Annual Report 2018-19

R & B Denims Limited



Girishkumar Kalawatia
Independent Director



Perkin Jariwala
Chief Financial Officer



Manak Lal Tiwari
Independent Director



Dharmesh P. Mehta
Indepedent Director



Anita P. Jain
Independent Women Director



From Left: Mr. Rajkumar Borana, Mr. Amit Dalmia, Mr. Ankur Borana, Mr. Deepak Dalmia
Whole -Time Directors



"R&B Denims' is being promoted by the RawatKhedia and the Borana groups, undoubtedly two of the most influential textile houses of Surat directed by Mr. Anand Vasudev Dalmia and Mr. Mangilal Ambalal Borana respectively. 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. R & B Denims is now fully managed and operated by their heirs – Mr. Amit Anandbhai Dalmia and Mr. Ranjkumar Mangilal Borana . The stats and figures are very much the proof of the enormity of this company that it couldn't have been achieved this success if they had not cemented to the international standards in terms of quality and service policies that the company adheres by.

We are one of the largest vertically integrated textile manufacturers in the world with over 30 million meters capacity of production. R & B Denims is one of the few denim manufacturers capable to produce high width denim up to 76 inches. Our world-class facilities are backed by a solid infrastructure to make our processes more productive, people more efficient and products consistent in quality.





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Chairman's Message....



Dear Stake holders,

It is my honour and privilege as the Chairman to present the Annual Report for the Financial Year 2018-19 of M/s. R & B Denims Limited. This year, we mark the 9th year of the foundation of our Company.

Financial year gone by was a year of steady progress for the company and the company has recorded a Profit after Tax (PAT) of Rs. 388.71 Lakhs. This sudden downturn in the company is because it had received a VAT subsidy worth approx. Rs. 2.30 Crores in the previous financial year which brought in a huge difference in the company profit. If this subsidy isn't considered the company has actually seen increased profits of Rs. 34.75 lakhs in the current financial year.

India being the 2nd largest manufacturer of the Denim fabric in the world has performed remarkably in the Indian Textile Industry. Interestingly, textile exports jumped by 9 % to Rs. 108.53 billion for November 2018 as compared to Rs. 99.87 billion for November 2017. Denim is exported in huge quantities from India and has been the fastest growing apparel fabric segments being one of the most versatile fabrics with multiple applications in everyday use.

As per ICRA note, India continues to experience headwinds in the form of intense competitive pressures from nations having a cost advantage over India, which seem to be constraining the overall momentum of the apparel export sector of India. As a result, India's apparel exports in Q3 FY-2019 remained lower than the average quarterly exports during the past five years due to amid downward revision in export incentives under the GST regime. In FY 2019-20 the Indian economy is expected to continue its journey of growth, the key demand driver being its growing population of young and aspiring professionals.

During the year, company has decided to replace the existing 56 CAM weaving looms having 190 cm width with the highly latest technology of 56 Dobby weaving looms having wider width of 230 cm. The resultant output produced would be of more fashion oriented which is very much in demand having premium value. In resultant due to sale of premium value, turnover will increase and in relation will increase the overall profitability of the company.

The Company is conscious about the sustainability and protection of the environment and hence carries all the process/operations in such a manner that doesn't cause any damage to the environment. The company also ensures the fulfillment of compliances of all obligations relating to the environmental aspects.

The company recognizes the importance of safety and welfare among all the level of employees and has taken due care of the safety and welfare of the all the workers and other members. The company has provided workers with factory premises having proper lighting and ventilation facilities and congestion free places and all the required amenities for improving the working environment.

The textile industry is going through multiple changes from different dimensions – changing global and regulatory regime as well as technological disruptions and the industry is also witnessing increasing competition. The company is still diligently striving to provide complete denim solutions by enrooting new product lines and gaining a deep understanding of consumer preferences in the coming years.

We believe that denim industry is a sunrise industry, and the consumption increasing degree will show a smooth growth curve in the coming years.

On behalf of the Board of Directors I would like to thank my colleagues, employees and workers for their dedication and hard work and for the company. The consistency of growth of the company would have not been possible without them. I would also like to extend my gratitude to the stakeholders, bankers, suppliers, our loyal customers for their continued support and trust in us.

Thank you for your support
Yours Faithfully,

Sd/-

Rajkumar Mangilal Borana
Chairman & Managing Director

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
Mr. Girish Kumar Kalawatia	Non-Executive & Independent Director
Mr. Manaklal Tiwari	Non-Executive & Independent Director
Mr. Dharmesh P. Mehta	Non-Executive & Independent Director
Mrs. Anita Pankaj Jain	Non-Executive & Independent Director

COMPANY SECRETARY

Mrs. Jyoti Arun Agarwal

AUDITORS

PAMITA DOSHI & CO.
168, Ahuranagar Society, Opp. Bhulka Bhavan School,
Adajan Road, Surat-395009

BANKERS

The Cosmos Co-op Bank Ltd
Magob Branch, Surat Kadodara Main Road,
Nr Bhakti Dham Temple, Surat, Gujarat

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

Bank of India
Surat MID Corporate Branch
1st Floor, Near BSNL Office, Opp. Panjarapole,
Ghod dod Road, Surat-395001

Axis Bank
Magob Branch, Ground Floor, Aalay Complex,
Puna Kumbhariya Road, Surat-395010

Kotak Mahindra Bank
Kotak House, 5th Floor, K.G. Point, Ghod-Dod Road,
Near Ganga Palace,Surat-395007

9TH ANNUAL GENERAL MEETING

Date: 05/08/2019
Venue: Block No. 467, Sachin Palsana Road,
Palsana, Surat-394315
Time: 11.00 A.M.

AUDIT COMMITTEE

Mr. Dharmesh P. Mehta	Chairman
Mr. Manaklal Tiwari	Member
Mr. Rajkumar Borana	Member
Mrs. Anita Pankaj Jain	Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Girish Kumar Kalawatia	Chairman
Mr. Manaklal Tiwari	Member
Mr. Dharmesh Mehta	Member
Mrs. Anita Pankaj Jain	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mrs. Anita Pankaj Jain	Chairman
Mr. Manaklal Tiwari	Member
Mr. Amit Dalmia	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Amitkumar Dalmia	Chairman
Mr. Ankur M. Borana	Member
Mr. Girish Kumar Kalawatia	Member

REGISTERED OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

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

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: 29th July, 2019 to 02nd August, 2019 (both days inclusive).**

OPERATING & FINANCIAL DATA

(Rs. in Lakhs)

OPERATING DATA	2018-19	2017-18
Sales & Income from operation	24,811.2	21737.53
Other Income	125.95	313.66
Total	**24,937.15**	**22051.19**
Raw Material Consumed	18,643.24	19129.63
Increase (Decrease) in Inventories	439.73	1148.02
Purchase of Stock in Trade	1,988.33	-
Staff Cost	959.32	851.01
Financial cost	416.91	452.41
Adm. Exp. & Selling & Dist. Exp.	1,473.90	1419.55
Depreciation	509.41	644.39
Total	**24,430.85**	**21348.98**
Profit/Loss before Exceptional Items & Taxation	**506.30**	**702.21**
Prior Period Items	-	
Profit/Loss before Taxation	**506.30**	**702.21**
Provision for Current year Tax	152.90	156.64
Provision for MAT Credit	-	-
Short Provision for Income tax expense relating to prior years	1.39	-
Provision for Deferred Tax Liability/Asset	(36.70)	(38.77)
Provision for Tax	117.59	117.87
Profit & Loss after Taxation	**388.71**	**584.34**
Other Comprehensive Income		
Items that will not be reclassified to profit or loss		
Defined Benefit plan actuarial gains/(losses)	2.83	5.57
Income Tax relating to items that will not be reclassified to profit or loss		
Defined Benefit plan actuarial gains/(losses)	0.79	1.55
Items that will be reclassified to profit or loss		
Income Tax relating to items that will be reclassified to profit or loss	-	-
Total Other Comprehensive Income for the year, net of tax	**2.05**	**4.02**
Total Comprehensive Income for the year	**390.76**	**588.36**
Earnings per Share (EPS)	**2.78**	**4.20**
FINANCIAL DATA		
Non-Current Assets		
Property, Plant and Equipment	2,324.83	2608.26
Financial Assets	1,766.04	1532.76
Deferred Tax Assets	124.97	88.26
Other Non-current assets	143.33	61.07
Total Non-Current Assets	**4,359.17**	**4290.36**
Current Assets		
Inventories	2,676.70	2439.35
Financial Assets	3,464.86	3735.29
Others Current Assets	800.98	655.12
Total Current Assets	**6,942.54**	**6829.76**
Total Assets	**11,301.71**	**11120.11**

EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	1,399.47	1399.47
Other Equity	2,533.44	2190.71
Total Equity	**3,932.91**	**3590.18**
Non-Current Liabilities		
Financial Liabilities	1,079.48	1688.52
Provisions	17.95	12.96
Total Non-Current Liabilities	**1,097.44**	**1701.48**
Current Liabilities		
Financial Liabilities	5,795.42	5511.37
Other Current Liabilities	269.39	126.12
Provisions	206.54	190.97
Total Current Liabilities	**6,271.37**	**5828.45**
Total Liabilities	**11,301.71**	**11120.11**

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 took pride of increasing production almost double
2014	Achieved Turnover of Rs. 100.00 Crores
	On 22nd day of April, 2014 the Company got 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
2016	Achieved Gross Turnover of Rs. 163.60 Crores
2017	The export of the company has been increased twice over the previous financial years and holds the position to compete successfully with the global market
	The company has entered into a partnership firm namely "RB Industries" with 90% stake.
2018	The Company has taken two ISO Certificates namely ISO 9001:2015 and ISO 14001:2015 for Quality Management System and Environmental Management System respectively from TUV SUD South Asia Private Limited.
	During the year company has achieve remarkable Gross profit of amounting to Rs. 7.02 Cr.
2019	The turnover of the company has increased by 14% as compared to Previous Year. Also the Export of the company has increased from Rs. 500.13 (in lakhs) in the FY 2017-18 to Rs. 5,285.67 (in lakhs) in the FY 2018-19.

BOARD'S REPORT

To The Members of
R & B Denims Limited

The Directors take pleasure in presenting the Ninth Annual Report together with the audited financial statements for the year ended March 31, 2019. The Management Discussion and Analysis has also been incorporated into this report.

1. FINANCIAL RESULTS

(Rs. in Lakhs except per share data)

Particulars	2018-19	2017-18
Sales/ Business Income	24,811.20	21,737.53
Other Income	125.95	313.66
Total Income	24,937.15	22,051.19
Less: Expenses (Excluding Depreciation)	23,921.44	20,704.59
Profit before depreciation, exceptional items and taxes	1,015.71	1,346.6
Less: Depreciation	509.41	644.39
Profit before exceptional items and taxes	506.30	702.21
Less: Exceptional Items	-	-
Profit before Taxation	506.30	702.21
Less: Income Tax	152.90	156.64
Deferred Tax	(36.70)	(38.77)
MAT Credit Provision	-	-
Short Provision for Income Tax expense relating to prior year	1.39	-
Profit after Taxation	388.71	584.34
Retained Earnings		
Balance brought forward	748.27	159.91
Profit for the year	388.71	584.34
Short Provision for Income Tax expense relating to prior year	(48.03)	-
Other Comprehensive Income	2.05	4.02
Total Retained Earnings	1,091.01	748.27
Available Profit & (transfers) dealt as under:		
Transfer to/(from) General Reserve	342.73	588.36
Balance carried forward	1,091.01	748.27
Earnings per share (Rs.) :Basic	2.78	4.20
Diluted	2.78	4.20

2. HIGHLIGHTS OF PERFORMANCE

- Standalone total income for the current financial year has reached to Rs. 24,937.15 (in Lakhs) as compared to Rs. 22,051.19 (in Lakhs) in 2018, increasing by 13.09%;
- Standalone net sales for the year was Rs.24,811.20 (in Lakhs) as compared to Rs. 21,737.53(in Lakhs) in 2018, showing a growth of 14.14%;
- Standalone profit before tax for the year was Rs.506.30 (in Lakhs) as compared to Rs. 702.21 (in Lakhs)in 2018, showing a decline of 27.9%;
- Standalone Other Comprehensive Income (OCI)for the year was Rs. 2.05 (in Lakhs) as compared to Rs. 4.02 (in Lakhs)in 2018, a decline of 49.00%;
- Standalone Profit after tax for the year is Rs. 390.76 (in Lakhs) as compared to Rs. 588.36(in Lakhs) in 2018,a decline by 33.58%.

3. STATE OF COMPANY'S AFFAIRS

The directors are glad to report that during the year under review your company has posted higher income of Rs.24, 937.15 (in Lakhs) in the current year as compared to Rs.22, 051.19 (in Lakhs) in the corresponding previous year. During the current year your company has shown a remarkable profit of Rs. 388.71 (in Lakhs) as against to the net profit of Rs. 584.34(in Lakhs) in the corresponding previous year.

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

For the financial year ended on March 31, 2019, the Company has proposed to carry an amount of Rs. 388.71 (in Lakhs) to Balance Sheet under the head other Equity.

5. DIVIDEND

In view of the requirement of the profits for strengthening of the company, your directors have decided to plough back the profit into the business hence no dividend could be recommended for the year under review.

6. MATERIAL CHANGES SUBSEQUENT TO THE CLOSE OF THE YEAR

The company has been listed on BSE-SME Platform since 22nd April 2014 and has completed the span of 5 years of listing on BSE. In the current financial year the directors has decided to migrate from BSE-SME Platform to BSE Main Board Platform and consequently the company has received the In-Principle Approval letter from BSE in respect thereof on 18th April, 2019.

7. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of your Company and its operations in future.

8. SUBSIDIARY COMPANY/ASSOCIATE/JOINT VENTURE

There has been no subsidiary/Associate/Joint Venture incorporated/ceased of your company during the financial year 2018-19.

9. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In terms of the provision of Regulation 34 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015, the Management Discussion and Analysis report is a forming part of this Annual Report.

10. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company during the financial year 2018-19.

11. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2019 was Rs. 1,399.46 (in Lakhs). The Company has not issued/allotted any equity shares during the financial year 2018-19.

12. FINANCE

The Cash and cash equivalent as on March 31, 2019 was Rs. 6.95 (in Lakhs). 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.

1. 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 and any modification thereof.

2. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

13. QUALITY INITIATIVES

The Company continues its commitment to the highest levels of quality, superior service management, robust information security practices and mature business continuity management. In the financial year 2017-18, the Company had taken two ISO Certificates namely ISO 9001:2015 and ISO 14001:2015 for Quality Management System and Environmental Management System respectively from TUV SUD South Asia Private Limited.

14. CORPORATE SOCIAL RESPONSIBILITY

The Board has adopted a Corporate Social Responsibility (CSR) Policy for the Company based on which CSR Programs and activities were carried out during the year. The CSR Policy can be accessed through the following weblink:

http://www.rnbdenims.com/corporate-governance.html

The CSR committee comprises of the following members and the committee oversees the CSR activities:

- Mr. Amitkumar Dalmia (Chairperson)
- Mr. Ankur Borana (Member)
- Mr. Girish Kumar Kalawatia (Member)

The Company has spent Rs. 6.50 (in Lakhs) as part of its CSR activities through focused efforts in the fields of Community Healthcare. The detail on CSR activities undertaken during the year is annexed as "Annexure-A" to this report.

15. BUSINESS RESPONSIBILITY REPORT (BRR)

The Board of Directors of the Company hereby confirms that, according to the provisions of Regulation 34(2)(f) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015 and amended thereof, the report on Business Responsibility Report (BRR) is not mandatorily applicable to our company, hence not annexed with Annual Report.

16. ANNUAL EVALUATION AND CRITERIA OF EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act, SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Nomination and Remuneration Committee has defined evaluation criteria, procedure and time schedule for Performance Evaluation process for the Board, its Committees and Directors.

Evaluation of	Criteria for Evaluation
Board	• Degree of fulfilment of key responsibilities • Board structure and composition • Establishment and delineation of responsibilities to various committees • Effectiveness of board processes • Information and functioning • Facilitation of Independent Directors • Quality of decisions • Board culture
Individual directors	• Attendance and contribution at Board/Committee Meetings • Guidance/ support to the management outside Board/ Committee Meetings • Fulfilment of functions • Setting the strategic agenda of the Board • Encouraging active engagement by all Board members and motivating • Providing guidance to the Managing Director
Committees	• Degree of fulfilment of key responsibilities • Frequency and effectiveness of meetings • Committee dynamics, especially openness of discussions, including with the Board • Adequacy of Committee composition • Quality of relationship of the Committee with the Board and the Management

The evaluation of Board, its Committees and Individual Directors was carried out as per the process and criteria laid down by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

The performance evaluation of Independent Directors was carried out by entire Board, excluding Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by Independent Directors who

also reviewed performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed performance of the Board, its Committees and of Directors.

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report.

17. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company has in place a vigil mechanism that encourages its employees to report suspected or genuine concerns about any wrongful conduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy, misuse or abuse of authority. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to 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/investor/polices/VIGIL%20MECHANISM%20FOR%20DIRECTORS%20AND%20EMPLOYEES.pdf?

18. POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS

The Policy for Determining Materiality of Information / Events for reporting to the Stock Exchangeis framed pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 which enables the investors to make well-informed investment decisions and take a view on the Materiality of an event that qualifies for disclosure.

The Policy for Determining Materiality of Information / Events may be accessed on the Company's website at the link:

http://www.rnbdenims.com/investor/polices/POLICY%20FOR%20DETERMININIMG%20MATRIALITY%20OF%20INFORMATION.pdf?

19. POLICY FOR PRESERVATION & ARCHIVAL OF DOCUMENTS

The Policy for Preservation & Archival of documents is framed pursuant to Regulation 9 & 30(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, investors and concerned authority accessed preservation of documents and records of the Company through company's website, which is required to be maintained under the Companies Act, 2013 and Listing Regulation. Any disclosure of events or information which has been submitted by the Company to the Stock Exchanges will be available on the website of the Company for a period of 5 years from the date of its disclosure and shall thereafter be archived from the website of the Company for a period of 3 years. This policy basically deals with the retention and archival of corporate records.

The Policy for Preservation & Archival of documents may be accessed on the Company's website at the link:

http://www.rnbdenims.com/investor/polices/PRESERVATION%20OF%20DOCUMENTS%20&%20ARCHIVAL%20POLICY.pdf?

