-2014

Note: The Audit Committee was reconstituted on 14th day of November, 2014 by inclusion of above named Independent Directors / Managing Director and exclusion of resigned director.

During the year 2015-16. Audit Committee meeting was held 4 Times. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

1	10/05/2014	2	24/08/2014	3	12/11/2014	4	02/03/2015

Role of Audit Committee

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. Approval of payment of statutory auditors for any other services rendered by the statutory auditors.
3. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
   (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
   (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 finance statements.

(f) Disclosure of any related party transactions.
(g) Qualifications in the draft audit report.

4. Reviewing, with the management, the quarterly financial statements.
5. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
6. 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.
7. Discussion with internal auditors any significant findings and follow up thereon.
8. 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.
9. 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.
10. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
11. Management Discussion and Analysis of financial condition and results of operations.
12. To look into any other matter which may be referred to it by the Board.
13. In addition to the above, the Committee shall have such functions / role / powers as may be specified in the Companies Act, Listing Agreement with Stock Exchanges or any other applicable law.
14. Reviewing the following information:
    (a) The Management Discussion and Analysis of financial condition and results of operations
    (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
    (c) Management letters/letters of internal control weaknesses issued by the statutory auditors
    (d) Internal audit reports relating to internal control weaknesses; and
    (e) Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s)

4. CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee consisting of 4 Directors, all of whom are Non-Executive- Independent Directors. The Company Secretary shall act as a Secretary to the Nomination and Remuneration Committee.

The following is the Composition of Nomination and Remuneration Committee as at 31st March, 2015:

Sr. No	Name of the Director	Status in Committee	Nature of Directorship	No. of Meetings	
				Held	Attend
1	Mr. Girish Kumar Kalawatia	Chairman	Non-Executive & Independent Director	2	2
2	Mr. Manak Lal Tiwari	Member	Non-Executive & Independent Director	2	2
3	Mr. Dharmesh Mehta	Member	Non-Executive & Independent Director	2	2
4	Mrs. Prerna Jain**	Member	Non-Executive & Independent Director	1	1

** Mr. Kapil Hemant kumar Hojiwala has resigned from the board w.e.f. 25- 08-2014 and Mrs. Prerna Jain was appointed as an independent director w.e.f. 22- 09-2014

Note: The Nomination and Remuneration Committee was reconstituted on 14th day of November, 2014 by inclusion of above named Independent Directors and exclusion of resigned director.

During the 2014-15, Nomination and Remuneration meeting was held 2 Times. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

1	18/08/2014	2	17/02/2015

The quorum shall be two members present. The Company Secretary shall act as a Secretary to the Remuneration Committee.

Role of nomination and remuneration committee

1. Determine Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights.
2. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
3. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
4. Decide the amount of Commission payable to the Whole time Directors, if any.
5. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
6. To formulate and administer the Employee Stock Option Scheme.

The following are the details of the remuneration paid to the chairman / Managing Director, Executive Director(s)/Non Executive Director(s) in the financial year 2014-15.

Sr. No	Name of the Director	Salary (Rs.)	Sitting fee (Rs.)	Perquisites (Rs.)	Commission/Bonus (Rs.)
1	Rajkumar Mangilal Borana	300000	-	-	-
2	Amitkumar Anand Dalmia	300000	-	-	-
3	Deepak Anand Dalmia	300000	-	-	-
4	Ankur Mangilal Borana	300000	-	-	-
5	Mr. Girish Kumar Kalawatia	-	14000	-	-
6	Mr. Manak Lal Tiwari	-	14000	-	-
7	Mr. Dharmesh Mehta	-	14000	-	-
8	Mrs. Prerna Jain**	-	7000	-	-
9	Mr. Kapil Hojiwala	-	7000	-	-

** Mr. Kapil Hemant kumar Hojiwala has resigned from the board w.e.f. 25- 08-2014 and Mrs. Prerna Jain was appointed as an independent director w.e.f. 22- 09-2014

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board of Directors of the Company has constituted Stakeholders Relationship Committee consisting of 3 Directors, 2 of whom are Non-Executive- Independent Directors. The Company Secretary shall act as a Secretary to the Stakeholders Relationship Committee.

The Committee shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

The following is the Composition of the Stakeholders Relationship Committee as at 31st March, 2015:

Sr. No	Name of the Director	Status in Committee	Nature of Directorship	No. of Meetings	
				Held	Attend
1	Mr. Girish Kumar Kalawatia	Chairman	Non-Executive & Independent Director	4	4
2	Mrs. Prerna Jain**	Member	Non-Executive & Independent Director	2	2
3	Mr. Amit Dalmia	Member	Whole time Director	4	4

** Mr. Kapil Hemant kumar Hojiwala has resigned from the board w.e.f. 25- 08-2014 and Mrs. Prerna Jain was appointed as an independent director w.e.f. 22- 09-2014

Note: The Stakeholders' Relationship Committee was reconstituted on 14th day of November, 2014 by inclusion of above named Independent Directors / Whole time Director and exclusion of resigned director.

During the 2014-15, Stakeholders Relationship Committee meeting was held 4 Times. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

1	10/04/2014	2	21/07/2014	3	05/11/02014	4	25/02/2015

Role of Stakeholders' Relationship Committee

The terms of reference of the Stakeholders' Relationship Committee are as under:

1. To specifically look into the redressal of Investors' Grievances pertaining to:
   a) Transfer of Shares and Debentures.
   b) Dividends, Interests and Redemption Proceeds of Debentures.
   c) Dematerialisation of Shares and Debentures.
   d) Replacement of Lost, Stolen, Mutilated Share and Debenture Certificates.
   e) Non-receipt of Rights, Bonus, Split Share Certificates.
2. To look into other related issues towards strengthening Investors' Relations.
3. To consider and approve issuance of Share/Debenture Certificates including Duplicate Share/ Debenture Certificates.
4. To look into the reasons for any defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of nonpayment of Declared Dividends) and Creditors.

6. COMPLIANCE OFFICER

The Board of Directors has designated Mr. Pradip Dave, Company Secretary of the Company as the Compliance Officer.

7. SHAREHOLDERS' COMPLAINTS

During the year ended 31 March 2015, the Company has not received any complaints from the shareholders/investors. As on 31 March 2015, no shareholder/investor complaint was pending.

8. GENERAL INFORMATION TO SHARE HOLDERS

i) GENERAL BODY MEETINGS

Sr. NO.	AGM DATE	LOCATION	TIME
1	09/08/2011	Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India	2.00 P.M.
2	24/07/2012	Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India	2.00 P.M.
3	30/09/2013	Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India	2.00 P.M.
4	22/09/2014	Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India	11.00 A.M.

ii) APPOINTMENT OF DIRECTORS

Mr. Deepak Dalmia (holding DIN 00050547), who retires by rotation at this annual general meeting and being eligible offers himself for re-appointment. His detail is as mentioned below.

