



RISHIROOP RUBBER (INTERNATIONAL) LIMITED

Registered Office: Plot No. 5807/08, GIDC Industrial Area, Ankleshwar, Gujarat - 393 002.
Corporate Office: 65, Atlanta, Nariman Point, Mumbai- 400 021. **Website:** www.rishiroop.in
CIN No.:-L25191GJ1990PLC017657

NOTICE

Notice is hereby given that the **Twenty Forth Annual General Meeting** of Rishiroop Rubber (International) Limited will be held on **Friday, 8th August, 2014 at 12 noon** at Hotel Shalimar, Near GIDC Reservoir, Valia Road, Ankleshwar, Gujarat 393002 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and Statement of Profit and Loss for the year ended 31st March, 2014 together with Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mahendra Kumar Kapoor (Holding DIN - 00026557), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To re-appoint M/s. Jayesh Dadia & Associates, Chartered Accountants (Firm Registration No. 121142W) as Statutory Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification, the following resolution as ORDINARY RESOLUTION:
"RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 read with Schedule IV of the Companies Act, 2013, Mr. H D Vakil (Holding DIN - 00780431) Independent Director of the Company whose period of office was liable to retirement of directors by rotation and in respect of whom the company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby reappointed as an Independent director of the company to hold office for a term of five consecutive years up to 31st March, 2019."
5. To consider and if thought fit to pass with or without modification, the following resolution as ORDINARY RESOLUTION:
"RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 read with Schedule IV of the Companies Act, 2013, Mr. D P Shah (Holding DIN 00005072) who was appointed as Additional Director of the company by the Board of Directors with effect from 3rd May, 2014 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the ensuing AGM and in respect of whom the company has received a notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director, be and is hereby appointed as an Independent director of the company to hold office for a term of five consecutive years up to 2nd May, 2019."

**By Order of the Board of Directors
For Rishiroop Rubber (International) Limited**

**Place: Mumbai
Date: 23rd May, 2014**

**Mahendra Kumar Kapoor
Chairman**

NOTES

1. **A Member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member of the Company. PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total paid up share capital of the company.**

2. The Explanatory Statement required under Section 102 of the Companies Act, 2013 and pursuant to Clause 49 of the Listing Agreement, in respect of the business mentioned above is being annexed herewith.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 2nd August, 2014 to Friday, 8th August, 2014 (both days inclusive) for the purpose of the Annual General Meeting.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/POA authorizing their representative(s) to attend and vote on their behalf at the meeting.
5. Members desiring any information as regards the financial accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.
6. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Corporate Office of the Company on all working days, except Sunday between 10.30 a.m. and 4.30 p.m. upto the date of the Annual General Meeting.
7. Members / Proxies are requested to bring duly filled attendance slip sent along with the copy of Annual Report at the Meeting.
8. The Annual Report of the Company for the year 2013-2014 is also uploaded on the Company's website (www.rishiroop.in)
9. Members are requested to notify any changes in address, signature or other bank particulars for their shares in electronic mode to their respective Depository Participant and for their physical holdings to the Registrar & Share Transfer Agent of the Company i.e. M/s. Link Intime India Private Limited.
10. **Members who have not registered their e-mail addresses so far are required to register their e-mail address for receiving all communications including Annual Report, notices etc from the Company electronically.**
11. **In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 e-voting facility is being provided to the Members. Details of e-voting process and other relevant details are being sent to all the members along with the Notice.**

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4:

Mr. Hemant D Vakil is a Non Executive Independent Director of the Company. He joined the Board of Directors in May, 2010. Mr. Hemant Vakil is also Chairman of the Audit and Nomination & Remuneration Committee of the Board of Directors of the Company.

Mr. Hemant Vakil is a fellow member of Institute of Chartered Accountants of India (ICAI) & Institute of Company Secretaries of India (ICSI) and has experience of 37 years in corporate finance, legal and administrative matters.

Mr. Hemant Vakil doesn't hold any membership or chairmanship of the Committees of the Board of Directors of other Companies. Mr. Hemant Vakil is director in Vision Consultancy Private Limited and Surefeet Finance and Investments Private Limited.

Mr. Hemant Vakil does not hold by himself or for any other person on a beneficial basis, any shares in the company.

Mr Hemant Vakil was a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies act, 2013, Hemant Vakil being eligible and offering himself for appointment, is proposed to be appointed as an independent Director for a term of five consecutive years up to 31st March, 2019. A notice has been received from a member proposing Mr. Hemant Vakil as a candidate for the office of Director of the Company.

In the opinion of the Board Mr. Hemant Vakil fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the

draft letter for appointment of Mr. Hemant Vakil as an independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Hemant Vakil as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Hemant Vakil as an Independent Director, for the approval by the shareholders of the company.

Except Mr. Hemant Vakil, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No.5:

The Board of Directors at their meeting held on 3rd May, 2014 appointed Mr. D.P. Shah as an Additional Director of the Company in the category of Independent Non executive Director of the Company. Mr. D.P. Shah is also appointed as member of the Audit Committee and Nomination & Remuneration Committee of the Board of Directors of the Company.

Mr. D.P. Shah is a fellow member of Institute of Chartered Accountants of India (ICAI) & Institute of Company Secretaries of India (ICSI) and has 38 years of experience in the field of Corporate Laws, Corporate Finance, Taxation, Legal & Accounting.

Mr. D.P. Shah holds directorship and membership of the Committees of the Board of Directors of the under stated other Companies in India.

- Director in Puneet Resins Limited.
- Chairman of Audit and Nomination & Remuneration Committee of Puneet Resins Limited

Mr. D.P. Shah's does not hold any shares but his wife holds 500 Shares of the company.

As per Section 161(1) of the Companies Act, 2013 Mr. D.P. Shah holds office up to the date of this Annual General Meeting of the Company. In terms of Section 149 and other applicable provisions of the Companies act, 2013, Mr. D P Shah is proposed to be appointed as an independent Director for a term of five consecutive years up to 2nd May, 2019. A notice has been received from a member proposing Mr. D.P. Shah as a candidate for the office of Director of the Company.