20. COMPLIANCE WITH THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The company is committed to provide safe, conducive and healthy working environment to the women employees without any kind of prejudice, gender discrimination and sexual harassment. The Company considers sexual harassment as a gross misconduct and has a zero tolerance for Sexual Harassment at workplace. Pursuant to the provisions of "The Sexual

Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" and rules made thereunder, the Company has adopted a "Policy on Protection of Women against Sexual Harassment at Work Place" to provide protection to its women employees against sexual harassment at work place. In line with the requirements of the policy the company has setup Internal Complaints Committee (ICC) with majority women Members.

During the financial year 2018-19, no case was reported under the purview of the said Policy.

21. DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act, Mr. Dharmesh Prafulchandra Mehta, Mr. Girish Kumar Kalawatia, Mr. Manak Lal Tiwari, and Mrs. Anita Pankaj Jain are Independent Directors of the Company. They have submitted a declaration that each of them meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as an Independent Director during the year.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

22. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mrs. Anita Pankaj Jain was appointed as a Women & Independent Director with effect from December 27, 2017 and her appointment was approved in the Annual General Meeting held on 23rd July 2018 for the financial year 2017-18.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2019 are: Mr. Rajkumar Mangilal Borana as Managing Director, Mr. Amitkumar Anandbhai Dalmia as Whole-time Director, Mr. Deepak A Dalmia, Whole-time Director, Mr. Ankur Mangilal Borana as Whole-time Director, Mr. Perkin Khushmanbhai Jariwala as Chief Financial Officer (CFO) and Mrs. Jyoti Arun Agarwal as Company Secretary.

1 Policy on directors' appointment and remuneration

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.

2 Meetings

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. 2018-19

Sr. No.	Date of Meeting	Class of Meeting	Board Strength	No. of Directors Present
1	16-04-2018	Stakeholders' Relationship Committee	3	3
2	18-05-2018	Audit Committee	4	4
3	28-05-2018	Board of Director Meeting	8	8
4	28-06-2018	Board of Director Meeting	8	6
5	30-07-2018	Stakeholders' Relationship Committee	3	3

6	06-08-2018	Audit Committee	4	4
7	13-08-2018	Nomination & Remuneration Committee	4	4
8	18-08-2018	Board of Director Meeting	8	6
9	12-09-2018	Corporate Social Responsibility Committee	3	3
10	21-09-2018	Board of Director Meeting	8	4
11	04-10-2018	Board of Director Meeting	8	4
12	05-11-2018	Audit Committee	4	4
13	14-11-2018	Board of Director Meeting	8	8
14	20-11-2018	Stakeholders' Relationship Committee	3	3
15	04-02-2019	Nomination & Remuneration Committee	4	4
16	14-02-2019	Board of Director Meeting	8	8
17	20-02-2019	Audit Committee	4	4
18	26-02-2019	Stakeholders' Relationship Committee	3	3
19	10-03-2019	Corporate Social Responsibility Committee	3	3
20	19-03-2019	Board of Director Meeting	8	4

23. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, the 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, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. That the directors had selected 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 control was in place and that the financial controls were adequate and were operating effectively.

f. That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

24. RELATED PARTY TRANSACTIONS

The company has entered into various related party transactions during the financial year and all the transactions 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 personnel, 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 annexed as "Annexure-B" which is attached to this report.

25. AUDITORS

a. Statutory Auditors

M/s. Pamita Doshi & Co., Chartered Accountants of Surat had been appointed as Statutory Auditors of the Company for a term of five years pursuant to the provisions of Section 139 of the Act in the conclusion of Eighth (8th) Annual General Meeting of the company subject to the renewal of the appointment at ensuing Annual General Meeting and at every Annual General Meeting held after this Annual General Meeting. As required under the provisions of Sections 139(1) read with 141 of the Companies Act, 2013, the Company has obtained a written certificate from M/s. Pamita Doshi & Co., Chartered Accountants, Surat, proposed to be re-appointed to the effect that their re-appointment, if made, would be in conformity with the criteria specified in the said sections.

The Board recommends the appointment of M/s Pamita Doshi & Co., Chartered Accountants of Surat as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held for the financial year 2022-23. The necessary resolution is being placed for consideration of the members at the ensuing Annual General Meeting. The auditors have also confirmed that they hold a valid certificate which is issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditors' Report for Financial Year 2018-19 forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

b. Cost Auditors

Pursuant to Section 148(3) of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014 M/s. V. M. Patel & Associates was appointed as Cost Auditor of the company for the financial year 2018-19 by the Board of Directors 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 M/s. V.M. Patel & Associates, Cost Auditors is included at Item No. 7 of the Notice convening the Annual General Meeting.

c. 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 had appointed M/s. Jainam N Shah & Co, Practicing Company Secretary of Surat, to conduct the Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith annexed as "Annexure-C" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

26. ENHANCING SHAREHOLDERS VALUE

The Company believes that its Members are among its most treasured stakeholders.

Accordingly, the Company's operations are committed to the pursuit of achieving notable operating performance and cost competitiveness, consolidating and building for expansion, enhancing the productive asset and resource base and subsisting overall corporate reputation. The 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 unceasing growth and development.

27. CORPORATE GOVERNANCE

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis are attached, which forms part of this report.

28. 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 which is annexed herewith as "Annexure-D".

29. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return as on 31st March, 2018 in Form MGT – 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, are set out herewith as "Annexure – E" to this Report.

30. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule, 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the "Annexure-F" of the Annual Report.

31. SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

32. INTERNAL FINANCIAL CONTROLS

Internal Financial Controls forms an integrated part of the risk management process therefore, the company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, maintenance of adequacy, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The management periodically reviews the financial performance of the Company against the approved plans across various parameters and takes necessary action, wherever necessary. During the year, such controls were tested and no reportable material weakness was observed.

33. RISK MANAGEMENT

The Company has in place appropriate Risk Management framework for a systematic approach to control risks. The risk management policy of the company encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the strategic, external and operational control risks to achieve key business objectives.

34. ACKNOWLEDGEMENTS

The Board of Directors is pleased to place on record its appreciation for the continued guidance and support received from the Central and State Government Departments, Organizations and Agencies. The Board is thankful to the Members, Auditors, Consultants, Service Providers, Insurers and all its Employees for their unstinted support and contribution.

The Board of Directors conveys their gratitude for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. Further, the Board sincerely conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

The Board also recognizes the contribution of the esteemed Consumers to the growth of the Company and takes this opportunity to pledge the Company's commitment to serve them better.

35. CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis describing the Company's analysis, projections, interpretations and estimates are forward-looking within the meaning of applicable securities laws and regulations. Actual results may vary from those expressed or implied depending upon economic conditions, Government policies and other incidental/related 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.

The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

For and on behalf of The Board Of Directors,
R & B DENIMS LIMITED

Sd/-

Place: SURAT
Date: 18/05/2019

Rajkumar Mangilal Borana
(Chairman & Managing Director)
DIN: 01091166

Annexure–A to the Board's Report

Annual Report on Corporate Social Responsibility (CSR) Activities

1. The company is committed to and recognizes the importance of the Corporate Social Responsibility Spending. The Company has formed a CSR policy which is based broadly on the Schedule VII u/s 135 of the Companies Act, 2013 which covers the following areas:

1	Eradicating extreme hunger and poverty
2	Promotion of education
3	Promoting gender equality and empowering women
4	Reducing child mortality and improving maternal health
5	Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases
6	Ensuring environmental sustainability
7	Employment enhancing vocational skills
8	Social business projects
9	Slum Development
10	contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
11	Such other matters as may be prescribed from time to time

The company though have framed a broader policy keeping in view the above areas will manly focus on the promotion of education, eradicating extreme hunger and poverty, gender equality and empowering women, employment enhancing vocational skills, social business projects and socio-economic development with a review in the areas of activities as per the requirement.

2. Composition of the CSR committee:

The CSR committee was formed by the company on 28th June, 2018 as per the requirements of the Act.

The Committee is headed by Mr. Amitkumar Dalmia and the other members of the Committee are Mr. Ankur Borana (Member) and Mr. Girish Kumar Kalawatia (Member)

Particulars	Amount (in Rs.)
Average Net Profit of the Company for the Last 3 Financial Year	31,925,842
Prescribed CSR Expenditure (2% of Average Net Profits)	638,517
Amount carried forward from earlier years (2017-18)	-

Details of CSR Expense during the Financial Year 2018-19:	
Total Amount to be spent for the Financial Year	638,517
Amount Spent	650,000
Amount unspent	-

The manner in which the amount was spent during the financial year is mentioned herein below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Projects or activity identified	Sector in which the project is covered	Location of Project (State & District)	Amount Outlay (Budget)	Amount Spent on Project /Programme	Cumulative Expense till reporting period i.e. (F.Y. 2017-18)	Amount Spent through Direct or through implementing agency
1.	Promoting health care including preventive health care	Health care	Surat	638,517	650,000	650,000	Samast Patidar Aarogya Trust

3. A Responsibility statement:

The Implementation and monitoring of CSR policy is in compliance with CSR Objective and policy of the Company.

"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 arm's 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	Note: A
(b)	Nature of contracts/arrangements/transactions	Note: A
(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:	28/05/2018
(f)	Amount paid as advances, if any:	NA

Sd/-

Place: SURAT
Date: 18/05/2019

Rajkumar Mangilal Borana
(Chairman & Managing Director)
DIN: 01091166

Note-A

Related Party Transaction at Arm's Length Basis

(Rs. in Lakhs)

Sr. No.	Name	Relation	Amount	PAN Number	Nature of Transactions
1	Rajkumar Mangilal Borana	Managing Director	7.50	ABBPB7746E	Remuneration
2	Amitkumar Anandbhai Dalmia	Whole-time Director	7.50	ABBPD6392C	Remuneration
3	Deepak A Dalmia	Whole-time Director	7.50	ABBPD6396G	Remuneration
4	Ankur Mangilal Borana	Whole-time Director	7.50	AFQPB5976H	Remuneration
5	Rajkumar Mangilal Borana	Managing Director	0.24	ABBPB7746E	Lease Rent
6	Amitkumar Anandbhai Dalmia	Whole-time Director	0.24	ABBPD6392C	Lease Rent
7	Deepak A Dalmia	Whole-time Director	0.24	ABBPD6396G	Lease Rent
8	Ankur Mangilal Borana	Whole-time Director	0.24	AFQPB5976H	Lease Rent
9	RB Industries	Sister Concern	0.30	AASFR4375D	Receipt of Sub-Leasing Income
10	RB Industries	Sister Concern	9442.36	AASFR4375D	Purchase of Grey Fabrics
11	RB Industries	Sister Concern	485.37	AASFR4375D	Job Work Income
12	RB Industries	Sister Concern	58.20	AASFR4375D	Sale of Color Chemical
13	Ricon Industries	Sister Concern	3757.65	AAFCR0142Q	Purchase of Yarn
14	Ricon Industries	Sister Concern	9.31	AAFCR0142Q	Sales Income
15	Ricon Industries	Sister Concern	2.79	AAFCR0142Q	Factory Expense
16	Borana Filaments Private Limited	Sister Concern	20.91	AABCB8050D	Sales Income
17	Borana Filaments Private Limited	Sister Concern	0.19	AABCB8050D	Purchase of Grey Fabrics
18	Nivika Syntex	Sister Concern	440	AAOFN6202H	Sales Income
19	Nivika Syntex	Sister Concern	1988.33	AAOFN6202H	Purchase of Grey Fabrics

"ANNEXURE-C"

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[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, 2019

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 (herein after 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 ratification of the company 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, 2019 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, 2019 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 (Listing Obligations And Disclosure Requirements) Regulations, 2015

b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

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

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

g. 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;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

j. Employees Provident Fund and Miscellaneous Provisions Act, 1952

k. Employees State Insurance Act, 1948

l. Employers Liability Act, 1938

m. Environment Protection Act, 1986 and other environmental laws

n. Equal Remuneration Act, 1976

o. Factories Act, 1948

p. Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003

q. Indian Contract Act, 1872

r. Income Tax Act, 1961 and Indirect Tax Laws

s. Indian Stamp Act, 1999

t. Industrial Dispute Act, 1947

u. Maternity Benefits Act, 1961

v. Minimum Wages Act, 1948

w. Negotiable Instruments Act, 1881

x. Payment of Bonus Act, 1965

y. Payment of Gratuity Act, 1972

z. 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.

I further report that during the audit period, there were no events/actions in pursuance of:

i. Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
ii. Redemption / buy-back of securities
iii. Major decisions taken by the members in pursuance to section180 of the Companies Act, 2013.
iv. Merger / amalgamation / reconstruction, etc. take place
v. Foreign technical collaborations take place during the audit year

For, JAINAM N SHAH & CO.
Company Secretaries

Place: SURAT
Date: 18/05/2019

Sd/-
Shah Jainam Navinchandra
Proprietor
M. No.: 35397
C P No. 13108

"ANNEXURE-D"

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

(Rs. in Lakhs)

Power and fuel consumption	Current Year 2018-19	Previous Year 2017-18
A. Power and fuel consumption		
1. Electricity		
(A) Purchased		
Unit (Lacs KWH)	99,41,580	10,439,460
Total amount (Rs. In Lacs)	7,54,35,154	72,940,841
Rate / unit (KWH)	7.59	6.99
2. Coal		
Quantity (tonnes)	3,225.24	5,060
Total cost (Rs.)	1,72,44,277	27,070,744
Average rate (Rs.)	5,346	5,350
3. Diesel oil		
Quantity (k. ltrs.)	1,916	2,850
Total amount (Rs.)	1,36,777	180,326
Average rate (Rs.)	71.38	63.27
4. Gas		
Quantity (Kgs)	23,303	28,526
Total amount (Rs.)	16,49,920	1,848,606
Average rate (Rs.)	70.80	64.80
B. Consumption per Unit of Production	Unit/Mtrs.	(Unit/Mtrs)
Electricity	0.554	0.620
Coal	0.00018	0.0003
Gas	0.0013	0.0017
C. Actual Fabrics Produced	(in mtrs)	(in mtrs)
Fabrics produced during the year	1,79,40,298	16,833,760

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

Foreign Exchange Inflow & Outflow:

Inflow: US $: 3,969,612.83

Outflow: US $: 539,990.91
Euro: 12,056.71
JPY: 2,156,479.00

"ANNEXURE-E"

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2019

[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. 467SachinPalsana Road, Palsana, Surat-394315 Tel. No. +91-9601281648
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	131- Spinning, weaving and finishing of textiles	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	8301678	-	8301678	59.32	8301678	-	8301678	59.32	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2025000	-	2025000	14.47	2025000	-	2025000	14.47	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
F) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	**10326678**	**-**	**10326678**	**73.79**	**10326678**	**-**	**10326678**	**73.79**	**-**
(2) Foreign									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	**10326678**	**-**	**10326678**	**73.79**	**10326678**	**-**	**10326678**	**73.79**	**-**
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	45000	-	45000	0.32	32500	-	32500	0.23	(0.09)
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

(i)	Individuals Shareholders holding nominal share capital upto Rs. 1 lacs	585000	10	585010	4.18	477500	10	477510	3.41	(0.77)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lacs	3028000	-	3028000	21.64	3067107	-	3067107	21.92	0.28
c)	Others									
	(Market Maker)	5000	-	5000	0.04	35893	-	35893	0.26	0.22
	(Clearing Member)	5000	-	5000	0.04	55000	-	55000	0.39	0.36
	(Body Corporate NBFC)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):		**3668000**	**10**	**3668010**	**26.21**	**3668000**	**10**	**3668010**	**26.21**	**-**
Total Public Shareholding (B)=(B)(1)+(B)(2)		**3668000**	**10**	**3668010**	**26.21**	**3668000**	**10**	**3668010**	**26.21**	**-**
C.	Shares Held by Custodian for GRDs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		**13994678**	**10**	**13994688**	**100**	**13994678**	**10**	**13994688**	**100**	**-**

V	Shareholding of Promoters							
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding 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	Rajkumar Mangilal Borana	2052921	14.67	-	2052921	14.67	-	-
2	Deepak A Dalmia	1819168	13.00	-	1819168	13.00	-	-
3	Amitkumar Anandbhai Dalmia	1799171	12.86	-	1799171	12.86	-	-
4	Ankur Mangilal Borana	1632918	11.67	-	1632918	11.67	-	-
5	Rawatkhedia Silk Mills LLP	1500000	10.72	-	1500000	10.72	-	-
6	Mayfair Vinimay Private Limited	375000	2.68	-	375000	2.68	-	-
7	Mangilal Ambalal Borana	300000	2.14	-	300000	2.14	-	-
8	Mangilal Ambalal Borana HUF	225000	1.61	-	225000	1.61	-	-
9	Rajkumar Mangilal Borana HUF	183000	1.31	-	183000	1.31	-	-
10	Dhwani Ankur Borana	153000	1.09	-	153000	1.09	-	-
11	Rawatkhedia Processors Private Ltd.	150000	1.07	-	150000	1.07	-	-
12	Ankur Mangilal Borana HUF	85500	0.61	-	85500	0.61	-	-
13	Mohini Devi Mangilal Borana	10500	0.08	-	10500	0.08	-	-
14	Sharmila Rajkumar Borana	10500	0.08	-	10500	0.08	-	-
15	Deepa Amitkumar Dalmia	6000	0.04	-	6000	0.04	-	-
16	Shashi Anand Dalmia	6000	0.04	-	6000	0.04	-	-
17	Sunaina Deepak Dalmia	6000	0.04	-	6000	0.04	-	-
18	Amitkumar Anand Dalmia HUF	6000	0.04	-	6000	0.04	-	-
19	Deepak A Dalmia HUF	6000	0.04	-	6000	0.04	-	-

ii) Change in Promoters' Shareholding (Please specify, if there is no change)								
Sr. No.	Name	Shareholding					Cumulative Share-holding during the year (01/04/18 to 31/03/19)	
		No. of Shares at the beginning (01/04/2018)/end of the year (31/03/2019)	% of total shares of the Company	Date	Increase/ (Decrease) in Share-holding	Reasons	No. of Shares	% of total shares of the Company
1.	Rajkumar Mangilal Borana	2052921	14.67	01/04/2018	-	-	-	-
		2052921	14.67	31/03/2019	-	-	2052921	14.67
2.	Deepak A Dalmia	1819168	13.00	01/04/2018	-	-	-	-
		1819168	13.00	31/03/2019	-	-	1819168	13.00
3.	Amitkumar Anandbhai Dalmia	1799171	12.86	01/04/2018	-	-	-	-
		1799171	12.86	31/03/2019	-	-	1799171	12.86
4.	Ankur Mangilal Borana	1632918	11.67	01/04/2018	-	-	-	-
		1632918	11.67	31/03/2019	-	-	1632918	11.67
5.	Rawatkhedia Silk Mills LLP	1500000	10.72	01/04/2018	-	-	-	-
		1500000	10.72	31/03/2019	-	-	1500000	10.72
6.	Mayfair Vinimay Private Limited	375000	2.68	01/04/2018	-	-	-	-
		375000	2.68	31/03/2019	-	-	375000	2.68
7.	Mangilal Ambalal Borana	300000	2.14	01/04/2018	-	-	-	-
		300000	2.14	31/03/2019	-	-	300000	2.14
8.	Mangilal Ambalal Borana HUF	225000	1.61	01/04/2018	-	-	-	-
		225000	1.61	31/03/2019	-	-	225000	1.61
9.	Rajkumar Mangilal Borana HUF	183000	1.31	01/04/2018	-	-	-	-
		183000	1.31	31/03/2019	-	-	183000	1.31
10.	Dhwani Ankur Borana	153000	1.09	01/04/2018	-	-	-	-
		153000	1.09	31/03/2019	-	-	153000	1.09
11.	Rawatkhedia Processors Private Ltd.	150000	1.07	01/04/2018	-	-	-	-
		150000	1.07	31/03/2019	-	-	150000	1.07
12.	Ankur Mangila Borana HUF	85500	0.61	01/04/2018	-	-	-	-
		85500	0.61	31/03/2019	-	-	85500	0.61
13.	Mohini Devi Mangilal Borana	10500	0.08	01/04/2018	-	-	-	-
		10500	0.08	31/03/2019	-	-	10500	0.08