Name of the Director	Mr. Deepak Dalmia
Date of Birth	29/11/1979
Date of appointment	17/11/2010
Date of Re-appointment	Proposed in the AGM
Qualification	B.Com
Expertise in specific functional areas	Rich Experience in the business of Textile and overall management of affairs of a corporate
List of other Directorship	1. Bhagwati Syntex Private Limited 2. Rawatkhedia Silk Mill Pivate Limited 3. Rawatkhedia Processors Private Limited 4. Mayfair Vinimay Private Limited
Committees Membership of the Companies	NIL
No. of shares held In the Company	549168

iii) ANNUAL GENERAL MEETING (TENTATIVE)

Date : 22nd day of June, 2015
Time : 11.00 A.M.
Venue : Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India

iv) FINANCIAL CALANDER (TENTATIVE)

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

Particular	Tentative schedule
Half yearly un-audited results	Within 45 days from 30th September , 2015
Annual audited result	Within 60 days from 31st March, 2016

v) Distribution of shareholding as on 31March 2015

SHAREHOLDING OF NOMINAL RS.	NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	SHARE AMOUNT (RS.)	PERCENTAGE OF TOTAL
1- 5000	1	1.1765	100	0.0001
50001 - 100000	40	47.0588	3800000	2.7153
100001 - 9999999999	44	51.7647	136146780	97.2846
TOTAL	**85**		**139946880**	**100.00**

vi) Category of Shareholders as on March,31 2015

Particulars	Total	% of Total Shares
(A) Promoters Indian		
(a)Individual / HUF	3981678	28.45
(b) Bodies Corporate	1875000	13.40
Sub-Total (A)	**5856678**	**41.85**
Total Shareholding of Promoters (A)	**5856678**	**41.85**
(B) Public Share-holding		
Institutions (B1)	-	-
Non-Institutions (B2)		
(a) Bodies Corp.		
(i) Indian	5810000	41.52
(b)Individuals		
(i) Individuals Shareholders holding nominal share capital upto Rs. 1 lakh	320010	2.29
(ii) Individual shareholders holding nominal share	2008000	14.35

capital in excess of Rs. 1 lakh		
Sub-total (B)(2): Total Public Shareholding (B)=(B)(1)+(B)(2)	**8138010**	**58.15**
C. Shares Held by Custodian for GRDs & ADRs	-	-
Grand Total (A+B+C)	**13994688**	**100**

vii) DATE OF BOOK CLOSURE

The book will close from 16/06/2015 to 20/06/2015 (both days inclusive) as Annual closure for the Annual General Meeting.

viii) LISTING ON STOCK EXCHANGES

The Company's shares are listed on Bombay Stock Exchange Ltd (BSE) on SME Platform. The Company has paid the listing fees to the stock exchange for the year 2015-16.

ix) STOCK CODE AND ROC CODE

BSE CODE : 538119
ISIN No. : INE012Q01013
The Company is registered in the State of Gujarat, India
Having Corporate Identity Number (CIN) is: L17120GJ2010PLC062949

x) Market Price Data:

The data on price of equity shares of the Company are as under:

High ,Low during each month in last financial year and performance in comparison to broad-based indices such as BSE (Sensex)):

	Share price BSE		BSE Sensex		Volumes
Month	**High**	**Low**	**High**	**Low**	**Noof shares**
Apr-14	14.00	10.55	22939.31	22197.51	1560000
May-14	15.43	10.9	25375.63	22277.04	1410000
Jun-14	14.50	11.8	25725.12	24270.20	110000
Jul-14	11.00	10.75	26300.17	24892.00	30000
Aug-14	12.50	10.25	26674.38	25232.82	410000
Sep-14	11.65	11.65	27354.99	26220.49	10000
Oct-14	11.25	10.5	27894.32	25910.77	50000
Nov-14	11.25	11.00	28822.37	27739.56	20000

Dec-14	11.00	10.50	28809.64	26469.42	30000
Jan-15	10.00	10.00	29844.16	26776.12	40000
Feb-15	10.05	10.00	29560.32	28044.49	20000
Mar-15	11.00	9.00	30024.74	27248.45	60000

xi) REGISTRAR AND SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE LIMITED

E- 2, Ansa Ind Estate, Saki Vihar Road,
Andheri (E), Sakinaka, Mumbai - 400072
Tel Nos: 022 40430200
Fax No: 022 28475207
Email: investor@bigshareonline.com

xii) PLANT LOCATION

Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India.

xiii) REGISTRED OFFICE

Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India

9. CODE OF BUSINESS CONDUCT AND ETHICS

The Board has laid down comprehensive code of business conduct and ethics. The Board members and senior management personnel are responsible for and are committed to setting the standards of conduct contained in this code and for updating this standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and all other stakeholders as also to reflect corporate, legal and regulatory developments. This code is being adhered to in letter and in spirit. This code has posted on the Company's website i.e. www.rnbdenims.com. The confirmation of Managing Director for the compliance of the code of business conduct and ethics is as under:

I hereby confirm that:

"The Company hereby affirms that it has complied with the code of business conduct and ethics and received affirmation from Board members and senior management personnel of its compliance."

Rajkumar Borana
Managing Director

10. INSIDER TRADING

The Board has laid down code of conduct for insider trading in compliance with SEBI (Prohibition of Insider Trading) Regulations 1992. All the directors and senior management personnel who are expected to have access to unpublished price sensitive information concerning the Company is responsible for adherence to this code.

CODE OF PRACTICES & PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED

PRICE SENSITIVE INFORMATION

[As envisaged under Regulation 8(1) of SEBI (Prohibition of insider Trading) Regulation, 2015]

Introduction:

The Securities and Exchange Board of India ("SEBI"), in its endeavor to protect the interest of investors in general, had notified the new Securities and Exchange board of India (Prohibition of insider Trading)

Regulation, 2015 ("Regulation") on 15th January, 2015 effective from 15th May, 2015.

It is mandatory in terms of the Regulations for every listed company to formulate a code of practice and procedure for fair Disclosure of unpublished price sensitive information.

The company shall adhere to the following practices and procedures for fair disclosure of unpublished price sensitive information ("UPSI")

UPSI which will impact on price of security shall be promptly disclosed to general public, no sooner than credible and concrete information comes into being in order to make such information generally available.

1. UPSI shall be not disseminated selectively but shall be disseminated uniformly and universally.
2. Compliance officer shall be a chief investor relation officer to deal with dissemination of information and disclosure of UPSI.
3. The company shall give appropriate and fair response to queries on news report and requests for verification of market rumors by regulatory authorities.
4. The following practice shall be complied while meeting with analysts, institutional investors and other Investor relation conferences.
   a) No UPSI shall be shared with them and only information available in public domain shall be shared.
   b) Any of the designated company officials shall remain present during meeting with them.
   c) Transcripts or record of proceedings of meeting with them shall be placed on website of the company within 30 days from meeting.
5. All UPSI shall be handled on a need-to-know basis.

11. RISK MANAGEMENT POLICY

Business risk evaluation and management is an ongoing process within the Company. During the year under review a detailed exercise on risk management was carried out covering the entire gamut of business operation and audit committee and Board members are reviewing and updating the said policy every quarter.

12. DISCLOSURES

None of the transactions with any of the related parties were in conflict with the interests of the Company. All related party transactions are negotiated on arm's length basis and are intended to further the interests of the Company. So far no penalties or strictures have been imposed on the Company by any stock exchange or SEBI or any statutory authority on any matter related to capital market.

13. CEO/CFO CERTIFICATION:

The managing Director has certified to the Board as required under clause 52(v) of the listing agreement .

AUDITORS REPORT ON CORPORATE GOVERNANCE

TO,
THE MEMBERS OF
R & B DENIMS LIMITED
SURAT

I have examined the compliance of conditions of corporate governance by R & B DENIMS LIMITED ("the Company"), for the year ended on 31st March, 2015 as stipulated in Clause 52 of the Listing Agreement of the Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. My examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my 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 Clause 52 of the above mentioned Listing Agreement.