In the opinion of the Board Mr. D.P. Shah fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. D.P. Shah as an independent Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that the appointment of Mr. D P Shah as a Director of the company would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to appointment of Mr. D. P. Shah as an Independent Director, for the approval by the shareholders of the company.

Except Mr. D. P. Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**By Order of the Board of Directors
For Rishiroop Rubber (International) Limited**

**Place: Mumbai
Date: 23rd May, 2014**

**Mahendra Kumar Kapoor
Chairman**

DIRECTORS' REPORT

To,
The Members,
Rishiroop Rubber (International) Limited

Your Directors are pleased to present the 24th Annual Report together with the Audited Financial Statements of your Company for the financial year ended on 31st March, 2014:

FINANCIAL HIGHLIGHTS

Particulars	(₹ in Lacs)	
	2013-2014	2012-2013
Sales and Other Income	3737.29	4713.75
Profit before Interest, Depreciation and Tax	323.07	357.33
Less : Finance Cost	15.36	20.66
Depreciation/Impairment	80.46	102.60
Profit before Tax (PBT)	227.25	234.07
Less: Provision for Tax (Including Income Tax, Deferred Tax, etc.)	45.50	153.92
Profit after Tax (PAT)	181.75	80.15
Add/(Less): Balance Brought forward from the previous year	(334.95)	(415.10)
Loss carried forward to Balance Sheet	(153.20)	(334.95)

REVIEW OF OPERATIONS AND OVERALL PERFORMANCE

During the year under review, due to current economic and industrial scenario the total revenue has decreased from ₹ 4713.75 Lacs in the previous year to ₹ 3737.29 Lacs for the current year. The Profit before Tax (PBT) for the year has decreased from ₹ 234.07 Lacs in the previous year to ₹ 227.25 Lacs in the current year. The Profit after Tax (PAT) has increased from ₹ 80.15 Lacs in the previous year to ₹ 181.75 Lacs in the current year due to reduction in deferred tax liability.

Your company has awarded a contract in March-2014 for disposal of old equipments and related building structure at Ankleshwar factory in terms of the resolution passed by the Shareholders earlier.

DIVIDEND

Due to the accumulated losses, the Board of Director do not recommended any dividend for the year ended 31st March, 2014.

DIRECTORS

Mr. H B Jokhakar and Mr. H L Ohri resigned from the directorship of the company w.e.f. 2nd May, 2014. The Board of Directors took note of the same at their meeting held on 3rd May, 2014. The Board of Directors place on record its appreciation for the valuable services rendered by both Mr. H B Jokhakar and Mr. H L Ohri.

The Board of Directors at their meeting held on 3rd May, 2014 appointed Mr. Dilipkumar P Shah as an additional director of the company in the category of Non Executive Independent Director of the company. Mr. Dilipkumar P Shah holds office up to the date of the ensuing Annual General Meeting of the Company and is eligible for appointment. Your directors are seeking his appointment as regular Independent Director for a term of five consecutive years up to 2nd May, 2019. Details of the proposal for appointment of Mr. Dilipkumar P Shah are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 in the Notice of the 24th Annual General Meeting.

In terms of the Articles of Association of the Company Mr. M.K. Kapoor, Director of the Company is liable to retire by rotation at the ensuing general meeting of the Company and being eligible, offers himself for reappointment. The brief resume of the director and other information has been detailed in the Corporate Governance Report of the Company. Appropriate resolution for his re-appointment shall be placed for approval of the shareholders at the ensuing Annual General Meeting. The directors recommend his re-appointment as director of the Company.

As per Section 149 of the Companies Act, 2013 and SEBI Circular dated 17.04.2014, your directors are seeking appointment of Mr. H D Vakil as an Independent Director for a term of five consecutive years up to 31st March, 2019. Details of the proposal for appointment of Mr. H D Vakil are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 in the Notice of the 24th Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provision of Section 134(5) of the Companies Act, 2013 with respect to Director Responsibility Statement, it is hereby confirmed –

- 1) That in the preparation of the annual accounts for the financial year ended 31st March 2014; the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs and of the profit of the Company for the year ended 31st March 2014.
- 3) That the Directors have taken proper and sufficient care 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.
- 4) That the Directors have prepared the accounts for the financial year ended 31st March, 2014 on a 'going concern' basis.
- 5) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- 6) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

CORPORATE GOVERNANCE

The Company has been practicing the principles of good Corporate Governance over the years and lays strong emphasis on transparency, accountability and integrity.

A separate report on the Corporate Governance and a certificate from the statutory auditors of the Company regarding compliances of condition of Corporate Governance as stipulated under clause 49 of the listing Agreement with the Stock Exchange form part of this Annual report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The management discussion and analysis report forms part of the Annual Report in Compliance with Clause 49 of the Listing Agreement.

DEPOSITS

The Company has not accepted fixed deposits from the public during the year under review. The provisions of Section 73 of the Companies Act, 2013 are thus not applicable to the Company.

AUDITORS AND AUDITORS REPORT

The Auditors M/s. Jayesh Dadia & Associates, Chartered Accountants, retire at conclusion of the ensuing Annual General Meeting and are eligible under Section 139 and 141 of the Companies Act, 2013 for re-appointment.

The Company has received confirmation from M/s. Jayesh Dadia & Associates, Chartered Accountants to the effect that their appointment if made, would be within the eligibility criteria prescribed under Section 139 and 141 of the Companies Act, 2013.

The observations and comments given in the Auditors Report read together with the notes to the accounts are self explanatory and hence do not call for any further information and explanation under Section 134(3) of the Companies Act, 2013.

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

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out in Annexure 'A' forming part of the Report

PARTICULARS OF EMPLOYEES

The Company does not have any employee in respect of whom particulars in accordance with the provisions under Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are required to be given.

ACKNOWLEDGEMENTS

The Board wishes to place on record their sincere appreciation and gratitude to the various government authorities, bankers, customers, vendors, shareholders and all other stakeholders for their continued co-operation and generous support. Your Directors would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 23rd May, 2014

M. K. Kapoor
Chairman

ANNEXURE -A

Information pursuant to Section 134(3)(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 forming part of Directors' Report for the year ended 31st March, 2014.

❖ **CONSERVATION OF ENERGY**

As there are no manufacturing operations, question of conservation of energy does not arise.