14.	Sharmila Rajkumar Borana	10500	0.08	01/04/2018	-	-	-	-
		10500	0.08	31/03/2019	-	-	10500	0.08
15.	Deepa Amitkumar Dalmia	6000	0.04	01/04/2018	-	-	-	-
		6000	0.04	31/03/2019	-	-	6000	0.04
16.	Shashi Anand Dalmia	6000	0.04	01/04/2018	-	-	-	-
		6000	0.04	31/03/2019	-	-	6000	0.04
17.	Sunaina Deepak Dalmia	6000	0.04	01/04/2018	-	-	-	-
		6000	0.04	31/03/2019	-	-	6000	0.04
18.	Amitkumar Anand Dalmia HUF	6000	0.04	01/04/2018	-	-	-	-
		6000	0.04	31/03/2019	-	-	6000	0.04
19.	Amitkumar Anand Dalmia HUF	6000	0.04	01/04/2018	-	-	-	-
		6000	0.04	31/03/2019	-	-	6000	0.04

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

Sr. No.	Name	Shareholding					Cumulative Share-holding during the year (01/04/18 to 31/03/19)	
		No. of Shares at the beginning (01/04/2018) /end of the year (31/03/2019)	% of total shares of the Company	Date	Increase/ Decrease in Share-holding	Reasons	No. of Shares	% of total shares of the Company
1	Lalita Naresh kumar Borana	668000	4.77	01/04/2018	-	-	668000	4.77
				25/05/2018	20000	Transfer	688000	4.92
				21/09/2018	19706	Transfer	707706	5.06
				30/11/2018	12744	Transfer	720450	5.15
				14/12/2018	1	Transfer	720451	5.15
				21/12/2018	49	Transfer	720500	5.15
				08/03/2019	2067	Transfer	722567	5.16
		722567	4.77	31/03/2019	-	-	722567	4.77
2	Nareshkumar Ambalal Borana	505000	3.61	01/04/2018	-	-	505000	3.61
				13/04/2018	5000	Transfer	510000	3.64
				25/05/2018	15000	Transfer	525000	3.75
				22/06/2018	9976	Transfer	534976	3.82
				21/09/2018	9708	Transfer	544684	3.89
				30/11/2018	30316	Transfer	575000	4.11
				08/03/2019	4540	Transfer	579540	4.14
		579540	4.14	31/03/2019	-	-	579540	4.14
3	Hem Chand Jain	495000	3.54	01/04/2018	-	-	495000	3.54
				11/05/2018	(42500)	Transfer	452500	3.23
		452500	3.23	31/03/2019	-	-	452500	3.23

4	Nareshkumar Ambalal Borana HUF	425000	3.04	01/04/2018	-	-	425000	3.04
				25/05/2018	22500	Transfer	447500	3.20
				21/09/2018	14994	Transfer	462494	3.30
				30/11/2018	6	Transfer	462500	3.30
		462500	3.30	31/03/2019	-	-	462500	3.30
5	Gaurav Jain	210000	1.50	01/04/2018	-	-	210000	1.50
		210000	1.50	31/03/2019	-	-	210000	1.50
6	Indu Jain	115000	0.82	01/04/2018	-	-	115000	0.82
				27/04/2018	(85000)	Transfer	30000	1.25
				22/06/2018	(30000)	Transfer	-	-
		-	-	31/03/2019	-	-	-	-
7	Amit Munot	-	-	01/04/2018	-	-	-	-
				29/06/2018	77500	Transfer	77500	0.55
		77500	0.55	31/03/2019	-	-	77500	0.55
8	VinodLodha	75000	0.54	01/04/2018	-	-	75000	0.54
		75000	0.54	31/03/2019	-	-	75000	0.54
9	Alpana S Dangi	60000	0.43	01/04/2018	-	-	60000	0.43
				31/03/2019	-	-	60000	0.43
10	Ashok Kumar Jain	60000	0.43	01/04/2018	-	-	60000	0.43
				31/03/2019	-	-	60000	0.43
11	Jainam Share Consultants Pvt. Ltd	52500	0.38	01/04/2018	-	-	5000	0.04
				29/06/2018	20000	Transfer	25000	0.18
				13/07/2018	20000	Transfer	45000	0.32
				03/08/2018	2500	Transfer	47500	0.34
				05/10/2018	5000	Transfer	52500	0.38
				31/03/2019			52500	0.38
12	Prateek Jain	50000	0.36	01/04/2018	-	-	50000	0.36
		50000	0.36	31/03/2019	-	-	50000	0.36
13	Chandanmal Kaluram Talesara	50000	0.36	01/04/2018	-	-	50000	0.36
				13/07/2018	2500	Transfer	52500	0.38
				20/07/2018	(2500)	Transfer	50000	0.36
				24/08/2018	(2500)	Transfer	47500	0.34
				31/08/2018	2500	Transfer	50000	0.36
				07/09/2018	(2500)	Transfer	47500	0.34
				12/10/2018	(2500)	Transfer	45000	0.32
				01/03/2019	(2500)	Transfer	42500	0.30
				08/03/2019	2500	Transfer	45000	0.32
				15/03/2019	2500	Transfer	47500	0.34
				29/03/2019	2500	Transfer	50000	0.36
		50000	0.36	31/03/2019			50000	0.36

iv) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding					Cumulative Share-holding during the year (01/04/18 to 31/03/19)	
		No. of Shares at the beginning (01/04/2018)/end of the year (31/03/2019)	% of total shares of the Company	Date	Increase/ Decrease in Share-holding	Reasons	No. of Shares	% of total shares of the Company
1	Rajkumar Mangilal Borana	2052921	14.67	01/04/2018	-	-	-	-
		2052921	14.67	31/03/2019	-	-	2052921	14.67
2	Deepak A Dalmia	1819168	13.00	01/04/2018	-	-	-	-
		1819168	13.00	31/03/2019	-	-	1819168	13.00
3	Amitkumar Anandbhai Dalmia	1799171	12.86	01/04/2018	-	-	-	-
		1799171	12.86	31/03/2019	-	-	1799171	12.86
4	Ankur Mangilal Borana	1632918	11.67	01/04/2018	-	-	-	-
		1632918	11.67	31/03/2019	-	-	1632918	11.67
5	Dharmesh Prafulchandra Mehta	Nil	-	01/04/2018	-	-	-	
		Nil	-	31/03/2019	-	-	Nil	-
6	Girish Kumar Kalawatia	Nil	-	01/04/2018	-	-	-	
		Nil	-	31/03/2019	-	-	Nil	-
7	Manak Lal Tiwari	Nil	-	01/04/2018	-	-	-	
		Nil	-	31/03/2019	-	-	Nil	-
8	Anita Pankaj Jain	Nil	-	01/04/2018	-	-	-	
		Nil	-	31/03/2019	-	-	Nil	-
9	Jyoti Arun Agarwal	Nil	-	01/04/2018	-	-	-	
		Nil	-	31/03/2019	-	-	Nil	-
10	Perkin Khushmanbhai Jariwala	7500	0.53	01/04/2018	-	-	-	-
		7500	0.53	31/03/2019	-	-	7500	0.53

VI 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	14,70,29,896	96,500,000		243,529,896
	ii) Interest due but not paid	-	7,854,639		7,854,639
	iii) Interest accrued but not due	883,022	-		883,022
	Total (i+ii+iii)	**147,912,918**	**104,354,639**		**252,267,557**
2	**Change in Indebtedness during the financial year**				
	• Addition	28,483,038	6,419,381		34,902,419
	• Reduction	(100,036,463)	(105,124,942)		(205,161,405)
	Net change	**(71,553,425)**	**(9,87,05,561)**		**(17,02,58,986)**
3	**Indebtedness at the end of the financial year**				
	i) Principal Amount	75,476,471	5,000,000		80,476,471
	ii) Interest due but not paid	-	608,054		608,054
	iii) Interest accrued but not due	647,431	-		647,431
	Total (i+ii+iii)	**76,123,902**	**56,08,054**		**81,731,956**

VII 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
		Amitkumar A .Dalmia	Rajkumar M. Borana	Ankur M.Borana	Deepak A Dalmia	
1	Gross Salary					
	a) Salary as per provisions contained in the section 17(1) of the Income-tax Act, 1961	750,000	750,000	750,000	750,000	3,000,000
	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)	**750,000**	**750,000**	**750,000**	**750,000**	**3,000,000**
	Ceiling as per the Act	(@ 5.93% of profits calculated under Section 198 of the Companies Act, 2013)				

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Dharmesh P. Mehta	Girish Kumar Kalawatia	Manak Lal Tiwari	Anita P. Jain	
1	Independent Directors					
	• Fee for attending board / committee meetings	14,000	14,000	14,000	14,000	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**	**14,000**	**56,000**
	Total Managerial Remuneration					**3,056,000**
	Overall Ceiling as per the Act	(@ 5.93% of profits calculated under Section 198 of the Companies Act, 2013)				

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

Sr. No.	Particulars of Remuneration	Company Secretary	Chief Financial Officer	Total Amount
		Jyoti Arun Agarwal	Perkin Khushmanbhai Jariwala	
1	Gross Salary			
	a) Salary as per provisions contained in the section 17(1) of the Income-tax Act, 1961	300,000	32,500	3,32,500
	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	**300,000**	**32500**	**3,32,500**

VIII Penalties / Punishment / Compounding Of Offences:					
Type	**Section of the Companies Act**	**Brief Description**	**Details of Penalty / Punishment / Compounding fees imposed**	**Authority [RD / NCLT / court]**	**Appeal made, if any (give details)**
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

Sd/-
Rajkumar Mangilal Borana
(Chairman & Managing Director)
DIN: 01091166

Place: SURAT
Date: 18/05/2019

"ANNEXURE-F"

DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The percentage increase in remuneration of each Director and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 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 2018-19 (in Rs.)	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Rajkumar Borana (Chairman and Managing Director)	750,000	Nil	11.05	During the year, Profit before Tax was Rs.5,06,30,071.64/- which was decreased by 27.90% over the financial year 2017-18 and the company has earned net profit of Rs. 3,88,71,245.41/- in the financial year 2018-19 against the net profit of Rs. 584,34,087.20/- over the financial year 2017-18
2	Mr. Amitkumar Dalmia (Whole time Director)	750,000	Nil	11.05	
3	Mr. Deepak Dalmia (Whole time Director)	750,000	Nil	11.05	
4	Mr. Ankur Borana (Whole time Director)	750,000	Nil	11.05	
5	Jyoti Arun Agarwal (Secretary)	300,000	Nil	4.42	
6	Perkin Khushmanbhai Jariwala (Chief Financial Officer)	32,500	Nil	0.85	

i. The median remuneration of employees of the Company during the financial year was Rs. 67,850/-.

ii. The Number of permanent employees on the rolls of the company as of March 31, 2019 and March 31, 2018 was 339 and 326 respectively;

iii. In the Financial year, there was an decrease of 25.42% in the median remuneration of employees due to decrease in pay scale of the employees;

iv. The revenue growth during financial year 2019 over financial year 2018 was 13.09%and during the year the company has earned net profit of Rs. 388.71 (in lakhs) as against to the net profit of Rs. 584.34 (in lakhs) due to presence of subsidy of Rs. 230/- (in Lakhs) in the financial year 2017-18. The aggregate remuneration of the employees grew by 14.35% over the previous financial year. The total remuneration of Key Managerial Personnel was stabled in 2019 over financial year 2018.

v. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
The total remuneration of Key Managerial Personnel has increased to 3,325,000/- in 2018-19, the increase in the total remuneration is due to appointment of Chief Financial Officer (CFO) and the Profit before Tax was decreased by 27.90% to Rs. 5,06,30,071/- in 2018-19 (Profit of Rs. 70,220,920 /- in 2017-18)

vi. Variations in the market capitalization of the Company

(1) The market capitalization as on March 31, 2019 was Rs. 61.93 Crore and as on March 31, 2018 is Rs.72.77 Crore.

(2) Price Earnings ratio of the Company was 15.92 as at March 31, 2019 and as on March 31, 2018 it was 12.38.

(3) Percentage 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. 4,425 as on March 31, 2019 indicating the decrease in Annual Growth Rate at 14.90%.

vii. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 13.50% and the increase in the managerial remuneration for the same financial year was nil.

viii. 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.

ix. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year are as follows:

Particulars	Employees Details	
Employee Name	Alpeshkumar Punamchand Patel	Sanjay Jotiram Patel
Designation	GM Production	Manager
Education Qualification	Be. Tech in Textile	Diploma Textile Mfg.
Nature of Employment	Permanent	Permanent
Age	41 Years	39 Years
Experience	23 Years	15 Years
Date of Joining	01/07/2015	01/07/2015
Gross Remuneration	12,00,000 /-	838,536/-
Previous employment and designation	Jindal Denims - Asst Weaving Manager	Tharmshil Industries, Maintenance Head
No. of Shares held in Company	Nil	Nil
Employee Relation with Director	NA	NA
Ratio	0.70	0.94

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

Sd/-

Place :SURAT
Date: 18/05/2019

Rajkumar Mangilal Borana
(Chairman & Managing Director)
DIN: 01091166

MANAGEMENT DISCUSSION AND ANALYSIS

DISCLAIMER

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate," "believe," "estimate," "intend," "will," and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward looking statements as these are relevant at a particular point of time & adequate restrain should be applied in their use for any decision making or formation of an opinion.

The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

Indian Economy:

Ease of Doing Business Index: India improves rankings

India moved up by 23 places in the World Bank's Ease of Doing Business Index 2018 and got 77th rank. This is attributed to 6 reforms this year- starting a business, getting electricity, construction permits, getting credit, paying taxes and trading across borders. The maximum improvement was of 129 places in construction permits to reach 52nd rank in 2018 as compared to 181st in 2017. The Prime Minister further said, "If we do focused improvement, breaking into the top 50 is not out of reach." This certainly points towards more such reforms in the near future.

Indian Textile Industry

The textile industry has always occupied an esteemed place in Indian industrial system. Textile sector accounts for 13% of the total exports of the country, being one of the major contributors. It is one of the largest employers and has a considerable contribution to Indian GDP. India's overall textile exports during Financial Year 2017-18 was US$ 39.2 billion and in the Financial year 2018-19 is US$ 31.65 billion which is expected to increase to US$ 82.00 billion by 2021.The sector is one of the largest sources of job creation in the country, employing about 45 mn people directly. Between April-December 2018, Ready-made garments (RMG) exports from India stood at $ 11,350.44 mn

The Indian government has also come up with a number of initiatives and export promotion policies for the textiles sector. It has also allowed 100 % FDI in the Indian textiles sector under the automatic route.

Due to a change in buying habits, consumers are shifting from need-based clothing to aspiration-based clothing. Contrary to previous years, where the Indian consumers purchased fashion items as and when required, buying clothes has become more than a basic need; it is now a reflection of aspiration, personality, and a status symbol. Though basic textiles continue to represent a part of the consumer's basket, the demand for aspirational clothing has increased significantly in recent years. Given the timely policy support and intervention to boost exports, the industry is hoping to achieve the target of $12.65 bn set for exports of cotton textiles during FY 2018-19.

With all this positive steps and recent trends, the future of Indian textile and clothing industry looks very positive.

OUTLOOK

1. INDIAN DENIM MARKET

In India Denim fabric manufacturing is considered a sunrise industry also it is one of the fastest growing segments as its demand has been growing at a phenomenal pace in the recent years. Denim is the one most preferred outfit to work, at least in the non-government sectors, in India. The consumption of denim in quantitative terms shows an increasing trend over the last few years. The demand for the Denim products is major in the Young generation as they are using the denims products generously. Also there exists a remarkable difference of the consumption between the men's wear and women's wear. The women's wear segment of denim trousers goes to lower age groups and the higher age groups very quickly discard the denim use. This may be because of Indian tradition and comforts of other wears while the women are indoors.

The acceptance of smart casuals in corporate has boosted growth of western wear among working professionals. Formal wear is not restricted only to shirts and trousers but has a wide range of other options such as smart jackets, brightly coloured or patterned shirts complemented with loafers, etc.

Initially, the denim brands used to focus primarily on men, but with the change in the demand and preferences of women, they started catering to women consumers as well. Stretch denims have seen a huge demand among women

2. FUTURE PROSPECTS

The blue denim has remained a wardrobe essential for decades. Due to its increasing popularity in India, denim wear is now also witnessing huge demand among masses. There are certain key attributes which are making the future of denim wear industry promising which are as follows:

Variety: Usage of denims has not been limited to clothing and accessories but it has expanded its horizons in the fields of shorts, bags, shoes, jackets, shirts etc.