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

FOR, PRADEEP SINGHI & ASSOCIATES
Chartered Accountants
FRN. 108029W

Sd/-

PRADEEP KUMAR SINGHI
Proprietor
M. NO. 024612

Date: 15/04/2015
Place: Surat

CEO / CFO CERTIFICATION TO THE BOARD

TO,
THE MEMBERS OF
R & B DENIMS LIMITED
SURAT

Re: Financial Statements for the year 2014-15 – Certification by CEO

I, Rajkumar Borana, Chairman & Managing Director of R & B Denims Limited, on the basis of review of the financial statements and the cash flow statement for the financial year ending 31st March, 2015 and to the best of our knowledge and belief, hereby certify that:

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading;

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2015 which are fraudulent, illegal or violative of the Company's Code of Conduct;

4. I accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies;

5. I further certify that :

a) there have been no significant changes in internal control during this year;
b) there have been no significant changes in accounting policies during this year;
c) there have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems.

By Order of Board of Directors
SD/-

Date: 20/05/2015
Place: Surat

Rajkumar Borana
Chairman & Managing Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

TO,
THE MEMBERS OF
R & B DENIMS LIMITED
SURAT

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I 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.

I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable

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.

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

Auditor's Opinion:

In my opinion and to the best of my information and according to the explanations given to me, 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, 2015;
b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on 31st March, 2015; and
c) in the case of the Cash Flow Statement, of the cash flows for the period from 1st April, 2014 to 31st March, 2015 on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2004 issued by the Company Law Board in terms of Section 143(11) of the Companies Act, 2013, I enclose in the "Annexure A" a statement on the matters specified there in.

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

a) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of my audit.

b) In my opinion proper books of accounts as required by Law have been kept by the company, so far as it appears from my examination of the books.

c) The Balance Sheet, Profit & Loss Account and cash flow referred to in the report are in agreement with the books of accounts.

d) In my opinion, the Balance Sheet, Statement of Profit & 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 General Circular 15/2013 dated 13.09.2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

e) There is nothing to disclose which is having adverse effect on the functioning of the company.

f) According to the information and explanations given to me and on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.

g) With respect to the other matters included in the Auditor's Report and to my best of my information and according to the explanations given to me:

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. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR, PRADEEP SINGHI & ASSOCIATES
Chartered Accountants
FRN. 108029W

SD/-
PRADEEP KUMAR SINGHI
Proprietor
M. NO. 024612

Date: 20/05/2015
Place: Surat

As required by the Companies (Auditor's Report) Order, 2004 and according to the information and explanations given to us during the course of audit and on the basis of such checks as were considered appropriate, I report that :

ANNEXURE "A" TO THE AUDITORS REPORT

S. No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes company is maintaining proper records.
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes
(ii)	(a) whether physical verification of inventory has been conducted at reasonable intervals by the management;	Yes
	(b) are the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business. If not, the inadequacies in such procedures should be reported;	Yes procedures of physical verification of inventory followed by the management is reasonable and adequate.
	(c) whether the company is maintaining proper records of inventory and whether any material discrepancies were noticed on physical verification and if so, whether the same have been properly dealt with in the books of account;	Yes Company is maintaining proper records and no material discrepancy was noticed.
(iii)	(iii) whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. If so,	No.
	(a) whether receipt of the principal amount and interest are also regular; and	N.A.
	(b) if overdue amount is more than rupees one lakh, whether reasonable steps have been taken by the company for recovery of the principal and interest;	N.A.
(iv)	is there an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Whether there is a continuing failure to correct major weaknesses in internal control system.	Yes internal control system is adequate.
(v)	in case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	No. Company has not accepted any deposits. Directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under have been complied.

(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained;	Yes maintained.
(vii)	(a) is the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	Yes.
	(b) in case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	N.A.
	(c) whether the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.	N.A
(viii)	whether in case of a company which has been registered for a period not less than five years, its accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year;	N.A. as company have no accumulated losses.
(ix)	whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported;	No.
(x)	whether the company has given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company;	No.
(xi)	whether term loans were applied for the purpose for which the loans were obtained;	Yes.
(xii)	whether any fraud on or by the company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.	No.

FOR, PRADEEP SINGHI & ASSOCIATES
Chartered Accountants
FRN. 108029W

SD/-
PRADEEP KUMAR SINGHI
Proprietor
M. NO. 024612

Date: 20/05/2015
Place: Surat

NOTE # 1

R&B Denims is a Limited Company incorporated in November 2010 by the RawatKhedia and the Borana group, two amongst the most influential textile houses in the polyester hub at Surat. Both of these companies have a long lineage of more than 30 years each, in the textile industry, and are very well known in their areas of expertise. The commercial production of the Company had been started in financial year 2012-13

The Company is engaged in to the business of manufacturing and sale of quality Denim Textile Products. Today the Company is manufacturing various types of Denim ranging from 9 to 14 Oz/Sq. yd. with Open End Spun Yarns, Multi Count, Cottons and Polyester Spandex with Indigo Bottom Sulphur Toppings and Sulphar Bottom and Indigo Toppings with both Foam and Wet Finishes.

Since inception, growth of the company has been remarkable and company created itself a prime position among others. The brand has achieved nationwide recognision and image of its own. To enhance corporate image and brand name, Company has got listed on SME platform of Bombay Stock Exchange on 22nd April 2014.

NOTE # 2

1. Basis of Accounting (AS 1)

   I. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards 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, and guidelines issued by the Securities Exchange Board of India.

   II. These accounts are prepared on the historical cost basis and the accounting principles of a going concern.

   III. Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

2. Use of Estimates (AS 1)

   The preparation of financial statement require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known / materialize.

3. Inventories (AS 2)

   Stock of Raw Material and WIP is valued at cost. Finished goods are valued at cost or market value whichever is less. Cost of Raw Material and Finished Goods includes the purchase cost (Net of any taxes on which credits are received or receivable) and other incidental cost, to bring such material to its present location and condition.

4. Cash Flows (AS 3)

   Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

5. Depreciation (AS 6)

   Depreciation is provided on Written Down Value Method in the manners prescribed in Schedule II of Companies Act 2013 (In previous years as per Schedules XIV to the Companies Act, 1956), on the basis of shifts / manners of utilization of the assets. Depreciation on additions/ disposals during the year has been provided on pro-rata basis with reference to the nos. of days utilized.

   The useful life of assets has been changed in Companies Act 2013 and accordingly depreciation rates are taken as per life of assets provided in Part C of Schedule II of Companies Act 2013. For the opening balances of fixed assets as on 1st April 2014, the rates for depreciation have been applied as mentioned in Note 7 of Part C of Schedule II of the Companies Act 2013. Accordingly the opening balances of Fixed Assets as on 1st April 2014 have been written off in the remaining life of respective assets as per New Companies Act.

6. Revenue Recognition (AS 9)

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Revenue from sale of goods is recognised on delivery of the products, when all significant contractual obligations have been satisfied, the property in goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net off taxes and accounted on mercantile basis.

7. Fixed Assets (AS 10)

(i) Fixed assets shown under gross block are valued at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition and also include cost of installation wherever incurred. All pre-operative costs, including specific financing cost till commencement of commercial production, net charges on foreign exchange contracts and adjustment arising from foreign exchange rate variations attributable to the fixed assets are capitalised.

(ii) (ii) Depreciation on fixed assets has been charged on written down value basis, pro-rata for the period of use, by adopting the revised rates of depreciation specified in Schedule II of the Companies Act,2013.