❖ **RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**a) **Research and Development**1. **Specific areas in which R&D carried out by the Company**

There are no new R&D activities being carried out by the Company in view of the closure of plant operations at Ankleshwar.

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

Not Applicable

3. **Future plans of action**

The Company does not have any immediate proposal for new product developments.

b) **Technology absorption, adaptation and innovation**1. **The efforts in brief towards technology, absorption, adaptation and innovation**

Not applicable as no new technologies were developed during the year.

2. **Benefits**

Not Applicable

3. **Details of imported technology**

Not Applicable

❖ **FOREIGN EXCHANGE EARNINGS & OUTGO**

During the year under review, the Company has earned the following foreign income.

		(₹ in lacs)	
Sr. No.	DETAILS	2013-2014	2012-2013
1.	FOREIGN EXCHANGE EARNINGS		
	(i) Exports	225.22	339.67
2.	OUTGO		
	Value of Imports calculated on CIF basis		
	(i) Trading Goods	2560.71	3351.95
	(ii) Foreign Travelling	0.00	0.51

For and on behalf of the Board of Directors

Place: Mumbai

Date: 23rd May, 2014

M. K. Kapoor

Chairman

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

❖ INDUSTRY STRUCTURE

Your Company is involved in the international trade of industrial raw materials to various industries. There are many small and big traders and agents in Exim trade.

❖ OUTLOOK

The Indian economy is projected to grow at 5-6 % for the current fiscal. The decrease in GDP growth rate during last two years has affected the industrial demand for raw materials. The overall economy is expected to grow raising demand for industrial raw materials.

❖ FINANCIAL & OPERATING PERFORMANCE

During the year, your Company's turnover decreased from Rs 4658.23 Lacs in the previous year to Rs 3614.53 Lacs while Profit before tax (PBT) during the year is Rs 227.25 Lacs as compared to Rs. 234.07 Lacs last year. Total inventories have decreased to Rs. 473.79 Lacs in the current year from Rs. 704.94 Lacs in the previous year and the Sundry Debtors stood at 16 % of Sales as at March 31, 2014. Domestic Sales were Rs. 3376.30 Lacs in the current year as compared to Rs. 4304.45 Lacs in the previous year, whereas Export Sales were Rs. 238.23 Lacs in the current year as compared to Rs. 353.78 Lacs last year.

❖ OPPORTUNITIES AND RISKS & CONCERNS

a) Opportunities

Your Company is exploring opportunities to develop new products and customers in both global & domestic markets.

b) Risks & Concerns

One of the items of current product portfolio will face intense competition from new local producers which may affect the turnover and profitability of the company.

The price volatility and fluctuations in exchange rate may be a cause of concern as Company imports traded products.

❖ INTERNAL CONTROL SYSTEM

The Company maintains adequate internal control systems, which provide among other things adequate support to all its operations and effectively handle the demands of the Company's financial management system.

The Company has in place effective systems safeguarding the assets and interest of the Company and ensuring compliance with law and regulations. The Company's internal control systems are supplemented by an extensive internal audit conducted quarterly by an Independent audit firm to ensure adequate system of internal control.

❖ CAUTIONARY STATEMENT

Certain Statements in this report relating to estimates, projections and expectations may be forward looking within the meaning of applicable laws and regulations. The actual result may be different from what has been envisaged. The factors that may affect the performance will be demand and supply conditions, finished goods prices, foreign exchange fluctuations, changes in government regulations and policies, tax structures, economic developments within India and the countries with which the Company has business contacts and various other factors such as litigations and industrial relations impacting Company's business.

The Company assumes no responsibility with respect to forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

This Report is pursuant to Clause 49 of the Listing agreement and depicts Company's views, policies & procedures reflecting essence of Corporate Governance in them.

❖ PHILOSOPHY ON CORPORATE GOVERNANCE

It entails transparency and accountability, effective control and management, investor friendly attitude towards shareholders and other stakeholders with ethical behavior in all the dealings.

❖ BOARD OF DIRECTORS

a. Composition of the Board:

As on 31st March, 2014, the Board of Directors comprises of Five Directors comprising of Four Non-Executive Directors and One Executive Director.

Name of Director	Category of Director	No. of other Directorships held*	Committee Membership / Chairmanship of Board Committees in other companies**	Relationship With other Director
Mr. Mahendra Kumar Kapoor	Non-Executive Promoter	1	1	Father of Mr. Arvind Kapoor
Mr. Arvind Mahendra Kapoor	Executive Promoter	1	1 as Chairman 1 as member	Son of Mr. Mahendra Kumar Kapoor
Mr. H L Ohri***	Non-Executive Independent	Nil	Nil	N.A.
Mr. H B Jokhakar@	Non-Executive Independent	Nil	Nil	N.A.
Mr. Hemant D. Vakil	Non-Executive Independent	Nil	Nil	N.A.
Mr. Dilip Shah@@	Non-Executive Independent	1	1 as Chairman	N.A.

Notes: * The Directorship held by directors as mentioned above excludes directorship in Rishiroop Rubber (International) Ltd. & excluding directorships of Private limited Companies.

** Committees considered are Audit Committee and Stakeholders Relationship Committee excluding in Rishiroop Rubber (International) Ltd.

*** Resigned from directorship & Chairmanship of the Audit Committee w.e.f 2nd May, 2014.

@ Resigned from directorship & membership of the Audit Committee w.e.f 2nd May, 2014.

@@ Appointed as Additional Director and Chairman of the Audit Committee at the board meeting held on 3rd May, 2014.

None of the Directors of Rishiroop Rubber (International) Limited is a Member of more than 10 Committees or is the Chairman of more than five Committees across all the Companies in which they are Directors.

b. Constitution of the Board and attendance record of Directors:

Four Board Meetings were held during the financial year i.e., from 1st April , 2013 to 31st March, 2014, on the following dates – 24th May, 2013, 9th August, 2013, 11th November, 2013, ,and 7th February, 2014 and the Director's attendance at the Board Meetings during the period and at last Annual General Meeting are given below:.