Purpose: Denim serves almost all purposes and is available in many ranges of colours. It can be used as a formal wear as well as casual wear. This versatility has made economic sense to consumers to buy jeans compared to other bottoms.

Convenience: Comfort and durability are one of the striking features of denim wears.

Changing trends/fashion: Today's generation is fashion conscious that tilts towards changing fashion and are adopting fashion that is easily available and comfortable in their daily life thereby increasing the demand for the product exponentially.

Prices: The price of denim wear depends on a number of factors like the quality of material, texture, comfort, cut, and wash. From extremely cheap jeans for everyday use to expensive luxury denim, there are denim products available to suit everyone's budget and needs.

Organised Sector: The expansion of organised retail sector has further added to the momentum of denim industry. India is a preferred supplier of denim fabrics to almost all global brands.

Target Market: Earlier, denim used to be the choice of teenagers and people in their 20's and 30's. However, times have changed and denim has become the preferred choice of everyone from kids to the elderly.

Innovation: Innovation is the need of the hour and the denim market is constantly making efforts to redefine and reinvent it with new designs, washes, cuts, and embellishments which keep the masses interested and keeps the demand high.

3. INDUSTRY OUTLOOK

Though the Denim Industry is one of the most promising industries in India it faces it own set of issue and challenges. There is a lot of scope of improvement in right processing and value addition in denim through fashion-led processes and finishes. Establishment of high quality processing and washing units could help to improve the quality of finishes and colours, this attracting more consumers to try denim.

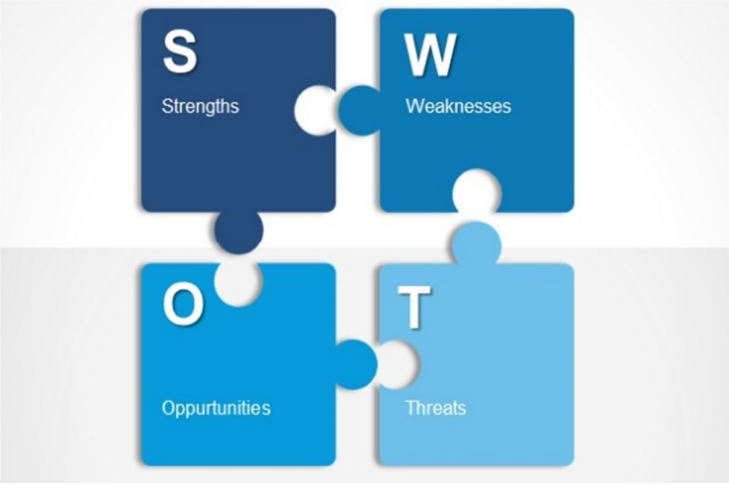
Some of the key driving factors for the denim market in India are:

- An aspiration youth (15 to 29 year olds) with higher spending power than previous generations, which make 26% of the consuming population
- A wide range of consumer segment that consider denim as an apparel of choice owing to its comfort and style
- Favoured preference for denim amongst youth owing to its versatile association
- Increasing usage of denim products by women and youth in smaller cities and rural India.

The denim market in India has been evolving fast with introduction of more styles, colours and some distinct trends in the product offering. Some of the key trends in denim market are:

- The demand for stretch denim is growing at a faster rate in India market due to its comfort and fit characteristics
- The colour of denim jeans is no longer limited to traditional blue colours. Indian youth has started accepting denim in different colours including green, red, yellow etc.
- The use of denim fabric is not only limited to jeans but is now used in manufacturing of Jackets, shirts, trousers, leggings, handbags, belts etc.

SWOT ANALYSIS OF DENIM INDUSTRY:



1. Strengths

- Adequate availability of raw material
- Abundant availability of excellent quality cotton suitable for denim.
- Increasing demand in domestic as well as international market
- Proper infrastructure
- Adequate labor available
- Loyalty of customers

2. Weaknesses

- Unavailability of skilled labour.
- Cost of utility & natural gas increases
- High tariff barriers and export duties.

3. Opportunities

- Apart from manufacturing jeans the fabric is used in manufacturing of other products like shirts, trousers, handbags etc.
- Introduction of sustainable development practices.

4. Threats

- Entry of multinational companies in domestic markets.
- Rapid shifting fashion and fabric demands.
- Increase in cost of labour
- Establishment of E-commerce allows more brands to enter the market.
- To make balance between price and quality
- Global competitors

REVIEW OF OPERATIONS

Your directors report that during the year under review your company has posted higher income of Rs. 24, 811.2 (in Lakhs) in the current year as compared to Rs. 21, 737.53 (in Lakhs) in the corresponding previous year. During the current year your company has shown profit of Rs. 390.76 (in Lakhs) as against to the net profit of Rs. 588.36 (in Lakhs) in the corresponding previous year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has made adequate investment for an effective internal control and risk-mitigation system, and they are constantly assessed and strengthened with new standard operating procedures. The Audit committee along with the CFO formulates a detailed audit plan for the internal auditor and actively reviews the adequacy and effectiveness of the plan and suggests improvements to strengthen the same. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. The Internal Auditors attend the Meetings of the Audit Committee at regular basis and submit their recommendations to the Audit Committee.

The Audit Committee, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

KEY RISKS AND CONCERNS

The list of the potential risks the industry is exposed to domestically/internationally is given below:

- **Business Operational Risk:** The business operational risk is associated with economic and market conditions, cut throat competitions at local as well as at international level, introduction of new players in textile markets, labour turnover, power, logistics, demand & supply risks, latest technologies, techniques required to upgrade plants,

boiler house, machines, equipment, Un-interrupted availability of raw material at competitive prices so as to avoid production loss, maintenance of quality and to harmonize production for completing the orders in time as well. Fluctuations in yarn prices in international market, hence impact to pricing/costing of particular product(s) and its blend(s). New designs, innovative textile products, developing new customers residing in different countries carrying lots of choice, ideas may also constitute operational risk for the Company.

- **Geographic and Environmental Risk**: This is a risk to an investment in a specific disturbed geographic area. The disturbance may be at local level or may be at national/international level. The safety of environment is also important because of its ecological, economic or social significance to an ecosystem. If environment get impact/suffer more due to highly polluting nature or due to violation of any environmental law/norms by the industry/business then it may get adverse remarks from the Regulator/Statutory Authority or may have to face penal provisions as well as implications. An overdependence on a single geography could impact business growth going forward.

- **Raw material risk**: Non-availability of adequate cotton and volatility in the prices of cotton could impede business profits and prospects.

- **Quality risk**: Inability to match the stringent quality standards of leading retails brands consistently could impact product off take.

- **Working capital risk**: Increased business scale would necessitate increased working capital requirement.

- **Foreign Exchange risk**: The Company while doing foreign transactions deals with the currencies of other countries and therefore any fluctuations in foreign currency may impact margins of Company. The depreciation in exchange rate increases the risk of foreign banks, which leads to large foreign currency exposures in the emerging markets. The adverse exchange rate movement increases the repayment obligations of the banks' borrowers in terms of domestic currency.

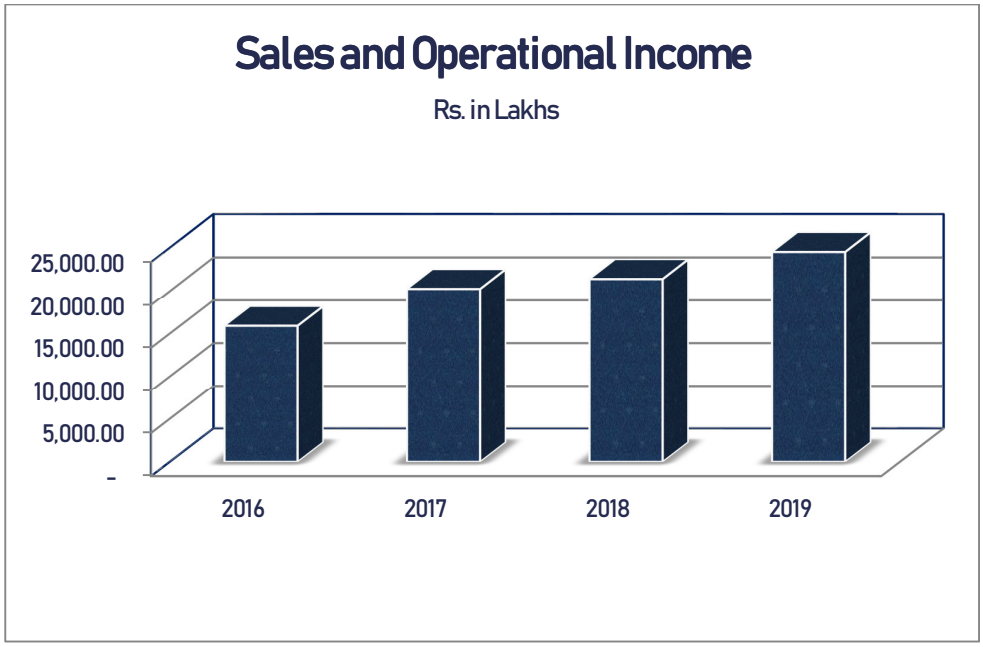
- **Financial Risk:** Financial risk is an umbrella term for multiple types of risk associated with financing, including financial transactions that include company loans in risk of default and inflation risk too. It may lead to loss of liquidity, falling assets value etc. . Interest rate fluctuations due to change in Government policies and Banks/financial Institutions Policies put a significant effect on cash inflows and outflows of the Company. The market prices of financial derivatives, forward or future also keeps changing.

- **Liquidity Risk:** Liquidity Risk reflects the possibility/position that a party may have insufficient funds to settle an obligation for full value when due, but will have funds to cover settlement obligations on some unspecified date thereafter. In non-bankruptcy situations, the allowable methods to cover short positions are generally driven by local market conventions. As a result, liquidity could be adversely affected by prohibitions on transactions such as Repos, Reverse Repos, Securities Lending and other allied components.

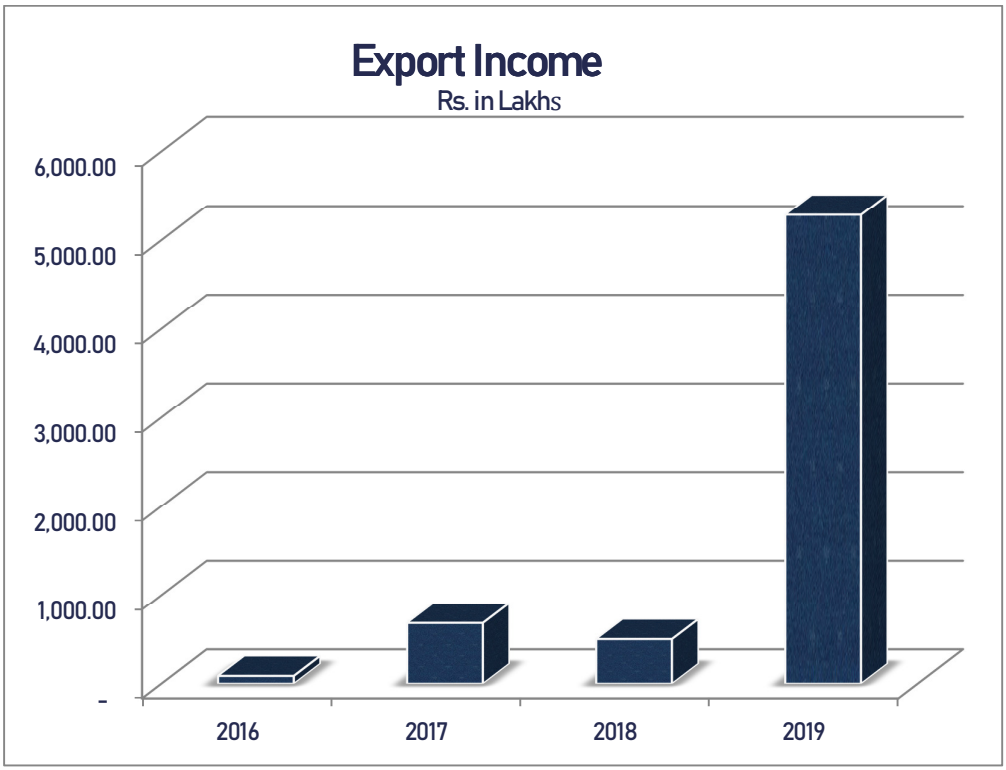
FINANCIAL PERFORMANCE AND OPERATIONAL PERFORMANCE

The company has reported total revenue of Rs. 24,937.15 (in Lakhs) as compared to previous year Rs. 22,051.19 (in Lakhs) and PBT stood at Rs. 506.30 (in Lakhs) as compared to previous year Rs. 702.21 (in Lakhs). The Increase in sales was led by volume of growth in domestic and export market.

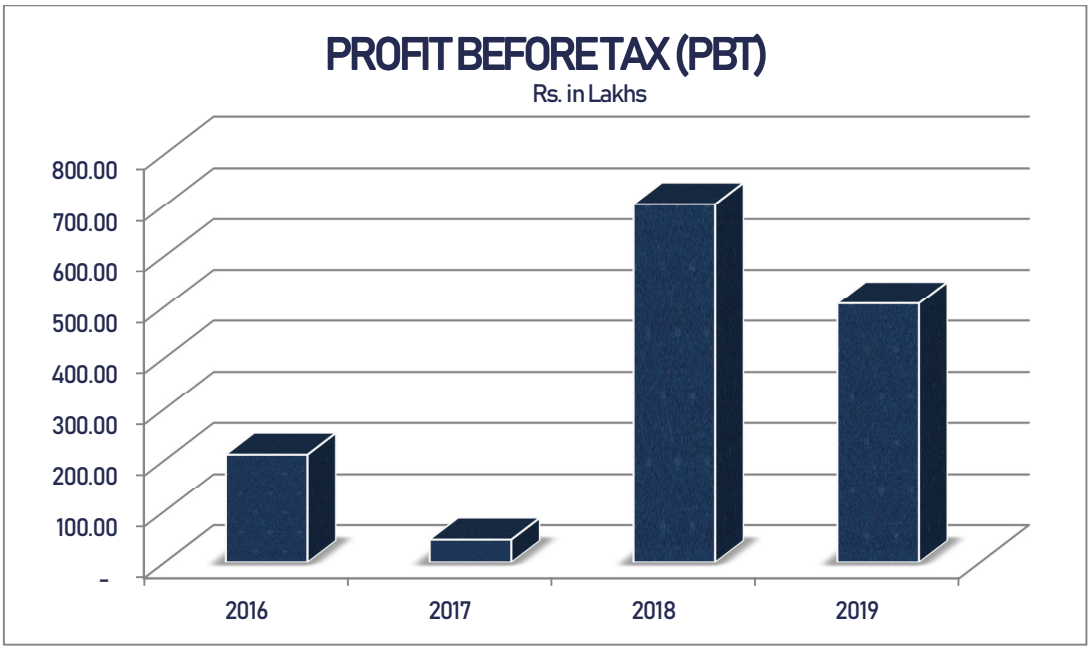
SALES AND OPERATIONAL INCOME FOR LAST FOUR FINANCIAL YEARS



EXPORT INCOME FOR LAST FOUR FINANCIAL YEARS



PROFIT BEFORE TAX (PBT) FOR LAST FOUR FINANCIAL YEAR



Financial Performance as of Financial Year 2018-19

Revenue from Operations

There has been increase in Revenue from Operations from Rs. 21,737.53 lakhs in FY 2017-18 to Rs. 24,811.20 lakhs in FY 2018-19, rising by around 14.14%.

Cost of materials consumed

Cost of materials consumed accounted for 75.14% of total income from operations (88.01% in 2018). Cost of material consumed decreased by 2.54% in 2019 over 2018. Whereas amount of color/chemical consumption was increased by 30.08% in 2019 as compared to 2018.The cost of material is hiked mainly due to consumption of color/chemical in the current year.

Power & Fuel

The power and fuel (Electricity Expenses) spent was Rs. 775.96 (in Lakhs) which constitutes 3.13% of the total income from operations of the company.

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 2018-19, a Sustainable Development Strategy was developed with a focus on the following areas:

1. **Water Pollution Control Measures**

    - Our Company is a member of Gujarat Eco-Textile Park (GETP) since2014; The Park helps us to reduce water pollution. The Company has made sure that it implements various measures across all its operations to control fugitive emissions from polluting our water bodies.

2. Air Pollution Control Measures

- Initiatives have been taken to reduce air pollution which is caused due to production processes. Our Company has obtained a license from Gujarat Pollution Control Board (GPCB) to ensure pollution control. Gujarat Pollution Control Board (GPCB) ensures that the pollution control limits are maintained by surprise inspections at the factory. These inspection samples are then tested in their own laboratory and report is issued. The Company has also installed Air Receiver in the weaving department to reduce and control on toxin emissions.

HEALTH & SAFETY

The company believes Health & Safety as an indispensable province. Company has placed suitable facilities for all workers and employees like proper lighting, ventilation, no congestion, medical kits, stretchers, fire extinguishers etc.at prominent places. Personnel at supervisory level have been trained in basic life support techniques.

The safety measures taken by the company has resulted in improving the conditions under which workers are employed and work, consequently increasing the productivity.

INFRASTRUCTURE

The company is equipped with modern infrastructure facilities which assist in smooth production. The company's manufacturing unit is outfitted with advanced machines and equipment and a trained staff, who have years of experience behind them.

To sell products to the clients, the company has facilitated a smooth transportation mechanism through a strong base of transporters and traders.

CORPORATE GOVERNANCE REPORT

(As stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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, 2019:

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	8	Yes	-	-	-

2	Amitkumar Anand Dalmia	Executive - Whole time Director	8	Yes	-	-	-
3	Deepak Anand Dalmia	Executive - Whole time Director	8	Yes	-	-	-
4	Ankur Mangilal Borana	Executive - Whole time Director	8	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	Anita Pankaj Jain	Non-executive -Independent Director	4	Yes	-	-	-

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

(C.M.) Committee Membership

(C.C.) Committee Chairmanship

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.

NO. OF BOARD MEETING HELD AND DATES

1	28/05/2018	2	28/06/2018	3	18/08/2018	4	21/09/2018
5	04/10/2018	6	14/11/2018	7	14/02/2019	8	19/03/2019

Committees of the Board

The Board of Directors has constituted 4 Committees of the Board viz.