8. Foreign Currency Transactions (AS 11)

(i) The reporting currency of the company is Indian rupees.

(ii) Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realize gain and losses on settlement of foreign currency transactions are recognized in the profit and loss account under the natural revenue heads of accounts. Exchange differences relating to fixed assets are capitalised to respective Fixed Asset.

(iii) Foreign Currency assets and liabilities at the yearend are translated at the yearend exchange rates, and the resultant exchange difference is recognized in the profit and loss account.

(iv) In case of forward contract, foreign currency derivatives or other financial instruments that are in substance forward exchange contracts, the premium or discount arising at the inception of the contract transactions are included in determining the net profit for the year.

9. Investments (AS 13)

Long term Investments are valued at cost. Provision for diminution is made to recognise a decline, other than temporary, in the value of investments. Current investments are stated at lower of cost or market value.

10. Employee benefits (AS 15)

Defined-contribution plans:

i) Provident fund and pension scheme are Defined Contribution Plans in the Company. The Company is a member of recognized Provident Fund scheme established under The Provident Fund & Miscellaneous Act, 1952 by the Government of India. The Company is contributing 12% of Salary & Wages of eligible employees under the scheme every month. The amount of contribution is being deposited each and every month. The contribution paid or payable under the scheme is recognized during the period under which the employee renders the related services.

(ii)Employee Gratuity Fund Scheme is the Defined Benefit Plan. Provision for gratuity has been made in the accounts, in case of those employees who are eligible for the retirement benefits. Gratuity is paid at the time of retirement of employees. Provision for gratuity liability is provided based on Actuarial Valuation made.

11. Foreign exchange transactions

i) Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions are recognised in the profit and loss account. Exchange differences relating to fixed assets are adjusted in the cost of the asset.

(ii) Amount payable and receivable in the foreign currency as at the yearend are translated at the yearend exchange rate. Gains and losses thereon are recognised in the profit and loss account.

12. Borrowing costs (AS 16)

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of that asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use.

13. Earnings per share (AS 20)

Basic and Diluted earnings/(loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors.

14. Taxes on income (AS 22)

Current tax - Provision for current tax is made based on tax liability computed after considering tax allowances and exemptions.

Deferred tax - Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognised and carried forward to the extent that there is a reasonable or virtual certainty, as may be applicable, that sufficient future taxable income will be available against which such deferred tax asset can be realised.

15. Impairment of assets (AS 28)

An impairment loss is charged to the Statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

16. Provisions and contingent liabilities (AS 29)

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

17. Preliminary Expenses (AS 26)

Preliminary Expenditure is written off fully during the year under its occurance as per As 26.

FOR, PRADEEP SINGHI & ASSOCIATES
Chartered Accountants
FRN. 108029W

SD/-
PRADEEP KUMAR SINGHI
Proprietor
M. NO. 024612

Date: 20/05/2015
Place: Surat

R & B DENIMS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2015

(Rs. In thousand)

	Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
I.	**EQUITY AND LIABILITIES**			
(1)	**Shareholder's Funds**			
	(a) Share Capital	3	139,946.88	102,846.88
	(b) Reserves and Surplus	4	151,104.03	147,415.84
	(c) Money received against Share Warrants		-	-
(2)	**Share Application Money pending allotment**		-	-
(3)	**Non-Current Liabilities**			
	(a) Long-Term Borrowings	5	236,051.14	252,738.77
	(b) Deferred Tax Liabilities (Net)	6	6,279.31	2,286.80
	(c) Other Long Term Liabilities		-	-
	(d) Long-Term Provisions	7	107.49	105.86
(4)	**Current Liabilities**			
	(a) Short-Term Borrowings	8	-	107,005.53
	(b) Trade Payables	9	58,157.42	48,867.84
	(c) Other Current Liabilities	10	81,348.25	70,927.61
	(d) Short-Term Provisions	11	16,378.78	10,129.10
	TOTAL		689,373.29	742,324.23
II.	**ASSETS**			
(1)	**Non-Current Assets**			
	(a) Fixed Assets			
	(i) Tangible Assets	12	382,892.05	462,980.84
	(ii) Intangible Assets			
	(ii) Capital work-in-progress		-	-
	(iv) Intangible assets under development	12	59,583.59	-
	(b) Non-Current Investments		-	-
	(c) Deferred Tax Assets (Net)		-	-
	(c) Long-Term Loans and Advances		-	-
	(e) Other Non-Current Assets	13	2,845.00	1,500.00
(2)	**Current Assets**	14	38,599.50	17,684.00
	(a) Current Investments			
	(b) Inventories		-	-
	(c) Trade Receivables	15	107,445.46	149,269.80
	(d) Cash and Cash Equivalents	16	67,129.02	82,511.47
	(e) Short-Term Loans and Advances	17	8,040.85	3,248.19
	(f) Other Current Assets	18	22,837.81	23,455.67
	TOTAL	19		1,674.27
			689,373.29	742,324.23

For Pradeep Singhi & Associates
Chartered Accountants
FRN : 108029W

Pradeep Kumar Singhi
Proprietor
M. No. 024612

FOR R & B DENIMS LIMITED

Amitkumar A. Dalmia
Chairman & Director
(DIN : 00034642)

Ankur M. Borana
Director
(DIN : 01091164)

Place : Surat
Date : 20th May 2015

Pradip K. Dave
Company Secretary

R & B DENIMS LIMITED
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

(Rs. In thousand)

	Particulars	Note No.	Year Ended 31st March, 2015	Year Ended 31st March, 2014
I.	Revenue from Operations	20	1,544,346.65	1,072,804.11
II.	Other Incomes	21	21,931.71	17,307.05
III.	Total Revenue (I + II)		1,566,278.36	1,090,111.16
IV.	Expenses:			
(1)	Cost of Materials Consumed	22	1,202,505.76	928,669.21
(2)	Purchases of Stock-in-Trade			
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23	43,151.32	(57,447.90)
(3)	Employee Benefit Expenses	24	71,973.62	46,884.38
(4)	Finance Costs	25	44,754.59	38,780.95
(5)	Depreciation and Amortization Expense	26	84,532.69	50,575.22
(6)	Other Expenses	27	111,631.59	77,142.53
(7)	Total Expenses		1,558,549.58	1,084,604.39
V.	Profit before Exceptional and Extraordinary Items		7,728.79	5,506.77
VI.	Exceptional Items		-	1,783.86
	Prior Period Items		7,728.79	3,722.91
VII.	Profit before Extraordinary Items and Tax (V - VI)		7,728.79	3,722.91
VIII.	Extra Ordinary Items			
IX.	Profit before Tax (VII - VIII)		1,472.72	1,066.99
X.	Tax Expense:		1,429.83	1,035.92
	(a) Current tax expense (provision)		5.19887	-
	(b) Provision for MAT credit		-	328.71
	(c) Short Provision for Income tax expense relating		-	-
	(d) MAT credit short provision made in earlier year		(3,992.50)	2,286.80
	(d) Net current tax expense		-	-
	(e) Deferred Tax Asset		4,040.60	1,989.17
	(f) Interest on Income Tax		3,688.19	1,733.74
				-
XI.	Profit/ (Loss) for the period from Continuing Operations (IX - X)			-
XII	Profit/Loss from Discontinuing Operations			
XIII	Tax Expense of Discontinuing Operations			
XIV.	Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)			-
XIII.	Profit/ (Loss) for the Period (XI + XII)		3,688.19	1,733.74
XIV.	Earnings Per Equity Share			
	(1) Basic		0.27	0.20
	(2) Diluted		0.27	0.20