Name of Director	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at last AGM
Mr. Mahendra Kumar Kapoor	4	3	4
Mr. Arvind Kapoor	4	4	Yes
Mr. H L Ohri	4	4	Yes
Mr. H B Jokhakar	4	4	No
Mr. H D Vakil	4	3	No

Information pursuant to Clause 49 of the Listing Agreement of the Directors Seeking re-appointment at the Ensuing Annual General Meeting

Name of Director	Mr. M K Kapoor
Date of Birth	03/04/1924
Date of Appointment	05/11/1990
Nature of expertise in specific functional areas	He has 60 years of Industrial and managerial experience.
Qualification	B.Sc. in Industrial Chemistry
Directorships held in other companies (excluding foreign companies)	1. Puneet Resins Limited 2. Rishiroop Polymers Pvt. Ltd 3. Rishiroop Investments & Trading Co. Pvt. Ltd. 4. Devi Organics Pvt. Ltd.
Committee position held in Rishiroop Rubber (International) Limited	1. Chairman-Stakeholder's Relationship Committee 2. Member- Nomination & Remuneration Committee-
Committee position held in other Companies	Nil
No. of shares held: (As on 31.03.2014)	45,700

COMMITTEES OF THE BOARD

I) AUDIT COMMITTEE

a. Terms of reference of the Committee:

The terms of reference of the Audit Committee are in accordance with the requirements of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 and broadly comprises of:

1. To recommend appointment, remuneration (for Statutory Audit and for other services rendered, if any) and the terms of appointment of Statutory Auditors of the Company and to review and monitor their independence and performance and effectiveness of audit process.
2. To examine the financial statements (including quarterly financial statements) and the Auditors report thereon and to discuss the same if necessary with the Statutory Auditors, the management and Key Managerial Personnel's if necessary and to ensure that the company's financial reporting process and disclosure of financial information make the financial statements correct, sufficient and credible particularly with reference to :
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Compliance with listing and other legal requirements relating to financial statements
 - c. Qualifications in the draft audit report.
3. To recommend appointment, remuneration and the terms of Internal Auditors and to review performance and effectiveness of their audit and adequacy of internal control systems.
4. To approve the Related Party Transactions (RPT) or any subsequent modifications thereof and to obtain professional advice, if necessary.
5. To scrutinize inter-corporate loans and investments.
6. To consider, whenever necessary valuation of assets or undertaking of the Company.
7. To evaluate internal financial controls in consultation with the Statutory Auditors and the Internal Auditors, if any.
8. To evaluate the risk management systems, if any, prevailing in the company and to review the findings if any, of the Internal Auditors where there is a suspected fraud or irregularity or failure of internal control system.
9. To monitor end use of the funds (and other related matters) whenever raised through public offers.
10. To evaluate the content and efficiency of the vigilance mechanism / whistle blower mechanism prevailing in the company and to provide adequate safeguards against victimization.
11. To look into the reasons for substantial defaults, if any in the payments to the depositors, debenture holders, shareholders and creditors.
12. To approve appointment of the CFO (a whole time Director or an Executive) after assessing the qualifications and experience of the Candidate.

b. Composition and Constitution with attendance record of the Committee:

The Audit Committee last reconstituted by the Board of Directors at its meeting held on 3rd May, 2014 on account of the resignation of Mr. H L Ohri and Mr. H B Jokhakar with effect from 2nd May, 2014.

In view of the above, the Board of Directors has appointed Shri D P Shah as an additional director at its meeting held on 3rd May, 2014 in the category of Non Executive Independent Director of the company and also appointed as a member of the Audit Committee.

The reconstituted Committee now consists of Mr. H D Vakil (Chairman), Mr. Dilip Shah, and Mr. Arvind Kapoor.

The Audit Committee held Four Meetings during the financial year i.e. from 1st April, 2013 to 31st March, 2014 on the following dates – 24th May, 2013; 9th August, 2013; 11th November, 2013 and 7th February, 2014. The Statutory Auditors, Internal Auditors and CFO are invited to attend the meetings of Audit Committee.

The attendance of Members of the Committee at the meetings was as under:

Sr. No	Name/Designation of Director	Category of Director	No. of Audit Committee Meetings Attended
1.	Mr. H. L. Ohri (Chairman)	Non-Executive /Independent	4
2.	Mr. H. B. Jokhakar	Non-Executive/Independent	4
3.	Mr. H. D. Vakil	Non-Executive/Independent	3
4.	Mr. A. M. Kapoor (Managing Director)	Executive/Promoter	4

II) NOMINATION AND REMUNERATION COMMITTEE**a. Terms of reference of the Committee:**

The terms of reference of the Nomination and Remuneration Committee are as follows:

- To identify persons who are qualified to become Directors and who may be appointed in senior management positions (in accordance with criteria laid down) and to recommend to board their appointment (to ensure diversity in the Board) and removal if necessary, and to carry out evaluation of every director's performance.
- To formulate criteria for determining qualifications, attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

b. Composition, attendance record with sitting fees details of the Committee:

The Nomination and Remuneration Committee last reconstituted by the Board of Directors at its meeting held on 3rd May, 2014 on account of the resignation of Mr. H L Ohri and Mr. H B Jokhakar with effect from 2nd May, 2014.

In view of the above, the Board of Directors has appointed Shri D P Shah as an additional director at its meeting held on 3rd May, 2014 in the category of Non Executive Independent Director of the company and also appointed as a member of the Audit Committee.

The reconstituted Committee now consists of Mr. H D Vakil (Chairman), Mr. Dilip Shah and Mr. Mahendra Kumar Kapoor.

During the financial year i.e. from 1st April, 2013 to 31st March, 2014 no meeting of the Remuneration Committee took place.

c. Remuneration Policy**❖ Remuneration to Executive Director**

Payment of remuneration to Mr. A. M. Kapoor, Managing Director of the Company is governed by the terms his appointment which was duly approved by the Members vide their special resolution dated 27th August, 2012. His remuneration structure comprises of salary, perquisites, allowances, commission within statutory limits and reimbursement of out of pocket expenses. All the components of remuneration are fixed with no performance linked incentives and no stock options. Further his notice period is of three months.