- Audit Committee
- Stakeholders Relationship Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility 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.

A. AUDIT COMMITTEE

The Audit Committee of the Company comprises of 4 members, 3 of whom are Non-Executive-Independent Directors. Mr. Dharmesh Prafulchandra Mehta, an Independent Director acts as a 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, 2019:

Sr. No	Name of the Director	Status in Committee	Nature of Directorship	No. of Meetings	
				Held	Eligible to Attend
1	Mr. Dharmesh P. Mehta	Chairman	Non-Executive & Independent Director	4	4
2	Mr. Manak Lal Tiwari	Member	Non-Executive & Independent Director	4	4
3	Mr. Rajkumar M. Borana	Member	Managing Director	4	4
4	Mrs. Anita Pankaj Jain	Member	Non-Executive & Independent Director	4	4

During the year 2018-19 Audit Committee meeting was held 4 times. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

1	18/05/2018	2	06/08/2018	3	05/11/2018	4	20/02/2019

Role of Audit Committee

The Role of Audit Committee together with its powers shall be as under:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;

3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;

4. Approving initial or any subsequent modification of transactions of the company with related parties;

5. Scrutinizing inter-corporate loans and investments

6. Valuation of undertakings or assets of the company, wherever it is necessary;

7. Monitoring the end use of funds raised through public offers and related matters

8. 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 Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act,2013;
   b. changes, if any, in accounting policies and practices along with reasons for the same;
   c. major accounting entries involving estimates based on the exercise of judgment by management;
   d. significant adjustments made in the financial statements arising out of audit findings;
   e. compliance with listing and other legal requirements relating to financial statements;
   f. disclosure of any related party transactions; and
   g. Qualifications in the audit report.

9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer

document/ Information Memorandum/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

12. 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;

13. Discussing with the internal auditors any significant findings and follow up there on;

14. 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;

15. Discussing with the 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;

16. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;

17. Reviewing the functioning of the Whistle Blower mechanism, in case the same is exists;

18. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and

19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

B. CONSTITUTION OF NOMINATION AND REMUNERATION/ COMPENSATION COMMITTEE

The Board of Directors of the Company has constituted a Nomination and Remuneration/Compensation 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/Compensation Committee.

The following is the Composition of Nomination and Remuneration/Composition Committee as at 31st March, 2019:

Sr. No	Name of the Director	Status in Committee	Nature of Directorship	No. of Meetings	
				Held	Eligible to 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 P. Mehta	Member	Non-Executive & Independent Director	2	2
4	Mrs. Anita Pankaj Jain	Member	Non-Executive & Independent Director	2	2

During the FY 2018-19 Nomination and Remuneration meeting was held 2 Times. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

1	13-08-2018	2	04-02-2019

Role of nomination and remuneration committee

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.

3. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights.

4. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.

5. 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.

6. Decide the amount of Commission payable to the Whole time Directors.

7. 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.

8. 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 2018-19

Sr. No	Name of the Director	Salary (Rs.)	Sitting fee (Rs.)	Perquisites (Rs.)	Commission/ Bonus (Rs.)
1	Rajkumar Mangilal Borana	750,000	-	-	-
2	Amitkumar Anand Dalmia	750,000	-	-	-
3	Deepak Anand Dalmia	750,000	-	-	-
4	Ankur Mangilal Borana	750,000	-	-	-
5	Mr. Girish Kumar Kalawatia	-	14,000	-	-
6	Manak Lal Tiwari	-	14,000	-	-
7	Dharmesh P. Mehta	-	14,000	-	-
8	Anita Pankaj Jain	-	14,000	-	-

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board of Directors of the Company has constituted Shareholder's Investors Grievance Committee/ 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, 2019:

Sr. No	Name of the Director	Status in Committee	Nature of Directorship	No. of Meetings	
				Held	Eligible to Attend
1	Mrs. Anita Pankaj Jain	Chairman	Non-Executive & Independent Director	4	4
2	Mr. Manak Lal Tiwari	Member	Non-Executive & Independent Director	4	4
3	Mr. Amit Dalmia	Member	Whole-time Director	4	4

During the 2018-19, Stakeholders Relationship Committee meeting was held 4 Times. The necessary quorum was preset in the meeting. The dates of meetings are as follow:

1	16/04/2018	2	30/07/2018	3	20/11/2018	4	26/02/2019

Role of Stakeholders' Relationship Committee

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

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board of Directors of the Company has constituted Corporate Social Responsibility (CSR) Committee vide Resolution of the Board of Director dated June 28, 2018 as per the provisions of Section 135 of the Companies Act, 2013 . The committee consists of 3 Directors, 1 of whom are Non-Executive- Independent Director. The Company Secretary acts as a Secretary to the Corporate Social Responsibility (CSR) Committee.

The following is the Composition of the Corporate Social Responsibility Committee as at 31st March, 2019:

Sr. No	Name of the Director	Status in Committee	Nature of Directorship	No. of Meetings	
				Held	Eligible to Attend
1	Amitkumar Dalmia	Chairman	Whole-time Director	2	2
2	Ankur Borana	Member	Non-Executive & Independent Director	2	2
3	Girish Kumar Kalawatia	Member	Non-Executive & Independent Director	2	2

1	12-09-2018	2	10-03-2019

Responsibilities & Powers of the Committee

The responsibilities & powers of the CSR Committee include:

1. Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken,
2. Recommend CSR activities as stated under Schedule VII of the Act;
3. Recommending the amount of expenditure for the CSR activities
4. Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
5. Submit the Reports to the Board in respect of the CSR activities undertaken by the Company
6. Create transparent monitoring mechanism for implementation of CSR initiatives in India;
7. Submit the report to the Board in respect of the CSR activities undertaken by the Company
8. Monitoring CSR activities from time to time.

3. COMPLIANCE OFFICER

The Board of Directors has designated Mrs. Jyoti Arun Agarwal, Company Secretary of the Company as the Compliance Officer.

4. SHAREHOLDERS' COMPLAINTS

During the year ended on 31 March 2019, the Company has not received any complaints from the shareholders/investors. As on 31 March 2019, no shareholder/investor complaint was pending.

5. 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.
5	22/06/2015	Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India	11.00 A.M.
6	10/07/2016	Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India	11.00 A.M.
7	10/07/2017	Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India	11.00 A.M.
8	23/07/2018	Block No.467, Sachin Palsana Road, Palsana, Surat-394315, Gujarat, India	11.00 A.M.

ii) APPOINTMENT OF DIRECTORS

Mr. Amitkumar Anandbhai Dalmia (DIN: 00034642), 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. Amitkumar Anandbhai Dalmia
Date of Birth	27/08/1977
Date of appointment	17/11/2010
Date of Re-appointment	Proposed in the AGM
Qualification	B.Com
Expertise in specific functional areas	More than 19 years of highly experience in the field of Textile Industries
List of other Directorship	1. Bhagwati Syntex Private Limited 2. Rawatkhedia Silk Mill Private Limited (converted into LLP) Rawatkhedia Silk Mill LLP 3. Mayfair Vinimay Private Limited
Committees Membership of the Companies	NIL
No. of shares held In the Company	1799171

iii) ANNUAL GENERAL MEETING (TENTATIVE)

Date 5th August, 2019
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:

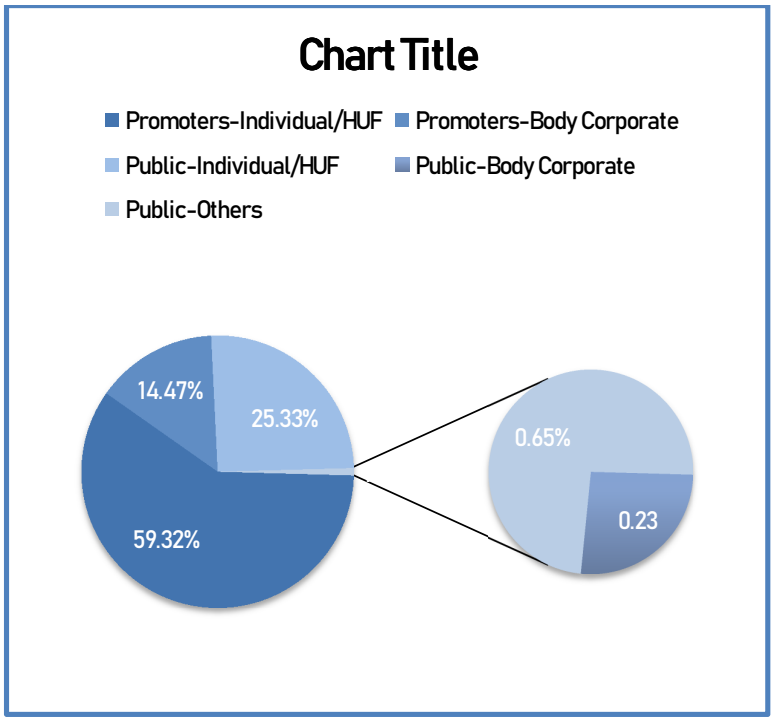
Particular	Tentative schedule
Half yearly un-audited results	Within 45 days from 30th September, 2018
Annual audited result	Within 60 days from 31st March, 2019

v) DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH, 2019

Shareholding of Nominal Rs.		Number of Shareholders	Percentage of Total	Share Amount (Rs.)	Percentage of Total
Rs.	Rs.				
1	5000	1	0.8547	100	0.0001
20001	30000	6	5.1282	150000	0.1072
40001	50000	31	26.4957	1550000	1.1076
50001	100000	39	33.3333	3458930	2.4716
100001	9999999999	40	34.1880	134787850	96.3136
TOTAL		**117**	**100.00**	**139946880**	**100.00**

vi) CATEGORY OF SHAREHOLDERS AS ON 31 MARCH, 2019

Particulars	Total	% of Total Shares
(A) Promoters Indian		
(a). Individual / HUF	8301678	59.32
(b). Bodies Corporate	2025000	14.47
Sub-Total (A)	**10326678**	**73.79**
Total Shareholding of Promoters (A)	**10326678**	**73.79**
(B) Public Share-holding		
Institutions (B1)	-	-
Non-Institutions (B2)		
(a). Bodies Corp		
(i). Indian	32500	0.23
(ii). Foreign	-	-
(b). Individuals		
(i). Individuals Shareholders holding nominal share capital upto Rs. 1 lakh	477510	3.41
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3067107	21.92
(iii) Others		
(Clearing Member)	55000	0.39
(Market Maker)	35893	0.26
Sub-total (B)(2): Total Public Shareholding (B)=(B)(1)+(B)(2)	**3668010**	**26.21**
(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 29/07/2019 to 02/08/2019 (both days inclusive) as Annual closure for the Annual General Meeting.

viii) LISTING ON STOCK EXCHANGES

The Company's shares were listed on Bombay Stock Exchange Ltd (BSE) on SME Platform but in the current financial year the company has migrated from BSESME Platform to BSE Main Board, the company has received In-Principle approval regarding the same as on 18/04/2019. The Company has paid the listing fees to the stock exchange for the year 2019-20.

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):

Month	Share price BSE		BSE Sensex		Volumes
	High	Low	High	Low	No of shares
Apr-18	54.00	50.00	35,213.30	32,972.56	1,05,000
May-18	51.00	48.00	35,993.53	34,302.89	1,52,500

Jun-18	51.00	45.00	35,877.41	34,784.68	1,47,500
Jul-18	49.00	40.00	37,644.59	35,106.57	32,500
Aug-18	45.00	33.15	38,989.65	37,128.99	57,500
Sep-18	40.00	33.00	38,934.35	35,985.63	20,000
Oct-18	35.95	26.00	36,616.64	33,291.58	55,000
Nov-18	35.90	34.20	36,389.22	34,303.38	15,000
Dec-18	38.50	38.50	36,554.99	34,303.38	2,500
Jan-19	42.35	33.20	36,701.03	35,375.51	12,500
Feb-19	35.00	33.20	37,172.18	35,287.16	5,000
Mar-19	45.00	32.00	38,748.54	35,926.94	55,000

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

6. 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 Mangilal Borana
Managing Director

7. 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.

8. 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.

9. 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.

10. CEO and CFO CERTIFICATION:

As required by SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, the CEO and CFO certification is provided in this Annual Report.

Sd/-

Rajkumar Mangilal Borana
(Chairman & Managing Director)
DIN: 01091166

Place: SURAT
Date: 18/05/2019

AUDITOR'S CERTIFICATE 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, 2019 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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 me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement / Listing Regulations, as applicable.

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, PAMITA DOSHI & CO.
Chartered Accountants
FRN: 141976W

Sd/-
(PAMITA DOSHI)
Proprietor
Membership No. 141320

Place: SURAT
Date: 08/04/2019

CEO and CFO CERTIFICATION TO THE BOARD

TO,
THE MEMBERS OF
R & B DENIMS LIMITED
SURAT

Re: Financial Statements for the year 2018-19 – Certification by CEO and CFO

We, Rajkumar Borana, Chairman & Managing Director, and Perkin Jariwala, Chief Financial officer of M/s. R & B Denims Limited, to the best of our knowledge and belief, hereby certify that:

1. We have reviewed the Balance Sheet as at March 31, 2019, Statement of Profit and Loss, the Statement of changes in equity and the statement of Cash Flow for the year ended, and the summary of Significant Accounting policies and other explanatory information of the Company, and the board's report for the year ended March 31, 2019.

2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.

4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.

5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have :
   (a). Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under my supervision to ensure that material information relating to the Company is made known to us by others within those entities, particularly during the period in which this report is being prepared.
   (b). Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statement for external purposes in accordance with Indian Accounting Standards (Ind AS).
   (c). Evaluated the effectiveness of the Company's disclosure, controls and procedures.
   (d). Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's current financial year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

CEO and CFO Certification

6. We have disclosed, based on my most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
   (a). Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no

material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.

(b). Any significant changes in internal controls during the year covered by this report.

(c). All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.

(d). Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.

7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.

8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

For R & B Denims Limited

	Sd/-	Sd/-
Place: SURAT	**Perkin Jariwala**	**Rajkumar Borana**
Date: 18/05/2019	Chief Financial Officer	Chairman & Managing Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF R & B DENIMS LIMITED
REPORT ON THE STANDALONE FINANCIAL STATEMENTS

Opinion

I have audited the financial statements of R & B Denims Limited (the Company), which comprise the balance sheet as at March 31, 2019, and the Profit and Loss Account (and the cash flow statement) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion and to the best of my information and according to the explanation given to me, the aforesaid standalone financial statements of the Company give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies(Indian Accounting Standards)Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and the profit and loss, comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I conducted audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to my audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

My objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, I am also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

I have determined that there are no key audit matters to communicate in our report.

Report On Other Legal and Regulatory Requirements

1. As required by the Companies(Auditor's Report) Order 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of Companies Act 2013, I give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a. I have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d. In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B".

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in my opinion and to the best of my information and according to the explanations given to me:

1. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer note 26 – Contingent liabilities to the standalone Ind AS financial statements.

2. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

For, PAMITA DOSHI &CO.
CHARTERED ACCOUNTANT
FRN No. 141976W

Sd/-
(PAMITA DOSHI)
PROPRIETOR
M.NO.141320

PLACE: SURAT
DATE: 18/05/2019

Annexure 'A' to the Independent Auditor's Report

In respect of the Annexure referred to in paragraph 1 of our report to the Members of R & B Denims Ltd ("the company") for the year ended March 31, 2019, we report on following matters:

Sl. No.	Particulars	Auditor's 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 of fixed assets.
	(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, fixed assets have been physically verified at regular intervals. No, material discrepancies have been noticed on such verification.
	(c) Whether title deeds of immovable properties are held in the name of the company. If not, provide details thereof.	Yes, But Factory Land is in possession under long term lease deed.
(ii)	(a) Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, how they have been dealt with in the books of account.	Yes, physical verification of inventory has been conducted at reasonable intervals by the management. No material discrepancies were noticed.
(iii)	Whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013. If so,	No loans have been granted to the companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013 during the period under audit.
	(a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest	Not Applicable
	(b) Whether receipt of the principal amount and interest are regular. If not provide details thereof; and	Not Applicable
	(c) If amount is overdue, state total amount overdue, state total amount overdue for more than 90 days and whether reasonable steps have been taken by the company for recovery of the principal and interest;	Not Applicable
(iv)	In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide details thereof	Yes, all the compliances have been followed by the company.
(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, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions 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, the 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, 2013 and whether such accounts and records have been made and maintained;	Yes, maintained.

(vii)	(a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-Lax, , service tax, duty of customs, duty of excise, value added tax, 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, the company is regular.
	(b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax 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 be treated as a dispute).	Appeal is pending before Commissioner of Appeals for F.Y. 2012-13 for tax demand of Rs. 6,200,050/-for F.Y. 2013-14 for tax demand of Rs. 19,574,700/- and for F.Y. 2015-16 for tax demand of Rs. 48,178,440/- Appeal with CESTAT is pending for levy of Custom Duty for Rs. 193,179/- for import of Coal. The case of the Company stands pending before Appellate Tribunal for the Sales Tax Penalty levied for F.Y. 2012-13. The amount of Penalty is Rs. 57,074/- which is contingent in nature.
(viii)	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 (in case of banks and financial institutions, lender wise details to be provided).	No default has been made in repayment of dues.
(ix)	Whether moneys raised by way of public issue/ follow-on offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays / default and subsequent rectification, if any, as may be applicable, be reported;	No Money has been raised by way of Public issue/ follow-on offer during the period. Term Loan has been made by the Bank directly to the vendors. And there is no delay or default.
(x)	Whether any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year; if yes, the nature and the amount involved be indicated	No. Not Applicable
(xi)	Whether managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	Yes. Managerial Remuneration has been paid / provided in accordance with provisions of section 197 and under other rules.
(xii)	Whether the Nidhi Company has complied with the Net Owned Fund in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining 10% liquid assets to meet out the unencumbered liability.	Not Applicable
(xiii)	Whether all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act, 2013.	Yes.