For Pradeep Singhi & Associates
Chartered Accountants
FRN : 108029W

Pradeep Kumar Singhi
Proprietor (M. No. 024612)

Place : Surat
Date : 20th May 2015

FOR R & B DENIMS LIMITED

Amitkumar A. Dalmia
Chairman & Director
(DIN : 00034642)

Ankur M. Borana
Director
(DIN : 01091164)

Pradip K. Dave
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED

(Rs. In thousand)

	PARTICULARS	F.Y. 2014-15		F.Y. 2013-14	
		Amount	Amount	Amount	Amount
A	**CASH FLOW FROM OPERATING ACTIVITIES**		7,728.79		5,506.77
	Net Profit before tax and Extraordinary Items				
	Adjustment For:	84,532.69		50,575.22	
	Depreciation	(550.29)			
	Depreciation on TED reversed	(2,697.78)		(1,858.78)	
	Interest Income	42,759.73		36,936.98	
	Interest Paid		124,044.36		85,652.05
			131,773.14		91,158.82
	Operating Profit before Working Capital Changes				
	Adjustment For:	15,382.45		(32,790.11)	
	Trade & Other Receivables	41,824.34		(95,381.95)	
	Inventories	19,710.22		78,586.18	
	Trade Payables and other Liabilities	5,843.95		3,423.06	
	Short Term Provisions		82,760.96		(46,162.82)
			214,534.10		44,996.00
	Cash Generated From Operations	(1,072.19)		(338.58)	
	Tax Paid		(1,072.19)		(338.58)
			213,461.91		44,657.42
B	**NET CASH FLOW FROM OPERATING ACTIVITIES (A)**				
	CASH FLOW FROM INVESTING ACTIVITIES:				
	Fixed Assets	(3,893.62)		(268,529.02)	
	Purchase of Fixed Assets				
	Work in Progress	(59,583.59)		9,331.29	
	Increase in Capital Work in progress				
	Other	2,697.78		1,858.78	
	Interest Received	1.64		105.86	
	Increase in Long Term Provisions	(1,345.00)		-	
	Long Term Loans & Advances given	2,047.69		8,571.82	
	Short Term Loans & Advances given		(60,075.11)		(248,661.27)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)				

C	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Payments of short term borrowings	(107,005.53)		81,771.76	
	Proceeds from Long term borrowings	(16,687.63)		80,253.99	
	Interest Paid	(42,759.73)		(36,936.98)	
	Increase in FDRs held for Margin	(19,241.24)		(3,496.59)	
	Proceeds from issue of shares	37,100.00		39,894.52	
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-	(148,594.13)	-	176,592.18
	Net Increase in Cash & Cash equivalents		**4,792.67**		**(27,411.67)**
D	Cash and Cash equivalents as on 01-04-2014 (D)		3,248.19		30,659.86
E	Cash and Cash equivalents as on 31-03-2015 (E)		8,040.85		3,248.19
			4,792.67		**(27,411.67)**

SIGNATURE TO NOTES

For Pradeep Singhi & Associates
Chartered Accountants
FRN : 108029W

Pradeep Kumar Singhi
Proprietor
M. No. 024612

FOR R & B DENIMS LIMITED

Amitkumar A. Dalmia
Chairman & Director
(DIN : 00034642)

Ankur M.Borana
Director
(DIN : 01091164)

Pradip K. Dave
Company Secretary

Place : Surat
Date : 20th May 2015

R & B DENIMS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

The previous period figures have been regrouped / reclassified, wherever necessary to confirm to the current period presentation.

(Rs. In thousand)

Particulars	As at 31st March, 2015	As at 31st March, 2014
NOTE # 3		
Share Capital		
a) Authorised Capital		
25,500,000 Equity shares of Rs. 10/- each. (Previous Year 25,500,000 Equity Shares @ Rs.10/- each)	255,000.00	255,000.00
Total	255,000.00	255,000.00
b) Issued, Subscribed and Paid up		
13,994,688 Equity shares of Rs. 10/- each.fully paid (Previous Year 10,284,688 Equity Shares @ Rs.10/- each)	139,946.88	102,846.88
c) Reconciliation of Share Capital		
Authorised Capital		
Number of shares at the beginning Add	139,946.88	102,846.88
: Increased during the year Number of shares at the end	25,500,000.00	25,500,000.00
Issued, Subscribed and Paid up		
Number of shares at the beginning Add	-	-
: Issued during the year Number of shares at the end	25,500,000.00	25,500,000.00
	10,284,688.00	6,295,236.00
	3,710,000.00	3,989,452.00
	13,994,688.00	10,284,688.00

d) Shares held by Shareholder holding more than 5% shares and number of shares held is as follows.

Particulars	% of Holding	As at 31st March, 2015	% of Holding	As at 31st March, 2014
Amit Kumar Dalmia	3.92%	549,171.00	5.34%	549,171.00
Deepak Dalmia	3.92%	549,168.00	5.34%	549,168.00
Rajkumar Mangilal Borana	6.74%	942,921.00	9.17%	942,921.00
Ankur Mangilal Borana	6.74%	942,918.00	9.17%	942,918.00
Rawat Khedia Silk Mills Pvt Ltd	10.72%	1,500,000.00	14.58%	1,500,000.00
Clubside Dealcom Private Limited	5.36%	750,000.00	7.29%	750,000.00
Positive Vinimay Private Limited	5.36%	750,000.00	7.29%	750,000.00
Newtown Mercantile Private Limited	5.36%	750,000.00	7.29%	750,000.00
Singrodia Bros Holding Private Limited	5.36%	750,000.00	7.29%	750,000.00
Shri Ramrathi Marketing Private Limited	5.36%	750,000.00	7.29%	750,000.00
Hem Securities Limited	11.43%	1,600,000.00	-	-

R & B DENIMS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In thousand)

Particulars	As at 31st March, 2015	As at 31st March, 2014
NOTE # 4		
Reserves and Surplus		
(a) Securities Premium As		
per last Balance Sheet	144,243.85	124,138.37
Addition during the year	-	40,000.00
Less : Bonus Issued	-	-19,894.52
	144,243.85	144,243.85
[During the year, company has been listed on SME Platform of Bombay Stock Exchange. During Initial Public Offer, company has issued 37,10,000 equity shares at Rs. 10 each on 11-04-2014.]		
(b) Surplus i.e. Balance in the Statement of Profit & Loss		
Opening balance	3,171.99	1,438.24
Profit during the year	3,688.19	1,733.74
Closing Balance	6,860.18	3,171.99
	151,104.03	147,415.84
NOTE # 5		
Long-Term Borrowings		
Secured Loans		
Term Loan		
Bank of India (Term Loan)	300,335.14	317,022.77
Less : Current maturities of long term debt	64,284.00	64,284.00
	236,051.14	252,738.77
[A - Term loan from Bank of India is Secured by way a) All Plant & Machineries & other assets of the Company, b) EQM of Land & Building situated at RO of the Company, c) EQM of Land at Vesu standing in the name of Mr. Anandkumar Dalmia d) All fund and non fund based joint and several guarantee by Directors, their selected relatives & sister concerns]		
Unsecured Loans		
Loan from Directors & Shareholders		-
Loan from Relatives	-	-
	-	
	-	-
Total Long-Term Borrowings	236,051.14	252,738.77
NOTE # 6		
Defferred Tax Liabilities		
Opening Balance [DTL]	(2,286.80)	-
Add : Provision made during the year	(3,992.50)	(2,286.80)
Closing Balance [DTL]	(6,279.31)	(2,286.80)