The remuneration paid to him during the year ended 31st March 2014 is as under:

Name	Salary (₹)	Perquisites and Allowances (₹)	Total (₹)
Mr. A. M. Kapoor	20,25,000	19,91,219	40,16,219

❖ **Remuneration to Non- Executive Directors**

Non-Executive Directors are not paid remuneration in any form whether by way of commission or otherwise and are just entitled to the sitting fees of Rs. 10,000/- per meeting. The details of the payment of sitting fees are as under for the year ended 31st March, 2014

Sr. No.	Name/Designation of Director	Category of Director	Sitting Fees paid to Non-Executive Directors* (₹)
1.	Mr. M. K. Kapoor (Chairman)	Non-Executive/ Promoter	30000
2.	Mr. H. L. Ohri	Non-Executive/ Independent	80000
3.	Mr. H.B.Jokhakar	Non-Executive/ Independent	80000
4.	Mr. H. D. Vakil	Non-Executive/ Independent	60000

* There were no other pecuniary relationship or transactions between the Company and its Non – Executive Directors.

None of the Directors had any transaction with the Company. However, transactions have taken place with some of the Companies in which a Director holds Directorship but these were in normal course of Business and took place at the prevailing market prices and were disclosed to the Board.

III) STAKEHOLDER'S RELATIONSHIP COMMITTEE

a. Terms of reference of the Committee:

The functions and powers of the Stakeholder's Relationship Committee include considering and resolving the grievance of security holders of the company.

b. Composition and Constitution with attendance record of the Committee:

As on 31st March, 2014 the Stakeholder's Relationship Committee consists of Two Directors comprising of One Non-Executive Director namely, Mr. M. K. Kapoor (Chairman) and One Executive Director viz, Mr. A. M. Kapoor. During the financial year i.e. from 1st April, 2013 to 31st March, 2014 no meeting of the Committee took place.

c. Status of Investor/ Shareholder Complaints:

The following was the status of Complaints during the year ended 31st March, 2014.

Number of Investor Complaints received	Number of Investor Complaints resolved	Number of Investor Complaints pending as on 31.03.2014
1	1	0

❖ **GENERAL BODY MEETINGS**

The details of Annual General Meetings held in the last three years are given as under

Meeting	23 rd Annual General Meeting	22 nd Annual General Meeting	21 st Annual General Meeting
Date	26 th August, 2013	27 th August, 2012	8 th August, 2011
Time	10.00 a.m.	10.00 a.m.	10.00 a.m.
Special Resolution	-	1	-

All the above meetings were held at Hotel Shalimar, Near GIDC Reservoir, Valia Road, Ankleshwar, Gujarat – 393 002.

None of the Special resolution/s passed in last three Annual General Meeting were passed by postal ballot. No resolution requiring a Postal ballot is being proposed at the ensuing Annual General Meeting.

❖ **DISCLOSURES**

a. Materially significant related party transactions

The Company has not entered into any materially significant transactions with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

Transactions with related parties are disclosed in Notes to the accounts forming part of the Annual Report.

b. Non-compliance and instances of penalties

There have been no instances of non-compliance by the Company on any matter relating to capital markets and no strictures, penalty or disciplinary action has been imposed by SEBI or Stock Exchange or any other statutory authority, during the last three years.

c. Compliance with mandatory requirements and adoption of non-mandatory requirements

Clause 49 of the Listing Agreement requires the Company shall obtain a certificate from either the auditors or practicing Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated in this Clause and annex the certificate in the Annual Report which is sent annually to all the shareholders of the Company. The Company has obtained a certificate from its auditors to this effect and the same is given as an annexure to this report.

The Clause further states that the non-mandatory requirements may be implemented as per the discretion of the Company. However, the disclosures of compliance with mandatory requirement and adoption (and compliance)/ non-adoption of the non-mandatory requirements shall be made on need basis.

d. Accounting Treatment

In preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India.

e. Risk management

The risks associated with the business have been stated in the Management Discussion and Analysis report.

The risk identification, assessment and control procedures are reviewed at periodic intervals by the senior Management.

f. MD/CFO Certificate

The certificate pursuant to Clause 49(V) on Financial Statements by the MD and CFO was placed before the Board and is given as annexure to this report.

g. Compliance Certificate

The Certificate issued by the Statutory Auditors in compliance with the Clause 49 of the Listing Agreement is given as annexure to this report.

h. Proceeds from public issues, rights issues, preferential issues etc.

During the year Company has not raised any money by way of public issue, rights issue or preferential issue.

❖ MEANS OF COMMUNICATION

1	Annual/Quarterly Results	Submitted regularly to BSE in compliance with the Listing Agreement and published in one English and one Gujarati daily namely The Business Standard and Western Times (Gandhinagar)
2	Publications in Websites	www.rishiroop.in and www.bseindia.com
3	Institutional Investors	No presentations are made to institutional investors. Display and dissemination of presentations made in future, if any, shall be made adequately.

❖ GENERAL SHAREHOLDER INFORMATION

- A. Annual General Meeting** : **Day, Date, Time and Venue**
Friday, 8th day of August 2014, at 12 noon.
Hotel Shalimar, Near GIDC Reservoir, Valia Road, Ankleshwar, Gujarat - 393002.
- B. Financial Year** : **(1st April, 2014 to 31st March, 2015)**
First Quarter ending 30th June 2014 - Before 14th August, 2014
Half year ending 30th September 2014 - Before 14th November, 2014
Third Quarter ending 31st December, 2014 - Before 14th February, 2015
Annual Audited Result 31st March, 2015 - Before 30th May, 2015
- C. Book Closure** : Saturday, 2nd August, 2014 to Friday 8th August, 2014 (Both days inclusive)
- D. Dividend Payment date** : No Dividend is declared for the year 2013-2014
- E. Listing at Stock Exchange** : Bombay Stock Exchange ISIN with NSDL and CDSL
Trading Code - 523658 INE887C01018
- F. Company Registration No. with ROC/Ministry of** : CIN No. : L25191GJ1990PLC017657