(xiv)	Whether the company has made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised. If not, provide details thereof.	During the period under consideration, no such allotment / placement has been made.
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of Section 192 of Companies Act, 2013 have been complied with.	No.
(xvi)	Whether the company is required to be registered under Section 45 IA of Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	Not Applicable

For, PAMITA DOSHI &CO.
CHARTERED ACCOUNTANT
FRN No. 141976W

Sd/-
(PAMITA DOSHI)
PROPRIETOR
M.NO.141320

PLACE: SURAT
DATE: 18/05/2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

I have audited the internal financial controls over financial reporting of R & B Denims Limited ("the Company") as of 31 March, 2019 in conjunction with my audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In my opinion, to the best of my information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For, PAMITA DOSHI & CO.
CHARTERED ACCOUNTANT
FRN No. 141976W

Sd/-
(PAMITA DOSHI)
PROPRIETOR
M.NO.141320

PLACE: SURAT
DATE: 18/05/2019

R & B DENIMS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

(Rs. In Lakhs except share and per share data)

Particulars	Note No.	31st March, 2019	31st March, 2018
ASSETS			
Non-Current Assets			
(a). Property, Plant and Equipment	5	2,324.83	2,608.26
(b). Capital Work in Progress		-	-
(c). Investment Property		-	-
(d). Goodwill		-	-
(e). Other Intangible Assets		-	-
(f). Intangible Assets under Development		-	-
(g). Financial Assets		-	-
i. Investments	6	1,617.89	1,418.29
ii. Trade Receivables	10	12.19	-
iii. Loans		-	-
iv. Other Financial Assets	7	135.96	114.47
(h). Deferred Tax Assets	31	124.97	88.26
(i). Other non-current assets	8	143.33	61.07
Total Non-Current Assets		4,359.17	4,290.36
Current Assets			
(a). Inventories	9	2,676.70	2,439.35
(b). Financial Assets		-	-
i. Investments		-	-
ii. Trade Receivables	10	3,226.16	3,529.63
iii. Cash and Cash Equivalents	11	6.95	12.51
iv. Loans		-	-
v. Other Financial Assets	7	231.75	193.15
(c). Others Current Assets	8	800.98	655.12
Total Current Assets		6,942.54	6,829.76
TOTAL ASSETS		11,301.71	11,120.11
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	30	139,946,880	139,946,880
Other Equity	30	2,533.44	2,190.71
Total Equity		3,932.91	3,590.18
Liabilities			
Non-Current Liabilities			
(a). Financial Liabilities			
i. Borrowings	12	1,079.48	1,688.52
ii. Trade Payable		-	-
iii. Other Financial Liabilities		-	-
(b). Provisions	13	17.95	12.96
(c). Deferred Tax liabilities (Net)	31	-	-
(d). Other non-current liabilities		-	-

Total Non-Current Liabilities		**1,097.44**	**1,701.48**
Current Liabilities			
(a). Financial Liabilities			
i. Borrowings	12	**2,704.01**	1,800.16
ii. Trade Payable	14	**2,318.72**	2,871.71
iii. Other Financial Liabilities	15	**772.69**	839.50
(b). Other Current Liabilities	16	**269.39**	126.12
(c). Provisions	13	**206.54**	190.97
Total Current Liabilities		**6,271.37**	**5,828.45**
TOTAL EQUITY AND LIABILITIES		**11,301.71**	**11,120.11**
The accompanying notes form an integral part of these standalone financial statements			

For, Pamita Doshi & Co.
Chartered Accountants
FRN: 141976W

Sd/-
Pamita Doshi
Proprietor
M. No. 141320

Place: Surat
Date: 18/05/2019

For, R & B DENIMS LIMITED

Sd/-
Rajkumar M. Borana
Managing Director
(DIN: 01091166)

Sd/-
Amitkumar A. Dalmia
Whole time Director
(DIN:00034642)

Sd/-
Jyoti Agarwal
Secretary

Sd/-
Perkin Jariwala
Chief Financial Officer

R & B DENIMS LIMITED

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019

(Rs. In Lakhs except share and per share data)

Particulars	Note No.	31st March, 2019	31st March, 2018
REVENUE			
Revenue from Operations	18	24,811.20	21,737.53
Other Incomes	19	125.95	313.66
Total Revenue		24,937.15	22,051.19
EXPENSES			
Cost of Materials Consumed	20	18,643.24	19,129.63
Purchases of Stock-in-Trade		1,988.33	-
Changes in Inventories of Finished Goods,	21	439.73	-1,148.02
Work-in-Progress and Stock-in-Trade		-	-
Employee Benefit Expenses	17	959.32	851.01
Finance Costs	22	416.91	452.41
Depreciation and Amortization Expense	5	509.41	644.39
Other Expenses	23	1,473.90	1,419.55
Total Expenses		24,430.85	21,348.98
Profit before tax		506.30	702.21
Profit before Tax from Continuing Operation		702.21	702.21
Tax Expense:			
1. Current tax		-152.90	-156.64
2. Deferred Tax		36.70	38.77
Less: Short/Excess Tax Provisionof earlier year		-1.39	-
Tax expense of discontinued operation		-	-
Profit for the year		388.71	584.34
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Defined Benefit plan actuarial gains/(losses)	17	2.83	5.57
Income Tax relating to items that will not be reclassified to profit or loss			
Defined Benefit plan actuarial gains/(losses)		0.79	1.55
Items that will be reclassified to profit or loss			
Income Tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year, net of tax		2.05	4.02
Total Comprehensive Income for the year		390.76	588.36

Earnings per equity share				
1)	Basic [Absolute amount]	24	**2.78**	4.20
2)	Diluted [Absolute amount]	24	**2.78**	4.20

The accompanying notes form an integral part of these standalone financial statements

For, Pamita Doshi & Co.
Chartered Accountants
FRN: 141976W

Sd/-
Pamita Doshi
Proprietor
M. No. 141320

Place: SURAT
Date: 18/05/2019

For, R & B DENIMS LIMITED

Sd/-
Rajkumar M. Borana
Managing Director
(DIN: 01091166)

Sd/-
Amitkumar A. Dalmia
Whole time Director
(DIN:00034642)

Sd/-
Jyoti Agarwal
Secretary

Sd/-
Perkin Jariwala
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A. Equity Share Capital

Particulars	Amount
As at April 01, 2017	139,946,880
Changes in Equity share capital	-
As at March 31, 2018	139,946,880
Changes in Equity share capital	-
As at March 31, 2019	**139,946,880**

B. Other Equity

(Rs. In Lakhs)

Particulars	Reserves and surplus			
	Securities premium reserve	Retained earnings	Other Comprehensive Income	Total other equity
As at April 01, 2017	1,442.44	162.512	(2.60)	1,602.35
Profit for the year		584.34	-	584.34
Other Comprehensive income	-	-	4.02	4.02
Total Comprehensive income for the year	-	584.34	4.02	588.36
Transactions with owners in their capacity as owners	-	-	-	-
Other Changes				
	-	584.34	4.02	588.36
As at March 31, 2018	**1,442.44**	**746.85**	**1.42**	**2,190.71**

(Rs. In Lakhs)

Particulars	Reserves and surplus			
	Securities premium reserve	Retained earnings	Other Comprehensive Income	Total other equity
As at April 01, 2018	1,442.44	746.85	1.42	2,190.71
Profit for the year		388.71	-	388.71
Short/Excess Tax Provision of the earlier year		(48.03)		
Other Comprehensive income		-	2.05	2.05
Total Comprehensive income for the year	-	340.68	2.05	342.73
Transactions with owners in their capacity as owners	-	-	-	-
Other Changes	-	-	-	-
	-	340.68	2.05	342.73
As at March 31, 2019	**1,442.44**	**1,087.54**	**3.47**	**2,533.44**

R & B DENIMS LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 2019

(Rs in Lakhs)

	Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	509.13	707.78
	Adjustment For:		
	Depreciation	509.41	644.39
	(Profit) on sale of Fixed Assets	0.00	0.00
	Sub-lease income	(0.30)	(0.30)
	Interest Income	(26.61)	(22.35)
	Share of profit from partnership firm	(98.91)	(291.01)
	Interest Expense	365.29	425.62
	Operating Profit before Working Capital Changes	1,258.02	1,464.12
	Adjustment For:		
	(Increase)/decrease in trade receivables	291.27	(2,181.15)
	(Increase)/decrease in inventories	(237.35)	(1,214.83)
	(Increase)/decrease in other current assets	(193.89)	(358.38)
	(Increase)/decrease in other non-current assets	(82.26)	(0.31)
	Increase/(decrease) in trade payables	(552.99)	1,974.65
	Increase/(decrease) in other current financial liabilities	(66.80)	(41.55)
	Increase/(decrease) in other current liabilities	143.28	31.52
	Increase/(decrease) in non-current provisions	4.99	2.52
	Increase/(decrease) in current provisions	18.52	(11.91)
	Cash Generated From Operations before taxes	582.81	(335.30)
	Income taxes paid	(158.03)	(185.74)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	424.78	(521.04)
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	(226.49)	(46.87)
	Adjustment/Sale of Fixed Assets	0.50	19.22
	Decrease in Capital Work in progress	-	-
	Investment in equity instruments	-	-
	(Investment)/Maturity of fixed deposits	(60.09)	(13.15)
	(Investment)/Drawings from partnership firm	(199.60)	(292.01)
	Profit from partnership firm	98.91	291.01
	Sub - lease income	0.30	0.30
	Interest Received	26.61	22.35
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(359.86)	(19.15)
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Increase/(decrease) in short term borrowings	903.86	1,607.31
	Increase/(decrease) in long term borrowings	(609.03)	(635.97)
	Interest Paid	(365.29)	(425.62)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(70.47)	545.72
	Net Increase in Cash & Cash equivalents [A+B+C]	(5.56)	5.53

D	Cash and Cash equivalents at the beginning of the year (D)	12.51	6.98
E	**Cash and Cash equivalents at the end of the year (E)**	6.95	12.51

For, Pamita Doshi & Co.
Chartered Accountants
FRN: 141976W

Sd/-
Pamita Doshi
Proprietor
M. No. 141320

Place : SURAT
Date : 18/05/2019

For, R & B DENIMS LIMITED

Sd/-
Rajkumar M. Borana
Managing Director
(DIN: 01091166)

Sd/-
Amitkumar A. Dalmia
Whole time Director
(DIN:00034642)

Sd/-
Jyoti Agarwal
Secretary

Sd/-
Perkin Jariwala
Chief Financial Officer

1) THE COMPANY OVERVIEW:

R & B Denims Ltd. is a Public Limited Listed Company incorporated and domiciled in India. The address of its registered office is R & B Denims Limited, Block No. 467, Palsana-Sachin Highway, Gujarat, India. The Company is engaged in the business of manufacturing and sale of quality Denim Textile products. The company caters both domestic and international markets.

2) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

Statement of compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS)prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time, the provisions of the Companies Act, 2013 ("the Companies Act") as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI").

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All amounts included in the financial statements are reported in lakhs of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items which have been measured at fair value as required by relevant Ind AS;

- The defined benefit asset(liability) is as the present value of defined benefit obligation less fair value of plan assets and
- Financial instruments classified as fair value through profit or loss.

Use of estimates and judgment

The preparation of the financial statements in accordance with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amounts recognized in financial statements are included in the following notes:

- Useful lives of Property, plant and equipment [Note M]
- Measurement of defined benefit obligations [Note D]
- Provision for inventories [Note J]
- Measurement and likelihood of occurrence of provisions and contingencies [Note Q]
- Deferred taxes [Note E]

3) SIGNIFICANT ACCOUNTING POLICIES

(A) Current and non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis".

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(B) Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) prices in active market for identical assets or liabilities.
- Level 2 (if level 1 feed is not available/appropriate) - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 (if level 1 and 2 feed is not available/appropriate) - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

(C) Revenue recognition:

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers". The following is a summary of new and/or revised significant accounting policies related to revenue recognition. Refer Note 1 "Significant Accounting Policies", in the Company's 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.
For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price.

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Interest income is accounted on accrual basis.

Trade receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

The impact on account of applying the erstwhile Ins AS 18 Revenue instead of Ind AS 115 Revenue from contract with customers on the financial results of the Company for the year ended and as at March 31, 2019 is insignificant.

(D) Employee Benefits:

Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, provident fund, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. 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. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined Benefit Plans

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. The Company recognizes actuarial gains and losses in other comprehensive income, net of taxes.

Other Employee Benefits

Other employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided.

(E) Income Taxes:

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

(F) Leases:

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

(G) Foreign Currency:

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupees (INR), which is the company's functional and presentation currency.

Foreign currency transactions

- Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

- Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

- Effective April 1, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

(H)Cash and cash equivalents:

For the purpose of presentation in the Statement of Cash Flows, Cash and Cash Equivalents includes balance with banks and demand deposits with banks with original maturities of three months or less and other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(I) Earnings per Share:

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 period and also after the balance sheet date but before the date the financial statements are approved by the board of directors.

(J) Inventories:

Inventories consist of raw materials, stores & spares, work-in-progress, stock-in-trade and finished goods. Inventories are valued at lower of cost and net realizable value (NRV) except for raw materials which is valued at cost.

Cost of raw materials and stores & spares includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition.

Cost of work-in-progress and finished goods include direct materials, labour and proportion of manufacturing overheads based on the normal operating capacity, wherever applicable.
Cost of stock-in-trade includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost, except in case of samples, fans & cut pieces.

(K) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets:

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in the Statement of Profit and Loss.

Subsequent measurement

After initial recognition, financial assets are measured at:

- fair value (either through other comprehensive income or through Profit and Loss), or
- amortized cost.

Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI')or fair value through Profit and Loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Other Comprehensive Income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign

exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is de-recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Profit and Loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is recognised in the Statement of Profit and Loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Interest expense and foreign exchange gains and losses are recognized in Statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of Profit and Loss.

De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to interest rate and foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Company enters into derivative contracts to hedge risks which are not designated in any hedging relationship i.e. hedge accounting is not followed. Such contracts are accounted for at FVTPL.

(L) Dividend income:

Dividends are recognized in Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(M) Property, Plant and Equipment (PPE)

Items of Property, plant and equipment acquired or constructed are initially recognized at historical cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The historical cost of Property, plant and equipment comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, including any cost directly attributable to bringing the assets to their working condition for their intended use.

Capital Work-in-Progress represents Property, plant and equipment that are not ready for their intended use as at the reporting date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful lives that is materially different from that of the remaining plant and equipment.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

Gains and losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

Depreciation methods, estimated useful lives and residual values

Depreciation is provided on written down value method based on the respective estimate of useful lives.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of PPE outstanding at each Balance Sheet date is classified as capital advances under 'Other non-current assets' and cost of assets not put to use before such date are disclosed under 'Capital work-in progress'.

(N) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

The estimated useful life of amortizable intangibles are reviewed and where appropriate are adjusted, annually. Till date, the Company has not acquired any intangible asset.

(O) Government Grants

Government grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant;

- In case of capital grants, they are then recognised in Statement of Profit and Loss on a systematic basis over the useful life of the asset.

- In case of grants that compensate the Company for expenses incurred are recognised in Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognised.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

(P) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions. Refer Note 28 for segment information presented.

(Q) Provisions and Contingent Liabilities

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date.

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.

(R) Expenditure

Expenses are recognised on accrual basis.

(S) Borrowing Costs

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.

Other borrowing costs are recognized as an expense in the period in which they are accrued / incurred.

(T) Cash flow statement

Cash flows are reported using the Indirect Method, as set out in Ind AS 7 'Statement of Cash Flow', whereby profit for the year is adjusted for the effects of transaction 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. The cash flows from operating, investing and financing activities of the Company are segregated.

(U) Related parties

Parties where control exists:

a) RB Industries–Partnership Firm

Relationship	Mr. Rajkumar Mangilal Borana
Father	Mr. Mangilal Ambalal Borana
Mother	Mrs. Mohini Devi Borana
Spouse	Mrs. Sharmila Borana
Brother	Mr. Ankur Borana
Sister	Mrs. Vijaya Vimal Rathod
Son	Mr. Vivan Borana
Daughter	Ms. Kanshika Borana
Spouse's Father	Mr. Chandan Mal Talesara
Spouse's Mother	Mrs. Kanchan Talesara
Spouse's Brother	Mr. Hitesh Talesara
Spouse's Sister	1. Mrs. Zinal Bhagar 2. Mrs. Hema Kothari 3. Mrs. Pushpa Rathore

Relationship	Mr. Amitkumar Anandbhai Dalmia
Father	Mr. Anandbhai Vasudev Dalmia
Mother	Mrs. Shashi Dalmia
Spouse	Mrs. Deepa Dalmia
Brother	Mr. Deepak Dalmia
Sister	Mrs. Vandana Goyal
Son	Mr. Nirmit Dalmia
Daughter	Ms. Nishka Dalmia
Spouse's Father	Mr. G.S. Kokra
Spouse's Mother	Mrs. Sumitra Kokra
Spouse's Brother	Mr. Shashi Kokra Mr. Sanjay Kokra
Spouse's Sister	None

Relationship	Mr. Deepak Dalmia
Father	Mr. Anandbhai Vasudev Dalmia
Mother	Mrs. Shashi Dalmia
Spouse	Mrs. Sunaina Dalmia
Brother	Mr. Amit Kumar Dalmia
Sister	Mrs. Vandana Goyal
Son	Mr. Aarush Dalmia
Daughter	Ms. Aashvi Dalmia
Spouse's Father	Mr. Anil Goyal
Spouse's Mother	Mrs. Manju Goyal
Spouse's Brother	Mr. Sameer Goyal
Spouse's Sister	None

Relationship	Mr. Ankur Mangilal Borana
Father	Mr. Mangilal Ambalal Borana
Mother	Mrs. Mohini Devi Borana
Spouse	Mrs. Dhawni Borana
Brother	Mr. Rajkumar Borana
Sister	Mrs. Vijaya Vimal Rathod
Son	Mr. Jinay Borana
Daughter	None
Spouse's Father	Mr. Mithalal V. Mehta
Spouse's Mother	Mrs. Pushpa M. Mehta
Spouse's Brother	None
Spouse's Sister	Mrs. Shaily Solanki Mrs. Garima Jain

Nature of Relationship	Entity
(A) Any Body corporate in which twenty percent. or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or any one or more of his immediate relative is a member;	• Rawatkhedia Processors Private Limited • Bhagwati Syntex Private Limited • Borana Filaments Private Limited • Borana Industries LLP • Sachin Paper Mills Private Limited • Mayfair Vinimay Private Limited • Rawatkhedia Silk Mill LLP
(B) Any Body corporate in which a body corporate as provided in (A) above holds twenty percent. or more, of the equity share capital;	• Mayfair Vinimay Private Limited
(C) Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than twenty per cent. of the total;	**Partnership Firm** : • M/s. New National Fabrics • M/s. RB Industries • M/s. Nivika Syntex • M/s. Ricon Industries **HUF:** • Rajkumar Mangilal Borana (HUF) • Amitkumar Anand Dalmia(HUF) • Deepak A. Dalmia (HUF) • Ankur Mangilal Borana (HUF) • Mangilal Ambalal Borana (HUF) **Proprietorship Firm:** • M/s. Raju Enterprises • M/s. Ankur Enterprises • M/s. Kanishka Fashion • M/s. Jinay Enterprise **Trusts:** • Hanjabai Family Trust

The company has the following related party transactions for the year ended March 31, 2019 and 2018:

(Rs. in Lakhs)

Transactions	Directors		RB Industries		Ricon Industries		Borana Filaments Pvt Ltd		Nivika Syntex	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Remuneration	30.00	30.00	-	-	-	-	-	-	-	-
Lease Rent	0.96	0.96	-	-	-	-	-	-	-	-
Factory Expense	-	-	-	-	2.79	-	-	-	-	-
Purchase of Raw material	-	-	-	10,157.00	-	-	-	-	-	-
Job Work Income	-	-	485.37	488.00	-	-	-	-	-	-
Sub Lease Income	-	-	0.30	0.30	-	-	-	-	-	-
Purchase of Yarn	-	-	-	-	3,757.65	-	-	2.39	-	-
Sale Income	-	-	-	-	9.31	-	20.91	-	440.00	-
Sale of Grey Fabrics	-	-	-	-	-	-	-	4.63	-	-
Purchase of Grey Fabrics	-	-	9,442.36	-	-	-	0.19	-	1988.33	-
Sale of Color Chemical	-	-	58.20	-	-	-	-	-	-	-

The company has the following balances outstanding as of March 31, 2018, March 31, 2019:

(Rs. in Lakhs)

	RB Industries		Entities controlled by Directors	
	2019	2018	2019	2018
Receivables	53.43	46.80	7.42	4.86
Payables	1,176.80	1,847.53	271.52	634.91

Transactions with related parties are entered on arm's length price.