R & B DENIMS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In thousand)

Particulars	As at 31st March, 2015	As at 31st March, 2014
NOTE # 7		
Long-Term Borrowings		
Provision for Gratuity	107.49	105.86
Total Long Term Borrowings	107.49	105.86
NOTE # 8		
Short-Term Borrowings		
Working Capital(cash-credit)		
Bank of India (A/c. No. 270930110000020)	-	107,005.53
Total Short Term Borrowings	-	107,005.53
[Cash Credit is secured against hypothecation of present and future raw material, stock in process, stores and spares, finished goods, Books Debts (except associate concern)]		
NOTE # 9		
Trade Payables		
Creditors for Goods	52,071.53	43,167.29
Creditors for Others	6,085.89	5,700.55
Total Trade Payables	58,157.42	48,867.84
NOTE # 10		
Other Current Liabilities		
Professional Tax Payable	43.02	41.22
TDS / TCS Payable	251.10	161.08
Gujarat Labour Welfare Fund Payable	-	2.68
Current maturities of long term debt	64,284.00	64,284.00
Advance received from customers	13,408.38	1,641.69
Other Liabilities		
Creditors for Capital Goods	3,361.75	4,796.94
Total Other Current Liabilities	81,348.25	70,927.61
NOTE # 11		
Short-Term Provisions		
Provision for Taxation	1,472.72	1,066.99
Provident Fund Payable	34.84	12.43
ESIC Payable	8.90	9.95
Auditors Remunerations	252.81	263.74
Bonus Payable	6,895.39	4,230.74
Electricity Expenses Payable	4,232.91	
Wages Payable	3,452.55	4,119.76
Salary Payable	-	425.50
Service Tax Payable	28.66	-
Total Short Term Provisions	16,378.78	10,129.10

NOTE # 12 FIXED

ASSETS

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As at 01.04. 2014	Additions/ (Deletion)	As at 31.03. 2015	As On 01.04. 2015	Additions	Deduction / Adjustment	Upto 31.03. 2015	As at 31.03. 2015	As at 31.03. 2014
Tangible Assets									
Building	55091.822	4,555.24	59,647.06	7,965.46	4,616.75	-	12,582.21	47,064.85	47,126.36
Borewell	32.38		32.38	2.98	18.21	-	21.20	11.18	29.40
Computer	921.09	15.50	936.59	491.38	321.26	-	812.64	123.95	429.71
Electrification	26,326.37	548.32	26,874.69	3,353.70	4,401.96	-	7,755.66	19,119.03	22,972.67
Plant & Machinery	468,951.63	(1,255.44)	467,696.19	77,001.95	75,071.04	550.29	151,522.70	316,173.49	391,949.68
Water Tank	511.54		511.54	38.53	97.81	-	136.34	375.20	473.01
TOTAL (A)	-	30.00	30.00	-	5.66	-	5.66	24.34	-
Previous Year	551,834.83	3,893.62	555,728.45	88,853.99	84,532.69	550.29	172,836.39	382,892.05	462,980.84
	283,305.81	268,529.02	551,834.83	38,280.14	50,575.22	1.37	88,853.99	462,980.84	245,025.67
Capital Work in Progress	-	59,583.59	59,583.59	-	-	-		59,583.59	9,331.29
Previous Year	9331.29	(9331.29)	-						9,331.29

R & B DENIMS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In thousand)

Particulars	As at 31st March, 2015	As at 31st March, 2014
NOTE # 13		
Long-Term Loans and Advances		
Advances		
Advance to GETPL	2,845.00	1,500.00
Total Long-Term Loans and Advances	2,845.00	1,500.00

[Advance to Gujarat Eco Textile Park has been given on account of share for centralised water effluent treatment plant for disposal of effluent coming out from the production and processing. As the same would be required as long as the company is into the existence for environment conservation, therefore the same has been classified as long term loans & advance.]

NOTE # 14		
Other Non-Current Assets		

[Fixed Deposit(s) have been made and kept as securities against various bank guarantee(s) extended on behalf of company to Government Authorities & Electricity Supply Company.]

NOTE # 15		
Inventories		
Raw Material	64,615.66	67,344.56
Work in Progress	13,638.79	11,776.73
Finished Goods	6,113.28	62,258.94
Stores& Packing Material	11,945.45	7,889.57
Goods in Transit	11,132.28	-
	107,445.46	149,269.80

Mode of Valuation of Inventories

Particulars		Mode of Valuation
Raw material & W.I.P.	:	Valued at cost
Finished Goods	:	Valued at cost or Market Value whichever is lowe

NOTE # 16		
Trade Receivables		
Unsecured, Considered Good		
- Outstanding for a period exceeding six months	817.86	60.87
- Others	66,311.16	82,450.60
Total Trade Receivables	67,129.02	82,511.47

R & B DENIMS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In thousand)

Particulars	As at 31st March, 2015	As at 31st March, 2014
NOTE # 17		
Cash and Cash Equivalents		
Cash in hand	932.13	515.06
Balance with Schedule Bank		
Bank Of India (Current A/c. No. 270920110000018)	15.38	27.78
HDFC BANK (Current A/c. No. 50200001607049)	57.57	6.94
HDFC Bank (IEX Settlement A/c. 00990680035248)	-	502.80
Bank of India (CC A/c. No. 270930110000020)	2,656.31	-
[Cash Credit is secured against hypothecation of present and future raw material, stock in process, stores and spares, finished goods, Books Debts (except associate concern)]		
F.D.R. With Banks		
FDR with Bank of India	4,379.46	2,195.61
Total of Cash and Cash Equilvalents	8,040.85	3,248.19
[Fixed Deposit(s) have been made and kept as securities against various bank guarantee(s) extended on behalf of company to Government Authorities & Electricity Supply Company.]		
NOTE # 18		
Short-Term Loans and Advances		
Advance Tax	500.00	650.00
MAT Credit	2,794.46	1,364.63
Advance to Suppliers		
- Supplier for capital goods	20.53	795.42
- Supplier for others	228.80	184.05
Electricity duty refund Receivable	-	1,099.06
Interest Subsidy Receivable Custom	10,430.00	13,239.08
duty refundable	14.49	-
Deposits	4,625.00	75.00
BSE Limited (Security Deposit-IPO)	371.00	371.00
TED Receivable	176.42	-
Tax Deducted at Source / TCS Receivable (2013-14)	1,398.87	578.19
Income Tax Refund	433.55	277.55
Interest / Bank charges receivable	578.54	-
Pre-paid Insurance Premium Other	407.03	401.91
Pre-paid Expenses	859.13	897.16
Other Loans and Advances	-	3,522.63
	22,837.81	
		23,455.67

R & B DENIMS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In thousand)