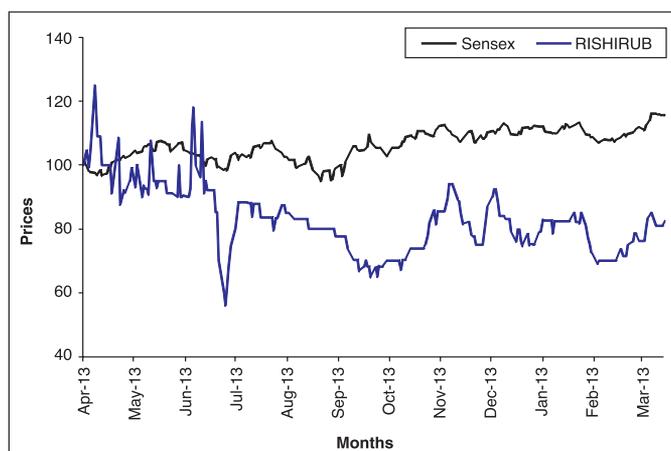
Corporate Affairs (MCA)

- G. Registrar and Transfer Agent :** **Link Intime India Private Limited**
 C- 13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound,
 L. B. S. Marg, Bhandup (West), Mumbai – 400 078
 Tel. No.: 022-25946970; Fax No. 022-25946969
 Email : rnt.helpdesk@linkintime.co.in
- H. Outstanding ADRs/GDRs :** The Company has not issued any ADRs/GDRs/ Warrants or any other instrument impacting the equity base.
- I. Plant Location :** Plot No. 5807, GIDC Industrial Estate, Ankleshwar – 393 002, Gujarat.
- J. Address :**
- (i) For Equity shares related query**
Link Intime India Private Limited
 C- 13, Kantilal Maganlal Estate, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400 078. Tel. No.: 022-25946970
 - (ii) For Annual Report related query**
Rishiroop Rubber International Limited
 Corp. Office : 65, Atlanta, Nariman Point, Mumbai – 400 021
 Email : investor@rishiroop.com
- K. Share Transfer System :** Applications for transfer of Shares held in physical form are received at the office of the Registrar and Share Transfer Agent of the Company, M/s Link Intime India Private Limited. They attend to share transfer formalities at least once a week and forward the same to the Company for the Stakeholder's Relationship Committee's approval. In order to expedite the process of share transfers in physical mode, the members of the Stakeholder's Relationship Committee conduct their meetings more frequently, to the extent of weekly meetings of the Committees.
- Shares held in dematerialized form are electronically traded in the depository and the Registrar and Share Transfer Agent periodically receives from the depository the details of beneficiary holdings so as to update the records for sending all corporate communications and other matters.
- Physical shares received for dematerialization are processed and completed within a period of 15 days from the date of receipt, provided they are duly completed. Bad deliveries are immediately returned to the depository participants under advice to the shareholders.

L. Stock Price data with Index Comparison

High low Market price on Bombay Stock Exchange during each month in the last financial Year.

Month	High Price	Low Price	Close Price	BSE Sensex Close
Apr-13	12.49	8.75	9.90	19504.18
May-13	10.75	9.00	9.05	19760.30
Jun-13	11.94	5.60	7.44	19395.81
Jul-13	9.00	7.94	8.50	19345.70
Aug-13	8.30	7.75	7.75	18619.72
Sep-13	8.01	6.20	7.00	19379.77
Oct-13	8.56	6.70	8.54	21164.52
Nov-13	9.39	7.13	8.67	20791.93
Dec-13	9.45	7.30	7.90	21170.68
Jan-14	8.50	7.20	7.20	20513.85
Feb-14	7.86	6.87	7.61	21120.12
Mar-14	11.00	7.99	11.00	22386.27



M. Distribution of Shareholding as on 31st March, 2014

Distribution of shares (Slab wise) (₹)	No. of shareholders	Percentage to total No. of shareholders	Share Amount (in ₹)	Percentage to total Share Capital
Up to 5000	11294	92.27	15663360	13.23
5001 - 10000	488	3.99	4323690	3.65
10001 - 20000	209	1.71	3330010	2.81
20001 - 30000	62	0.51	1599140	1.35
30001 - 40000	23	0.19	847360	0.72
40001 - 50000	47	0.38	2258840	1.91
50001 - 100000	54	0.44	4150550	3.50
100001 & above	63	0.51	86225620	72.83
TOTAL	12240	100.00	118398570	100.00

N. Shareholding Pattern as on 31st March, 2014

Category	No. of Shares held	% of Shareholding
Promoter's Holding (A)	6908765	58.35
Non-Promoter's Holding (B)		
1 Mutual Funds/UTI	3200	0.03
2 Financial Institutions / Banks	400	0.00
3 Foreign Institutional Investors	6000	0.05
4 Bodies Corporate	374782	3.17
5 Public	4297867	36.30
6 Non Resident Indians	221881	1.87
7 Foreign Companies	1200	0.01
8 Clearing Member	12697	0.11
9 Directors	8165	0.07
10 Relatives	4900	0.04
Sub Total (B)	4931092	41.65
Total (A) & (B)	11839857	100.00

O. Dematerialization of Shares as on 31st March 2014

Category	No of Shares	%
CDSL	924355	7.81
NSDL	9462157	79.92
Physical	1453345	12.27
Total	11839857	100.00

❖ CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and senior management of the Company. The same has also been posted on the website of the Company. All Board members and senior management have affirmed their compliance with the code of conduct. A declaration to this effect, signed by Managing Director was placed before the Board and is annexed hereto, forming part of the Annual Report.

❖ SUBSIDIARY

There is no Subsidiary of the Company.

❖ REPORT ON CORPORATE GOVERNANCE

This report forms part of the Annual Report. The Company is in full compliance with all the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchange(s).

On behalf of the Board of Directors

Place: Mumbai

Date: 23rd May, 2014

M.K. Kapoor

Chairman

DECLARATION – CODE OF CONDUCT

In pursuant to Clause 49 of the Listing Agreement, All Board Members and Senior Management Personnel have affirmed the compliance with the Code of Conduct for the year ended on 31st March 2014.