4) Recent Accounting Developments

Ind AS 116 Leases:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.
The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

Note 5 Property, plant and equipment

(Rs. In Lakhs)

Particulars	Building	Bore-well	Computer	Electrification	Plant & Machinery	Water Tank	Vehicle	Others	Total	Capital W.I.P
Net carrying amount as at March 31, 2017	557.00	0.90	3.71	124.33	2,530.95	2.36	5.50	0.24	**3,224.99**	-
Opening Gross Carrying Amount	612.05	1.26	5.67	155.34	3,251.32	2.98	7.21	0.24	**4,036.08**	-
Additions	19.45	-	1.27	4.23	21.92	-	-	-	**46.87**	-
Disposal/Adjustment	-	-	-	-	19.22	-	-	-	**19.22**	-
Closing gross carrying amount as at March 31, 2018	**631.51**	**1.26**	**6.95**	**159.57**	**3,254.02**	**2.98**	**7.21**	**0.24**	**4,063.73**	**-**
Accumulated amortization and impairment :										
Opening Accumulated Depreciation	55.06	0.36	1.96	31.01	720.37	0.61	1.71	-	**811.08**	-
Depreciation/Amortization charge during the year	54.62	0.33	2.74	25.13	559.37	0.49	1.72	-	**644.39**	-
Closing accumulated amortization	**109.67**	**0.69**	**4.70**	**56.13**	**1,279.74**	**1.10**	**3.42**	**-**	**1,455.47**	-
Net carrying amount as at March 31, 2018	**521.84**	**0.57**	**2.25**	**103.43**	**1,974.28**	**1.87**	**3.78**	**0.24**	**2,608.26**	-
Opening Gross Carrying Amount	631.51	1.26	6.95	159.57	3,254.02	2.98	7.21	0.24	**4,063.73**	-
Additions	-	-	0.76	-	211.50	1.94	12.29	-	**226.49**	-
Disposal/Adjustment	-	-	-	-	0.50	-	-	-	**0.50**	-
Closing gross carrying amount as at March 31, 2019	**631.51**	**1.26**	**7.71**	**159.57**	**3,465.02**	**4.91**	**19.49**	**0.24**	**4,289.72**	**-**
Accumulated amortization and impairment :										
Opening Accumulated Depreciation	109.67	0.69	4.70	56.13	1,279.74	1.10	3.42	-	**1,455.47**	-
Depreciation/Amortization charge during the year	49.90	0.20	1.65	20.32	436.01	0.10	1.22	-	**509.41**	-
Closing accumulated amortization	**159.57**	**0.90**	**6.35**	**76.46**	**1,715.76**	**1.20**	**4.65**	**-**	**1,964.88**	**-**
Net carrying amount as at March 31, 2019	**471.94**	**0.36**	**1.36**	**83.11**	**1,749.26**	**3.71**	**14.85**	**0.24**	**2,324.83**	-

6. Investments

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Financial instruments at FVTPL		
Equity instruments [Note 6.1]	4.81	4.81
Investment in Partnership Firm	1,613.08	1,413.48
Total	**1,617.89**	**1,418.29**

6.1. Details of investments in equity instruments (fully paid up) - classified as FVTPL

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
The Cosmos Co-operative Bank Ltd.	4.81	4.81
[Number of shares held as at March 31, 2019: 4811 and March 31, 2018: 4811]		
Total	**4.81**	**4.81**

7. Other Financial Assets

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Fixed Deposits with Banks		
Non - current	135.96	114.47
Current	231.75	193.15
Total	**367.71**	**307.62**

8. Other Assets

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Non - Current		
Security Deposits	58.48	60.73
Balance with Excise, Customs, Income Tax and other authorities	84.84	0.34
	143.33	**61.07**
Current		
Prepaid Expenses	13.38	17.88
Advance to Suppliers	6.08	3.67
Balance with Excise, Customs, Income Tax and other authorities	781.52	633.57
	800.98	**655.12**
Total	**944.31**	**716.19**

9. Inventories

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Raw Materials [including goods in transit - March 31, 2019: 20.6 lacs and March 31, 2018: 8.01 lacs]	1,607.52	941.97
Work-in-progress	343.32	212.74
Finished goods	674.87	1,245.19
Stores and spares	50.98	39.45
Total	**2,676.70**	**2,439.35**
Mode of Valuation of Inventories		

Raw material & W.I.P.	Valued at cost
Finished Goods	Valued at lower of cost and net realizable value

10. Trade Receivables

(Rs. In Lakhs)

Particulars	As at	
	March 31,2019	March 31,2018
Unsecured		
Considered Good	3,238.35	3,529.63
Doubtful	-	-
	3,238.35	**3,529.63**
Less : Allowance for expected credit loss	-	-
Total	**3,238.35**	**3,529.63**
Non - current	12.19	-
Current	3,226.16	3,529.63

11. Cash and cash equivalents

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Balances with Banks		
Current accounts	4.54	2.73
Demand deposits*	-	0.07
Cash on hand	2.41	9.71
Total	**6.95**	**12.51**

*These deposits can be withdrawn by the Company at any time without prior notice and without any penalty on the principal.

12. Borrowings

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Non - current Borrowings		
Secured		
Term Loans *	1,015.64	645.38
Car Loan	7.76	-
Unsecured		
Loan from Other Companies	56.08	1,043.14
Total	**1,079.48**	**1,688.52**
Current Borrowings		
Cash Credit	2,704.01	1,800.16
Total	**2,704.01**	**1,800.16**

***Term Loan(s) availed by the Company from Scheduled Banks under Multiple Banking arrangements. Term loan(s) from The Cosmos Co-Op Bank Limited are secured by way of:**

a) Hypothecation of existing plant and machineries.
b) Factory Land (lease hold), along with construction thereon made by the company, situated at Revenue Survey 446, Block No. 467, at Sachin-Palsana Highway Road, at Village Palsana, Dist. Surat, given as collateral security.
c) Personal guarantee by the Directors - Mr. Amitkumar Dalmia, Mr. Deepakkumar Dalmia, Mr. Rajkumar Borana and Mr. Ankur Borana.

Term loan(s) from Kotak Mahindra Bank are secured by way of:

a) Offering Collateral Security in the form of registered mortgage of Residential Plot in the name of Director and his Spouse & also personal guarantee of the Director namely Mr. Amitkumar Dalmia, Mr. Deepak Dalmia, Mr. Rajkumar Borana & Mr. Ankur Borana.

**** Cash Credit facility**

From The Cosmos Co-op Bank Ltd & Axis Bank Ltd are secured by,

a) charge on all Current Assets of the Company & Pari Passu charges on the Factory Land & Building, in the name of Directors of the Company namely Mr. Amitkumar Dalmia, Mr. Deepak Dalmia, Mr. Rajkumar Borana & Mr. Ankur Borana and also their respective Personal Guarantee.

Current maturities of term loans amounting to Rs. 739.12 (March 31, 2019 and March 31, 2018: Rs 824.92 and Rs 824.92 respectively) is classified under "Other Current Financial Liabilities".

(Rs. In Lakhs)

Terms of repayment of term loans and other loans		
Particulars	**Monthly Installment (Rs In Lacs)**	**Total Period of Loan**
Term Loan - I	27.45	48 Months
Term Loan - II	37.43	67 Months
Term Loan – III	3.87	78 Months + 6 months moratorium period
Kotak Mahindra –TL	10.00	60 Months

13. Provisions

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Non-current		
Provision for Gratuity	17.95	12.96
Total	**17.95**	**12.96**
Current		
Provision for employee benefits	1.22	0.85
Others	-	-
Provision - Other Taxes	155.24	158.19
Auditor's Remuneration	2.25	2.25
Internal Audit fees	0.68	0.68
Electricity Expenses Payable	47.16	29.00
Total	**206.54**	**190.97**

Provision for employee benefits includes gratuity liability. Provision for other taxes includes liability related to Income tax and Indirect Taxes. The timing of cash outflows in respect of other provisions cannot be reasonably determined.

14. Trade Payables

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Creditors for Goods	2,238.61	2,805.23
Creditors for Others	80.12	66.49
Total	**2,318.72**	**2,871.71**

15. Other Financial Liabilities

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Current maturities of long term debt	739.12	824.92
Interest Payable	-	2.68
Interest Payable and Due (Term Loan)	6.47	8.83
Creditors for capital goods	27.10	3.07
Total	**772.69**	**839.50**

16. Other current liabilities

(Rs. In Lakhs)

Particulars	As at	
	March 31,2019	March 31,2018
Unearned Revenue	34.33	8.36
Lease Rent Payable	0.48	0.48
Professional Tax Payable	0.63	0.54
TDS / TCS Payable	10.91	7.62
Other Payables	223.05	109.11
Total	**269.39**	**126.12**

17. Employee Benefit Expenses

(a) Employee costs include:

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Salaries and wages		
Salary & Wages	827.97	722.76
Bonus	66.22	59.66
Leave Wages	32.90	32.08
Directors Sitting Fees	0.56	0.56
Total	**927.64**	**815.06**
Contribution to provident and other funds	13.59	13.75
Staff Welfare expenses	18.09	22.20
Total	**959.32**	**851.01**

(b) Defined benefit plan actuarial loss/ (gains) recognized in other comprehensive income include:

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Re-measurement of net defined benefit liability/(asset)		
Return on plan assets excluding interest income	-	-
Actuarial loss/ (gain) arising from financial assumptions	0.46	(1.68)
Actuarial loss/ (gain) arising from demographic assumptions	-	-
Actuarial loss/ (gain) arising from experience adjustments	(3.29)	(3.89)
Total	**(2.83)**	**(5.57)**

(c) Defined benefit plans – Gratuity:

The Company has a defined benefit gratuity plan in India (unfunded). The company's defined benefit gratuity plan is a final salary plan for employees.

Gratuity is paid from company as and when it becomes due and is paid as per company scheme for Gratuity.

The Company's obligation in respect of the gratuity plan is provided for based on actuarial valuation using the projected unit credit method. The Company recognizes actuarial gains and losses immediately in other comprehensive income, net of taxes. Amount recognized in the statement of profit and loss in respect of gratuity cost (defined benefit plan) is as follows:

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Current service cost	6.82	7.35
Net interest on net defined benefit liability/(asset)	1.01	0.74
Net gratuity cost/(benefit)	**7.83**	**8.09**

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

The principal assumptions used for the purpose of actuarial valuation are as follows:

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Discount rate	8.00%	8.00%
Expected return on plan assets	N.A	N.A
Expected rate of salary increase	5.00%	5.00%

The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. Salary escalation and attrition rate are considered as advised by the company; they appear to be line with the industry practice considering promotion and demand & supply of the employees.

Change in present value of defined benefit obligation is summarized below:

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Defined benefit obligation at the beginning of the year	12.96	10.44
Current service cost	6.82	7.35
Past service cost	-	-
Interest on obligation	1.01	0.74
Benefits paid	-	-
Re-measurement loss/(gains)	-	-
Actuarial loss/(gain) arising from financial assumptions	0.46	(1.68)
Actuarial loss/(gain) arising from demographic assumptions	-	-
Actuarial loss/(gain) arising from experience assumptions	(3.29)	(3.89)
Total	**17.95**	**12.96**

(d) Amount Recognized in the Balance Sheet

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
(Present Value of Benefit Obligation at the end of the Period)	(17.95)	(12.96)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(17.95)	(12.96)
Net (Liability)/Asset Recognized in the Balance Sheet	**(17.95)**	**(12.96)**

(e) Maturity Analysis of the Benefit Payments: From the Employer

(Rs. In Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	As at	
	March 31, 2019	March 31, 2018
1st Following Year	0.09	0.08
2nd Following Year	0.36	0.11
3rd Following Year	0.52	0.33
4th Following Year	0.63	0.47
5th Following Year	0.73	0.55
Sum of Years 6 To 10	4.49	3.34
Sum of Years 11 and above	79.05	63.44

Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition & death in respective year for members as mentioned above.

(f) Sensitivity Analysis

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
Projected Benefit Obligation on Current Assumptions	17.95	12.96
Delta Effect of +1% Change in Rate of Discounting	(2.60)	(1.95)
Delta Effect of -1% Change in Rate of Discounting	3.26	2.45
Delta Effect of +1% Change in Rate of Salary Increase	3.32	2.50
Delta Effect of -1% Change in Rate of Salary Increase	(2.68)	(2.01)
Delta Effect of +1% Change in Rate of Employee Turnover	0.46	0.30
Delta Effect of -1% Change in Rate of Employee Turnover	(0.67)	(0.48)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Interest rate risk:

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Asset Liability Matching Risk:

The plan faces the ALM risk as to the matching cash flow. Company has to manage pay- out based on pay as you go basis from own funds.

Mortality risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

18. Revenue from operations

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Sale of products	22,009.28	20,834.78
Export Sales (Trading)	2,004.10	-
Sale of services	500.89	562.83
Other operating revenue	296.94	339.92
Total	**24,811.20**	**21,737.53**

19. Other Income

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Interest income		
Interest on FDR	21.16	18.52
Interest on deposit with DGVCL	3.55	3.83
Interest - Other	1.90	-
	26.61	**22.35**
Dividend income	**0.13**	-
Other non-operating income		
Sub lease Income	0.30	0.30
Share of profit from partnership firm	98.91	291.01
	99.21	**291.31**
Total	**125.95**	**313.66**

20. Cost of Materials Consumed

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Consumption of Yarn	7,838.35	7,769.64
Consumption of Grey	9,316.40	10,021.16
Consumption of Coal/ Lignite	173.68	270.71
Consumption of Colour/ Chemical	1,097.60	843.74
Consumption of Stores/ Packing Materials	217.21	224.39
Total	**18,643.24**	**19,129.63**

21. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Closing Stock		
Finished products	674.87	1,245.19
work-in-progress	343.32	212.74
	1,018.20	**1,457.93**

Less : Opening stock		
Finished products	1,245.19	209.47
work-in-progress	212.74	100.44
	1,457.93	**309.91**
Decrease/(Increase)	**439.73**	**(1,148.02)**

22. Finance costs

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Interest expense		
Bank Interest on Cash Credit	183.76	146.98
Bank Interest on Term Loan	105.94	182.56
Bank Interest On LC Discounting (Bank)	0.38	0.77
Bank Interest On LC Discounting (Party)	-	(2.15)
Interest to Party	9.91	9.18
Interest on loans	65.30	88.26
Total	**365.29**	**425.62**
Bank charges	51.61	26.79
Total	**416.91**	**452.41**

23. Other Expenses

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Advertisement Expense	0.18	0.25
Audit Fees	2.50	2.50
Beam Drawing Charges	-	3.14
Boiler Expenses	-	0.47
Brokerage and Commission	189.34	62.48
Clearing and Forwarding Charges (Export)	29.29	4.54
Computer Expenses	2.57	2.50
Conveyance Expenses	0.46	2.28
Courier Expenses	10.35	8.28
Corporate Social Responsibility	6.50	-
Donation	0.25	-
Factory Expenses	4.32	4.57
Foreign Exchange Fluctuation	(33.23)	(0.81)
Freight and Transportation	89.33	21.95
Foreign Tour	1.97	-
Internal Audit Fees	0.75	-
Inspection and Packing Charges	-	10.53
Insurance Expenses	11.04	10.49
Interest on late payment of TDS and other charges	0.07	0.48
Job work charges	155.17	401.55
Knotting Charges	-	12.26

Laboratory Expense	-	0.01
Lease Rent	6.02	6.97
License Fees	0.22	0.21
Loading and unloading expenses	0.21	1.93
Membership & subscription	1.56	1.79
Miscellaneous Exp.	0.53	3.00
Pollution Control Exp	98.39	25.57
Power & Fuel Expense	795.04	750.67
Printing & Stationary	5.46	6.01
Professional & Legal Fees	42.81	13.46
Rent Rate and Taxes	2.18	2.74
Repairs & Maintenance	27.87	43.38
ROC Exp.	0.24	0.16
RTA & Depository Expense	0.39	0.41
Sales Promotion Expenses	16.40	9.67
Telephone Expenses	0.31	0.42
Travelling Exps	5.51	5.42
Vat Audit Fees	0.25	0.25
Total	**1,473.90**	**1,419.55**

24. Earnings per share

(Rs. In Lakhs except per share data)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Profit for the year	388.71	588.36
Weighted average number of shares for Basic Earnings per share*	13,994,688.00	13,994,688.00
Weighted average number of shares for Diluted Earnings per share*	13,994,688.00	13,994,688.00
Nominal value per share	10	10.00
Basic earnings per share (Rs)	2.78	4.20
Diluted earnings per share (Rs)	2.78	4.20

*Weighted average number of share, basic earnings per share and diluted earnings per share are represented in absolute amount.