Particulars	As at 31st March, 2015	As at 31st March, 2014
NOTE # 19		
Other Current Assets		
1. Preliminery & Pre-operative Expenses		
Opening Balance	-	1,783.86
Add: Expenditure made during the year		-
	-	1,783.86
Less: written off during the year (previous year written off 1/5th)		1,783.86
Closing Balance	-	-
2. F.D. Interest Receivable		1,674.27
Total Other Current Assets	-	1,674.27
NOTE # 20		
Revenue From Operations		
Sale of Products		
- Domestic	1,454,502.49	1,053,214.27
- Exports	33,357.16	
	1,487,859.65	1,053,214.27
Other Operating Revenues		
Job Work Income	56,487.00	19,589.84
	56,487.00	19,589.84
Total Revenue	1,544,346.65	1,072,804.11
NOTE # 21		
Other Incomes		
Interest Subsidy received	18,616.76	15,333.83
Interest on FDR	2,697.78	1,858.78
Insurance Claim Received	-	113.07
Profit on sale of Fixed Assets	-	1.37
Reversal of depreciation on TED of F.A.	550.29	-
Misc Income	66.88	-
Total Other Income	21,931.71	17,307.05
NOTE # 22		
Cost of Materials Consumed		
Consumption of Yarn	1,001,867.88	814,353.68
Consumption of Coal/ Lignite	50,319.84	27,403.15
Consumption of Colour/ Chemical	132,366.48	79,761.01
Consumption of Stores/ Packing Materials	17,951.56	7,151.37
	1,202,505.76	928,669.21

R & B DENIMS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In thousand)

Particulars	As at 31st March, 2015	As at 31st March, 2014
NOTE # 23		
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		
Closing stock of finished Goods	6,113.28	62,258.94
Finished Stock of Goods		
WIP	13,638.79	11,776.73
Goods in Transit	11,132.28	-
Less :		
Opening Stock of Finished Goods		
Finished Stock of Goods	62,258.94	3,377.65
WIP	11,776.73	13,210.12
Goods in Transit	-	-
	-43,151.32	57,447.90
NOTE # 24		
Employee Benefit Expenses		
Salary & Wages	55,832.23	35,214.57
Bonus	11,901.29	8,164.93
Leave Wages	2,748.50	2,020.41
Directors Seating Fees	56.00	14.00
Staff Welfare Exps.	1,182.54	1,163.10
P.F. (Employer's Contribution)	163.71	96.44
ESIC (Employer's Contribution)	83.85	96.54
Labour Welfare Funds (Contribution)	3.87	8.54
Gratuity Expense	1.64	105.86
Total Employee Benefit Expenses	71,973.62	46,884.38

[Salary & Wages include Directors Remuneration to all the directors except independent Directors, amounting to Rs. 300 thousand each.(P.Y. Rs. 300 thousand each).]

[Directors sitting fees has been paid to the independent directors of the Company @ Rs. 3,500/- per BOD meeting attended.]

[Earned Leave encashed in full hence no liability towards unpaid Leave is provided]

[Staff Welfare Expenses include food and medical exp of Rs. 697.17 thousand and Rs. 393.61 thousand (P.Y. Rs. 629.90 thousand and Rs. 533.20 thousand) resp. borne by the company for betterment of its employees.]

[Gratuity provison of the company is Rs. 1,07,493 as on year ended on 31st march 2015 as aginst Rs. 1,05,856 as on year ended on 31st March 2014. Hence the provison of Rs. 1,637 has been made in current financial year.]

NOTE # 25		
Finance Costs		
Bank Charges	1,514.08	1,843.97
Bank Interest on Cash Credit	1,711.48	2,615.47
Bank Interest on Term Loan	39,816.37	34,321.52
Bank Gaurantee Charges	480.78	-
Interest on loans	1,231.89	-
Total Finance Costs	44,754.59	38,780.95

R & B DENIMS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In thousand)

Particulars	As at 31st March, 2015	As at 31st March, 2014
NOTE # 26		
Depreciation and Amortization Expense		
Depreciation	84,532.69	50,575.22
	84,532.69	50,575.22
NOTE # 27		
Other Expenses		
Manufacturing Expenses		
Boiler Expenses Electricity	4.40	4.40
Expenses Factory Expenses		
Job work charges	95,747.27	62,191.86
Lease Rent	1,074.23	879.82
Repairs & Maintenance (Machine)	478.96	-
Repairs & Maintenance (Electrical Installations)	179.88	96.00
Diesel Exps	1,282.68	949.26
Freight and Transportation (other)	88.17	40.15
Loading and unloading expenses Total	100.55	707.72
Manufacturing Expenses	315.32	44.04
Administrative Expenses	625.64	255.05
Agency Charges Audit	99,897.10	65,168.30
Fees Computer		
Expenses Conveyance		
Exps Courier	321.92	138.15
Expenses	280.90	280.90
Excise Office Penalty	107.64	148.56
Insurance Expenses IPO	533.85	714.32
Expenses	282.92	148.59
Land Tax	-	2.00
License Fees	739.81	346.56
Membership & subscription	3,957.00	441.57
Miscellaneous Exps Panchayat	15.42	15.42
Tax	34.36	57.52
Pollution Control Exp	185.45	177.30
Printing & Stationary	1,331.71	1,126.20
Professional & Legal Fees	215.00	182.00
Professional Tax	269.83	12.11
Repairs & Maintenance (Others)	1,235.36	1,306.89
ROC Exps	869.07	339.76
Service Tax Expenses	2.50	2.50
Telephone Expenses	7.25	-
Travelling Exps Travelling	77.67	32.50
Exps (Foreign) Vat Audit	348.99	227.53
Fees	20.43	10.95
Total Administrative Expenses	177.75	107.27
	-	125.45
	16.85	16.85
	11,031.64	5,960.91

R & B DENIMS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. In thousand)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Selling and Distribution Expenses		
Advertisement Expense	136.79	168.00
Brokerage and Commission	455.59	5,111.49
Insurance (Marine)	86.87	692.15
Sales Promotion Expenses	6.00	-
Total Selling and Distribution Expenses	685.24	5,971.64
Other Expenses		
Interest on late payment of TDS and other charges	17.61	41.68
Total Other Expenses	17.61	41.68
Total Other Expenses	111,631.59	77,142.53

NOTE # 28

Other Disclosures

1. Related Party Transactions (AS 18):

List of Related Parties:

Sr. No.	Name	Relation
1	Amitkumar Dalmia	Directors/ key management personnel
2	Deepak A. Dalmia	
3	Rajkumar M. Borana	
4	Ankur M. Borana	
5	Amitkumar Dalmia - HUF	Relative of Directors/key management personnel
6	Deepak Dalmia - HUF	
7	Rajkumar Borana - HUF	
8	Ankur Borana - HUF	
9	Sunaina D. Dalmia	
10	Shashidevi Dalmia	
11	Deepa A. Dalmia	
12	Sharmila Borana	
13	Mangilal Borana	
14	Mangilal Borana HUF	
15	Dhawani Ankur Borana	
16	Mohini Borana	
17	Sharmila Entrprises	Companies/Entity Owned or Significantly influenced by Directors/Relatives of Directors
18	Vijay Corporation	
19	Jinay Enterpeises	
20	Lalita Textiles	
21	Rawatkhedia Silk Mills Private Limited	
22	Saroj Synthetics	
23	Vijaya Textiles	
24	Mayfair Vinimay Private Limited	

I. Transactions with Directors/ key management personnel

Nature of Transactions	For the year ended 31st March 2015	For the year ended 31st March 2014
Transaction During the Year		
Remuneration		
Amitkumar Dalmia	300.00	300.00
Deepak A. Dalmia	300.00	300.00
Rajkumar M. Borana	300.00	300.00

Ankur M. Borana	300.00	300.00
Lease Rent		
Amitkumar Dalmia	24.00	24.00
Deepak A. Dalmia	24.00	24.00
Rajkumar M. Borana	24.00	24.00
Ankur M. Borana	24.00	24.00
Shares Alloted	**No. of Shares**	**No. of Shares**
Amitkumar Dalmia	-	366,114
Deepak A. Dalmia	-	366,112
Rajkumar M. Borana	-	628,614
Ankur M. Borana	-	628,612