For Rishiroop Rubber (International) Limited

Place: Mumbai
Date: 23rd May, 2014

A.M. Kapoor
Managing Director

DECLARATION BY THE MD / CFO - PURSUANT TO CLAUSE 49(V)

We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2014 and certify, to the best of our knowledge and belief, that:

- i. These statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- ii. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- iii. No transactions entered into by the Company during the year were fraudulent, illegal or violative of the Company's code of conduct and no instances of fraud took place;
- iv. We accept responsibility for establishing and maintaining internal controls for financial reporting;
- v. We have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and have taken steps to rectify the same, wherever found;
- vi. Significant changes in internal control over financial reporting as well as significant changes in accounting policies, if any, have been intimated to the Auditors and the Audit Committee and have been disclosed in the notes to the financial statements.

For Rishiroop Rubber (International) Limited

Place: Mumbai
Date: 23rd May, 2014

A.M. Kapoor
Managing Director

A.R. Shah
Chief Financial Officer

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of

RISHIROOP RUBBER (INTERNATIONAL) LIMITED

We have examined the compliance of conditions of Corporate Governance by RISHIROOP RUBBER (INTERNATIONAL) LIMITED for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

We further 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 Jayesh Dadia & Associates
Chartered Accountants
Firm Registration number: 121142W

Nishit Dave
Partner
M.No.: 120073

Place: Mumbai
Date: 23rd May, 2014

INDEPENDENT AUDITORS' REPORT

**To the Members of
Rishiroop Rubber (International) Limited**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013, issued by the ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profits for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-Section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013, issued by the ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013;
 - e. on the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-Section (1) of Section 274 of the Companies Act, 1956.

**For Jayesh Dadia & Associates
Chartered Accountants
Firm's Registration No. 121142W**

**Nishit Dave
Partner
Membership No. 120073**

Place : Mumbai
Date : 23rd May, 2014

**Annexure to the Auditors' Report.
(Referred to in paragraph 1 of our report)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, a substantial part of fixed assets has not been disposed off during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(b) to 4(iii)(d) of the Order are not applicable.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) of the Order are not applicable.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of the goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956 :
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contract / arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
- (vi) According to information and explanation given to us, the Company has not accepted deposits in terms of the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956.
- (vii) In our opinion, the internal audit functions carried out during the year by the firm of Chartered Accountant appointed by the Management have been commensurate with the size of the Company and nature of its business.
- (viii) In our opinion, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-Section (1) of Section 209 of the Companies Act, 1956 in respect of activities carried out by the Company.
- (ix) (a) According to information and explanation given to us the Company is generally regular in depositing the undisputed statutory dues including provident fund, income tax, sales tax, service tax, customs duty, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) In our opinion there are no disputed liabilities which are outstanding for a period of more than six months from the date they became payable.
- (x) In our opinion, the accumulated losses of the company at the end of the financial year are not more than fifty percent of its net worth. The Company has not incurred cash losses for the current and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanation given to us, the Company has no outstanding dues to any bank or financial institution during the year.

- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.
- (xiii) The Company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) The company is investing surplus funds in Mutual funds and proper records have been maintained of the transactions & contract and timely entries have been made therein and investment have been held by the company in it's own name.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or any financial institutions, accordingly provisions of the clause 4(xv) of the order are not applicable.
- (xvi) The Company has not obtained any term loans during the year under audit. Accordingly Provisions of clause 4(xvi) of the order are not applicable.
- (xvii) According to the cash flow statement and other records examined by us and the information and explanation given to us, on an overall basis, funds raised on short term basis, have prima facie, not been used during the year for long term investments.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly the provisions of clause 4 (xix) of the Order are not applicable.
- (xx) The Company has not raised any money by way of public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) According to information and explanation given to us , no fraud on or by the Company has been noticed or reported during the period covered by our audit.

**For Jayesh Dadia & Associates
Chartered Accountants
Firm's Registration No. 121142W**

**Nishit Dave
Partner
Membership No. 120073**

Place : Mumbai
Date : 23rd May 2014

**BALANCE SHEET AS AT
MARCH 31, 2014**

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	As at 31/03/2014 ₹	As at 31/03/2013 ₹
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2	118,596,570	118,596,570
b) Reserves & Surplus	3	140,745,273	122,570,657
		<u>259,341,843</u>	<u>241,167,227</u>
2 Non-current liabilities			
a) Long Term Provisions	4	828,373	642,148
b) Deferred Tax Liabilities	5	645,803	4,095,736
		<u>1,474,176</u>	<u>4,737,884</u>
3 Current Liabilities			
a) Trade Payables	6	55,860,106	88,549,485
b) Other Current Liabilities	7	978,252	1,721,257
c) Short Term Provisions	8	1,953,766	3,601,381
		<u>58,792,124</u>	<u>93,872,123</u>
	TOTAL	<u>319,608,143</u>	<u>339,777,234</u>
II ASSETS			
1 Non Current Assets			
a) Fixed Assets			
Tangible Assets	9	17,048,885	25,325,032
b) Non Current Investments	10	83,350,482	40,393,561
c) Long Term Loans and Advances	11	144,690	144,690
		<u>100,544,057</u>	<u>65,863,283</u>
2 Current Assets			
a) Current Investments	12	89,044,450	122,911,070
b) Inventories	13	47,379,492	70,494,398
c) Trade Receivables	14	57,817,493	56,355,882
d) Cash and Cash Equivalents	15	17,560,191	19,319,971
e) Short Term Loans and Advances	16	6,779,801	1,941,275
f) Other Current Assets	17	482,659	2,891,355
		<u>219,064,086</u>	<u>273,913,951</u>
	TOTAL	<u>319,608,143</u>	<u>339,777,234</u>
Significant Accounting Policies and notes are an integral part of the financial statements	1 to 33		

As per our report attached of even date

 For **Jayesh Dadia & Associates**
 Chartered Accountants
 Registration No.121142W

Nishit Dave
 Partner
 Membership No. - 120073

Place : Mumbai
Dated :- 23.05.2014
For and on behalf of the Board
Mahendra Kumar Kapoor Chairman