EPS calculated on the basis of profit excluding OCI Income (In previous year EPS calculated including OCI Income)

25. Fair Value

The fair value of cash and cash equivalents, trade receivables, borrowings, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's long term debt and investment in fixed deposit have been contracted at market rates of interest. Accordingly, the carrying value of such instruments approximates their fair value.

The fair value of investment in shares of The Cosmos Co-operative Bank Ltd. has been valued using cost approach.

26. Contingent Liabilities

(Rs. In Lakhs)

Particulars	March 31, 2019	March 31, 2018
Guarantees in lieu of Deposit		
Dakshin Gujarat Vij Company Limited, Surat	47.71	47.71
Performance Guarantees		
Director of Foreign Trade, New Delhi	7.03	7.03
Director of Foreign Trade, New Delhi	0.63	0.63
Commissioner of Customs, Nhava Seva, Mumbai	133.50	133.50
Director of Foreign Trade, New Delhi	12.72	12.72
Director of Foreign Trade, New Delhi	2.80	2.80
Commissioner of Customs, Nhava Seva, Mumbai	3.00	3.00
Director of Foreign Trade, New Delhi	19.00	19.00
Director of Foreign Trade, New Delhi	1.07	1.07
Director of Foreign Trade, New Delhi	8.30	8.30
Director of Foreign Trade, New Delhi	0.20	0.20
Director of Foreign Trade, New Delhi	0.25	0.25
Director of Foreign Trade, New Delhi	7.68	7.68
Commissioner of Customs, Nhava Seva, Mumbai	0.50	0.50
Director of Foreign Trade, New Delhi	2.90	2.90

The case of the Company stands pending before Customs Excise & Service Tax Appellate Tribunal (CESTAT) for payment of custom duty. The amount of custom duty involved is Rs. 193,179/- which is contingent in nature.

The case of the Company stands pending before Appellate Tribunal for the Sales Tax Penalty levied for F.Y. 2012-13. The amount of Penalty is Rs. 57,074/- which is contingent in nature.

The Appeal of the Company stands pending before Commissioner of Appeals (Income Tax) for F.Y. 2012-13, F.Y. 2013-14 and F.Y. 2015-16. The amount of tax liability involved are Rs. 6,200,050/- , Rs. 1,59,74,700/- and Rs. 4,81,78,440/- respectively which are contingent in nature.

27. Operating Lease

Future lease commitments in respect of non-cancellable leases:

Where Company is the lessee:

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Charged to Statement of profit and loss	6.02	6.97
Not later than one year	1.30	6.45
Later than one year but not later than five years	6.49	6.49
Later than five years	23.77	25.15

Where Company is the lessor:

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Charged to Statement of profit and loss	0.30	0.30
Not later than one year	0.30	0.30
Later than one year but not later than five years	1.50	1.50
Later than five years	0.03	0.33

28. Operating Segment

The operations of the company are limited to one segment viz. Denims manufacturing.

Operating segments are defined as components of a company for which discrete financial information is available that is evaluated regularly by Chief Operating Decision Maker ("CODM"), in deciding how to allocate resources and assessing performance.

Geographical revenues are allocated based on the location of the customer. Information regarding geographical revenue is as follows:

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
India	19,267.04	20,896.44
Rest of the world	5,285.67	500.13
Total	**24,552.71**	**21,396.57**

The following customers represent 10% or more of the company's total revenue during the year ended March 31, 2019 and March 31, 2018

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Ultra Denim Private Limited	2542.13	-
Snur Textile	-	4678.00
Tushar Fabrics Private Limited	-	3593.93
Total	**-**	**8,271.93**

29. Other Additional Information

a) There was no employee in receipt of remuneration aggregating to Rs. 10,200,000/- or more per year or Rs. 850,000/- or more per month for the part or whole of the year. Previous year also there was no such employee.

b) The quantity and value of closing stock is certified by the management as true and correct.

c) The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

(Rs. In Lakhs)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Principal amount remaining unpaid	38.68	(Refer Note: i)
Interest due thereon remaining unpaid*	-	
Interest paid by the Company in terms of Section 16 of the	-	

Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006*	-
Interest accrued and remaining unpaid*	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises*	-

Dues to Micro and Small Enterprise have been determined to the extent such parties have been identified on the basis of information collected by the Management.

*Suppliers have granted extended credit period of more than 45 days with no interest charged. Hence there is no interest due and payable to the creditors.

Note: I

As at 31st March, 2018; the Company was not in position to identify the amount of balances due to small scale industrial (SSI) undertaking in absence of sufficient information from suppliers regarding their status as SSI undertakings.

d) The Company is eligible for Power Tariff Subsidy under the Gujarat Textile Policy 2012 amounting to Rs.10.14 Lacs. The same have been accounted as income during the year.

e) The Company is eligible for Interest Subsidy under the Technology Upgradation Fund (TUF Scheme) amounting to Rs. 216.42 Lacs. The same have been accounted as income during the year.

f) Managerial remuneration paid/ payable to the Managing Director/ Directors for the period from 1st April 2018 to 31st March 2019 Rs. 30 Lacs (Previous Year Rs. 30 Lacs)

g) Previous year's figures have been regrouped / recast wherever necessary to conform to current period's presentation.

(Rs. In Lakhs)

Auditor's Remuneration	March 31, 2019	March 31, 2018
As Auditor	2.50	1.25
For taxation matters	-	1.25
Total	**2.50**	**2.50**

(Rs. In Lakhs)

Licensed/Installed capacity information :	Installed Capacity 2018-19	Installed Capacity 2017-18
Licensed Capacity	2 Cr Mts per Annum	2 Cr Mts per Annum
Installed Capacity	2 Cr Mts per Annum	2 Cr Mts per Annum

(Rs. In Lakhs)

CIF Value of Imports	2018-19	2017-18
Raw Materials	356.33	296.94
Store & Spares	30.05	66.88
Total	**386.38**	**860.36**

(Rs. In Lakhs)

Value of Imported and Indigenous Raw Materials purchased and percentage of it to the total purchase.	2018-19		2017-18	
	Amount	%	Amount	%
Imported	356.33	0.02	296.94	2%
Indigenious Purchase	20,699.34	0.98	18,541.15	98%
Total Purchase	**21,055.67**	**1.00**	**18,838.09**	**100%**

30. Share Capital

(Rs. In Lakhs)

	As at	
	March 31, 2019	March 31, 2018
Authorised Capital		
25,500,000 Equity shares of Rs. 10/- each.	2,550.00	2,550.00
(2019 : 25,500,000, 2018 : 25,500,000)		
Issued, Subscribed and paid up capital		
13,994,688 Equity shares of Rs. 10/- each fully paid	1,399.47	1,399.47
(2019 : 13,994,688, 2018 : 13,994,688)		

(Rs. In Lakhs except No. of Shares)

(i) Reconciliation of number of shares and equity share capital	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Rs.	No. of Shares	Rs.
Authorised Capital				
Number of shares at the beginning	25,500,000	2,550	25,500,000	2,550
Add : Increased during the year	-	-	-	-
Number of shares at the end	**25,500,000**	**2,550**	**25,500,000**	**2,550**
Issued, Subscribed and Paid up				
Number of shares at the beginning	13,994,688	1399.47	13,994,688	1399.47
Add : Issued during the year	-	-	-	-
Number of shares at the end	**13,994,688**	**1399.47**	**13,994,688**	**1399.47**

(ii) Terms and rights attached to equity shares:

The company has only one class of equity shares having face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholder.

(iii) Shares held by Shareholder holding more than 5% shares and number of shares held is as follows:

Particulars	March 31, 2019	%	March 31, 2018	%
Amit Kumar Dalmia	1,799,171.00	12.86	1,799,171.00	12.86
Deepak Dalmia	1,819,168.00	13.00	1,819,168.00	13.00
Rajkumar Mangilal Borana	2,052,921.00	14.67	2,052,921.00	14.67

Ankur Mangilal Borana	1,632,918.00	11.67	1,632,918.00	11.67
Rawat Khedia Silk Mills Pvt Ltd	1,500,000.00	10.72	1,500,000.00	10.72
Lalita Nareshkumar Borana	722,567.00	5.16	668,000.00	4.77

(iv) Other details of Equity Shares for a period of five years immediately preceding March 31, 2019:

	As at				
	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Aggregate number of share allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Aggregate number of shares allotted as fully paid bonus shares	-	-	-	-	-
Aggregate number of shares bought back	-	-	-	-	-

Note 31 Deferred Taxes

Calculation of Temporary Differences and Deferred Tax - as at March 31, 2019

(Rs. In Lakhs)

Items	Carrying Amount	Tax Base	Temporary Difference	(Taxable)/ Deductible	DTA/(DTL)
	Asset/(Liability) = (A)	Asset/(Liability) = (B)	C = (B-A)	(D)	E = C*27.82% (Being Future Tax Rate)
Property, plant and equipment	2,324.83	2,640.27	315.44	Deductible	87.76
Expenses u/s. 35D	-	115.80	115.80	Deductible	32.22
Expenses u/s. 43B	-	17.95	17.95	Deductible	5.00
TOTAL	**2,324.83**	**2,774.03**	**449.19**		**124.97**
Net DTA/(DTL) as on 31/03/2019					124.97
Net DTA/(DTL) as on 01/04/2018					88.26
Difference - Charged to P/L					**36.70**

For, Pamita Doshi & Co.
Chartered Accountants
FRN: 141976W

Sd/-
Pamita Doshi
Proprietor
M. No. 141320

Place : SURAT
Date : 18/05/2019

For, R & B DENIMS LIMITED

Sd/-
Rajkumar M. Borana
Managing Director
(DIN: 01091166)

Sd/-
Amitkumar A. Dalmia
Whole time Director
(DIN:00034642)

Sd/-
Jyoti Agarwal
Secretary

Sd/-
Perkin Jariwala
Chief Financial Officer

NOTICE OF THE NINTH ANNUAL GENERAL MEETING

TO,
THE MEMBERS

Notice is hereby given that the 9th Annual General meeting of members of **M/s. R & B DENIMS LIMITED** will be held on 5th day of August, 2019 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, 2019 including audited Balance Sheet as at 31st March, 2019 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. Amit Anandbhai Dalmia (DIN: 00034642), who retires by rotation at this annual general meeting and being eligible offers himself for re-appointment.

4. To appoint the Auditors and authorize 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 Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the company has obtained written consent from M/s. Pamita Doshi & Co, Chartered Accountants, Surat Company in terms of Section 139 of the Act and that they satisfy the criteria provided in Section 141 of the Act that they are eligible for re-appointment as Statutory Auditors of the Company. M/s. Pamita Doshi & Co, Chartered Accountants, Surat having ICAI Firm Registration No. 141976W were appointed as Statutory Auditor, of the company in the conclusion of Annual General Meeting held for the financial year 2017-18 until the conclusion of the Annual General Meeting to be held for the financial year 2022-23 on such remuneration as may be agreed upon by the Board of Directors and the Auditor, in addition to GST and re-imbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company."

SPECIAL BUSINESS

5. To approve the remuneration of the Cost Auditors for the Financial year ending March 31, 2019 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) of Surat, is and be 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 2019 and they may 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 authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Place: SURAT
Date: 18/05/2019

By Order of Board of Director

Sd/-
Jyoti Arun Agarwal
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. 13. 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 PURSUING TO SECTION 113 OF THE COMPANIES ACT, 2013 AUTHORISING THEIR REPRESENTATIVE(S) TO ATTEND AND VOTE ON THEIR BEHALF AT THE MEETING.

6. ADDITIONAL INFORMATION, PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, IN RESPECT OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE AGM, IS FURNISHED AS ANNEXURE TO THE NOTICE. THE DIRECTORS HAVE FURNISHED CONSENT / DECLARATION FOR THEIR APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER THE COMPANIES ACT, 2013 AND THE RULES THEREUNDER.

7. THE REGISTER OF MEMBERS AND TRANSFER BOOKS OF THE COMPANY WILL BE CLOSED FROM MONDAY, JULY 29, 2019 TO FRIDAY AUGUST 02, 2019, BOTH DAYS INCLUSIVE.

8. ELECTRONIC COPY OF THE ANNUAL REPORT FOR FINANCIAL YEAR 2018-19 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 FINANCIAL YEAR 2018-19 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. IN COMPLIANCE WITH SECTION 108 OF THE COMPANIES ACT, 2013, RULE 20 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, AS SUBSTITUTED BY THE COMPANIES (MANAGEMENT AND ADMINISTRATION) AMENDMENT, RULES 2015, AND REGULATION 44 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, THE COMPANY HAS PROVIDED A FACILITY TO THE MEMBERS TO EXERCISE THEIR VOTES ELECTRONICALLY THROUGH THE ELECTRONIC VOTING SERVICE FACILITY ARRANGED BY NATIONAL SECURITIES DEPOSITORY LIMITED. THE FACILITY FOR VOTING THROUGH BALLOT PAPER WILL ALSO BE MADE AVAILABLE AT THE AGM AND MEMBERS ATTENDING THE AGM, WHO HAVE NOT ALREADY CAST THEIR VOTES BY REMOTE E-VOTING SHALL BE ABLE TO EXERCISE THEIR RIGHT AT THE AGM THROUGH BALLOT PAPER. MEMBERS WHO HAVE CAST THEIR VOTES BY REMOTE E-VOTING PRIOR TO THE AGM MAY ATTEND THE AGM BUT SHALL NOT BE ENTITLED TO CAST THEIR VOTES AGAIN. THE INSTRUCTIONS FOR E-VOTING ARE ANNEXED TO THE NOTICE.

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

13. VOTING THROUGH ELECTRONIC MEANS
    I. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 02nd August, 2019 (9:00 am) and ends on 04th August, 2019 (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 29th July, 2019, 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:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/
Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL

from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box
8. Now, you will have to click on "Login" button
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jainam.shah9091@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request atevoting@nsdl.co.in

Place: SURAT
Date: 18/05/2019

By Order of Board of Director

Sd/-
Jyoti Arun Agarwal
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, 2019 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, 2020.

None of the Directors / Key Managerial Personnel of the Company / their relatives is 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.

Place: SURAT
Date: 18/05/2019

By Order of Board of Director

Sd/-
Jyoti Arun Agarwal
Secretary

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

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Particulars	AMITKUMAR ANANDBHAI DALMIA
Date of Birth	27/08/1977
Date of Appointment	17/11/2010
Qualifications	B.Com
Expertise in specific functional areas	More than 19 years of highly experience in the field of Textile Industries
Directorships held in other companies (excluding foreign companies and Section 8 companies)	1. Bhagwati Syntex Private Limited 2. Rawatkhedia Silk Mill Private Limited (converted into LLP) 3. Rawatkhedia Silk Mill LLP 4. Mayfair Vinimay Private Limited
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil
Number of shares held in the Company	1799171

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the corporate governance report which is a part of this Annual Report.

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ATTENDANCE SLIP

R & B DENIMS LIMITED
(CIN: L17120GJ2010PLC062949)
Regd. Office: Block no. 467, Sachin Palsana Road, Palsana, Surat, Gujarat – 394315
Email: compliance@rnbdenims.com, Website: www.rnbdenims.com
Phone: 91-96012 84648, Fax: 91- 0261 2321672

Registered Folio No / DP Id No / Client Id No:

No. of Shares held

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the 9th Annual General Meeting of the Company at the Block no. 467, Sachin Palsana Road, Palsana, Surat, Gujarat – 394315, India, on Monday, August 05, 2019, at 11:00 a.m. IST.

Name of the member / proxy
(in BLOCK letters)

Signature of the member / proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

----------Please tear here----------

R & B DENIMS LIMITED

(CIN: L17120GJ2010PLC062949)

Regd. Office: Block no. 467, Sachin Palsana Road, Palsana, Surat, Gujarat – 394315

Email: compliance@rnbdenims.com, Website: www.rnbdenims.com

Phone: 91-96012 84648, Fax: 91- 0261 2321672

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014 – Form No. MGT-11]

Name of the Member(s):	
Registered address	
E-mail Id:	
Folio No/ *Client Id:	
*DP Id:	

I/We being the member(s) of _____Shares of the above named Company hereby appoint

Name: _____

Email Id: _____

Address: _____

_____ Signature: _____

Or failing him / her

Name: _____

Email Id: _____

Address: _____

_____Signature: _____

Or failing him / her

Name: _____

Email Id: _____

Address: _____

_____ Signature: _____

Or failing him / her

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 9th Annual General Meeting of the Company to be held on Monday, 05th August, 2019 at 11.00 a.m. at Block no. 467, Sachin Palsana Road, Palsana, Surat, Gujarat-394315 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolutions	Vote (Optional See Note 2)		
		FOR	Against	Abstain
Ordinary Business				
1	To receive, consider and adopt: the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon			
2	Approval of final Dividend			
3	Re-appointment of Mr. Amitkumar Anandbhai Dalmia, who Retires by rotation			
4	Appointment of auditors and fix their remuneration			
Special Business				
5	To approve the remuneration of the Cost Auditors for the Financial year ending March 31, 2019			

Signed this _____ day of _____2019

_____ _____

Signature of member Signature of Proxy holder(S)

Affix Re.1 Revenue Stamp

**Applicable for investors holding shares in electronic form.*

Notes:

1) *This proxy Form duly filled in must be deposited at the Registered Office of the company at R & B Denims Limited, Block no. 467, Sachin Palsana Road, Palsana, Surat, Gujarat-394315 not less than 48 hours before the commencement of the Annual General Meeting*

2) *It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate*

Notes

ROUTE MAP TO REACH THE AG M VENUE

Venue of the Annual General Meeting of the Company to be held on
Monday, August 05, 2019 at 11.00 a.m

Venue Address
Block No. 467 Sachin Palsana Road,
Palsana Surat-394315





R&B Denims®
Rhythm & Blue

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

Contact: +91-96 01 281648
Website: www.rnbdenims.com