2. Disclosure of Gratuity Liability as per Acturial Valuation as required by AS 15 :

(A.) ***(Amount in Rs.)***

(a) Defined Benefit Plan (Gratuity)	
The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:	
Partiulars	**For the period 1st April 2014 to 31st March 2015**
1. The amounts recognised in the Balance Sheet are as follows:	
Present value of unfunded obligations recognised	107,493
Un Funded Status	107,493
Net Liability	107,493
2. The amounts recognised in the Profit & Loss A/c are as follows:	
Current Service Cost	84,270
Interest on Defined Benefit Obligation	9,855
Net Actuarial Losses / (Gains) Recognized in Year	(92,488)
Past Service Cost	-
Total, Included in "Salaries, allowances & welfare"	1,637

3. Changes in the present value of defined benefit obligation:	
Defined benefit obligation as at the beginning of the year/period	105,856
Expense recognised n statement of profit and loss	1,637
Service cost	-
Interest cost	
Actuarial Losses/(Gains)	-
Past Service Cost	
Defined benefit obligation as at the end of the year/period	107,493
Benefit Type :	
Retirement Age:	60 Years
Vesting Period:	5 Years
The principal actuarial assumptions for the above are:	
Discount rate per annum	9.31%
Expected salary escalation rate per annum	6.00%
Attrition Rate per Annum	2.00%

3. Calculation of Earnings per share (AS 20) :

Particulars	F.Y. 2014-15	F.Y. 2013-14
Profit available for appropriation to equity shareholders	3,688.19	1,733.74
Weighted Average number of equity shares for calculation of Basic Earning per share	13,893	8,890
Weighted Average number of equity shares for calculation of Diluted Earning per share	13,893	8,890
Basic Earning per equity shares	0.27	0.20
Diluted Earning per equity shares **	0.27	0.20
Face Value per equity share	10	10

Note . The weighted average number of equity shares outstanding at the year ended on 31st march 2015, are also adjusted for the yearend balance of share application money pending allotment, as considered potential equity shares, for calculation of Diluted Earning Per Share as per the AS 20.

4. There was no employee in receipt of remuneration aggregating to Rs. 60,00,000/- or more per year or Rs. 5,00,000/- or more per month for the part or whole of the year. Previous year also there was no such employee.
5. Balances of loans, advances, Cash & Bank and Creditors & Debtors are subject to confirmation and have been taken as appeared in the books of account of the company.
6. The quantity and value of closing stock is certified by the management as true and correct.
7. The quantity and value of closing stock is certified by the management as true and correct.

8. The Company has made registration under Service Tax Statute in current financial year i.e. F.Y. 2013-14. Hence the provision of Service Tax Expense has been made in current of Rs. 3,48,989 (Pre Year Rs. 1,34,748)

9. Additional information **:**

(a) Managerial remuneration paid/ payable to the Managing Director/ Directors for the period from 1st April 2014 to 31st March 2015 Rs. 1200 thousand (Previous Year Rs. 1200 thousand)

(b)

Auditor's Remuneration:	Current Year	Previous Year
As Auditors and in other capacity	250.00	250.00
Add: Service Tax	30.90	30.90
Total	280.90	280.90

(c) Licensed/Installed capacity information :

Description of Goods	Installed Capacity for year 2014-15	Installed Capacity for year 2013-14
Licensed Capacity	2 Cr Mts per Annum	1.20 Cr Mts per Annum
Installed Capacity	2 Cr Mts per Annum	1.20 Cr Mts per Annum

(d) CIF Value of Imports

(Rs. In Thousand)

Particulars	**For the period from 1st April 2014 to 31st March 2015**	**For the period from 1st April 2013 to 31st March 2014**
Raw Materials	69,492.39	45,809.11
Store & Spares	21.22.78	-
Capital Goods	-	124,981
Total	71,615.16	170,790.56

(e) Value of Imported and Indigenous Raw Materials purchased and percentage of it to the total purchase

Particulars	**For the period from 1st April 2014 to 31st March 2015**		**For the period from 1st April 2013 to 31st March 2014**	
	Rs. in lacs	%	Rs. in lacs	**%**
Imported	69,492.39	5.90%	45,809.11	4.81%
Indigenious Purchase	1,108,667.40	94.10%	907,086.66	95.19%
Total Purchase	**1,178,159.79**	**100 %**	**952,895.77**	**100.00%**

(f) Breakup of deferred tax assets/ liabilities and the movement of deferred tax account for the year under audit is as

Sr. No.	Description	Amount	Amount
1	**Deffered Tax Liability** Previous Years Deffered Tax Liabilities		
	W. D. V. as per Companies Act	382,892	
	W. D. V. as per Income Tax Act	348,047	
		34,845	(10,767)
	Unabsorbed Depreciation F.Y. 2014-15	21,044	6,503 -
	Dis-Allowance u/s. 35D	880	272
	Net Defferred Tax Liability / (Asset) for the year		(3,993)

Sr. No.	Deffered Tax Summary	Amount
1	Opening Deferred Tax Liability / (Assets)	(2,287)
2	Less: Current Defferred Tax Liability / (Assets)	(6,279)
3	**Closing Deferred Tax Liability / (Assets)**	(3,993)

(g) Contingent Liability

(Rs. In Thousand)

	Particulars	Amount in Rs.	Date of Expiry of Gaurantee
1)	**Guarantees in lieu of Deposit**		
	Dakshin Gujarat Vij Company Limited, Surat	4,770.88	27/08/2016

	Particulars	Amount in Rs.	Date of Expiry of Gaurantee
2)	**Performance Guarantee**		
	Director of Foreign Trade, New Delhi	703.00	17/11/2016
	Director of Foreign Trade, New Delhi	63.00	22/02/2015
	Commissioner of Customs, Nhava Seva, Mumbai	13,350.00	12/07/2021
	Director of Foreign Trade, New Delhi	1,272.00	21/04/2016

Director of Foreign Trade, New Delhi	280.00	25/02/2016
Commissioner of Customs, Nhava Seva, Mumbai	300.00	13/12/2021
Director of Foreign Trade, New Delhi	1,900.00	10/06/2023
Director of Foreign Trade, New Delhi	107.00	12/06/2016
Director of Foreign Trade, New Delhi	830.00	21/06/2023
Director of Foreign Trade, New Delhi	20.00	30/06/2016
Director of Foreign Trade, New Delhi	25.00	30/08/2017
Director of Foreign Trade, New Delhi	768.00	27/11/2017
Commissioner of Customs, Nhava Seva, Mumbai	50.00	08/10/2014

3) The case of Company stands pending before Deputy Commissioner of Customs, Custom Division, Surat for payment of custom duty. The amount of custom duty involved is Rs. 1,93,179/-, against which duty of Rs. 14,488 is already paid. However, no provision for the liability of remaining amount of duty has been made being contigent in nature.

SIGNATURE TO NOTES

For Pradeep Singhi & Associates
Chartered Accountants
FRN : 108029W

FOR R & B DENIMS LIMITED

Amitkumar A. Dalmia
Chairman & Director
(DIN : 00034642)

Ankur M.Borana
Director
(DIN : 01091164)

Pradeep Kumar Singhi
Proprietor
M. No. 024612

Pradip K. Dave
Company Secretary

Place : Surat
Date : 20th May 2015

Rhythm & Blue



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A quality demin fabric manufacturing company.

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