Arvind M. Kapoor Managing Director

Hemant D. Vakil Director

Dilip Shah Director

Atul R. Shah Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Note No.	For the Year Ended 31/03/14 ₹	For the Year Ended 31/03/13 ₹
INCOME			
I Revenue From Operations (net)	18	361,453,238	465,822,714
II Other Income	19	12,275,426	5,551,994
III Total Revenue (I + II)		373,728,664	471,374,708
IV EXPENSES			
Purchases of Stock-In-Trade	20	308,119,933	385,396,572
Changes In Inventories of Stock-In Trade	21	16,632,075	34,507,610
Employee Benefits Expense	22	5,037,492	4,802,450
Finance Costs	23	1,535,605	2,066,057
Depreciation and Amortization Expense	9	8,046,251	10,260,176
Other Expenses	24	11,632,627	10,934,582
	Total	351,003,983	447,967,447
V Profit Before Tax (III-IV)		22,724,681	23,407,261
VI Tax Expenses			
- Current Tax		8,000,000	6,800,000
- Prior Period Tax		-	179,576
- Deferred Tax		(3,449,935)	8,412,769
	Total	4,550,065	15,392,345
VII Profit for the Year (V-VI)		18,174,616	8,014,916
Earnings per Equity Share of face value of ₹ 10 each			
Basic and Diluted (in ₹)		1.54	0.68
Significant Accounting Policies and notes are an integral part of the financial statements	1 to 33		

As per our report attached of even date

For **Jayesh Dadia & Associates**
Chartered Accountants
Registration No.121142W

Nishit Dave
Partner
Membership No. - 120073

Place : Mumbai
Dated :- 23.05.2014
For and on behalf of the Board
Mahendra Kumar Kapoor Chairman

Arvind M. Kapoor Managing Director

Hemant D. Vakil Director

Dilip Shah Director

Atul R. Shah Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2014

Particulars	2013-14		2012-13	
	₹		₹	
A .Cash Flow From Operating Activities :				
Net Profit Before Taxes :		22,724,681		23,407,261
Adjusted For				
Depreciation	8,046,251		10,260,176	
Interest Expenses	1,535,605		2,066,057	
Dividend Received	(438,934)		(3,279,853)	
Diminution in Valuation of Investment	(2,340,039)		(1,558,656)	
(Profit) / Loss on Sale of Investment	(7,389,662)		104,798	
(Profit) / Loss on Sale of Fixed Asset	(170,104)		-	
Interest Received	(1,872,558)		(694,753)	
Unrealised Foreign Exchange (Gain) / Loss	(363,171)		291,000	
Stock of Stores and Spare Written off	62,986	29,29,626	-	71,88,769
Operating Profit Before Working Capital Changes		19,795,055		30,596,030
Adjustment For				
(Increase) / Decrease in Inventories	23,051,920		34,510,521	
(Increase) / Decrease in Trade Receivables / Advances	(3,891,441)		20,258,027	
Increase / (Decrease) in Trade Payables, Current & Non Current Liabilities and Provisions	(32,911,175)	(13,750,697)	(26,894,130)	27,874,418
Cash Generated From Operations		6,044,358		58,470,448
-Less :- Direct Tax Paid (Net)		(9,619,428)		(2,938,504)
Net Cash Generated From Operation		(3,575,070)		55,531,944
B. Cash Flow From Investing Activities :				
Purchase of Investments (Net)	(234,069,516)		(241,418,951)	
Sale / Redemption of Investments	234,708,918		180,792,612	
Interest Received	1,872,558		694,753	
Dividend Received	438,934		3,279,853	
Sale of Fixed Assets	400,000		-	
Net Cash (Used In) / From Investing Activities :		3,350,894		(56,651,733)
C. Cash Flow From Financing Activities :				
Interest Paid	(1,535,605)		(2,066,057)	
Net Cash (Used In) / From Financing Activities :		(1,535,605)		(2,066,057)
Net Increase in Cash and Cash Equivalents (A+B+C)		(1,759,780)		(3,185,846)
Cash And Cash Equivalents as at the beginning of the year		19,319,971		22,505,817
Cash and Cash Equivalents as at the end of the year		17,560,191		19,319,971
		(1,759,780)		(3,185,846)

As per our report attached of even date

 For **Jayesh Dadia & Associates**
 Chartered Accountants
 Registration No.121142W

Nishit Dave
 Partner
 Membership No. - 120073

Place : Mumbai
Dated :- 23.05.2014

For and on behalf of the Board

Mahendra Kumar Kapoor	Chairman
Arvind M. Kapoor	Managing Director
Hemant D. Vakil	Director
Dilip Shah	Director
Atul R. Shah	Chief Financial Officer

Notes on Financial Statements for the Year ended 31st March 2014

NOTE NO. 1

SIGNIFICANT ACCOUNTING POLICIES :

(I) Basis of accounting and preparation of financial statements:

The financial statements are prepared under historical cost convention, on accrual basis, in accordance, with the provisions of Companies Act, 1956 and the accounting principles generally accepted in India and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006. All Income and expenditure having material bearing on the financial statements are recognised on accrual basis.

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles (GAAP). requires management to make estimates and assumption that affects the reported amounts of assets and liabilities and disclosure of contingent liability on the date of financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is reorganised prospectively in current and future periods.

(II) Valuation of Inventories:

Inventories are valued at lower of weighted average basis cost or net realisable value. Provision is made for damaged, defective or obsolete stocks wherever necessary.

(III) Depreciation Accounting:

Depreciation on tangible assets is provided on straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

(IV) Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (a) Revenue from sale of goods is recognized when all the significant risk and rewards of ownership of the products are passed on to the customer, which is generally on dispatch of goods. The sale value is exclusive of excise duty, sales tax, trade discounts, sales returns and liquidated damages if any.
- (b) Revenue in respect of service is recognised when services are performed in accordance with the terms of contract with customers.
- (c) Dividend income is recognized on receipt basis.
- (d) Interest income is recognized on the time proportion basis, taking into account the amount outstanding and the rate applicable.

(V) Fixed Assets :

Tangible and intangible assets

Tangible assets (excluding leasehold land which is carried at cost) are stated at cost of acquisition or construction less accumulated depreciation. Cost includes the construction/purchase/acquisition cost and other directly the attributable cost to bring the assets to its present working condition. Direct costs are capitalised until fixed assets are ready to use.

(VI) Foreign Currency Transactions :

Transaction in foreign currency are recorded in rupees by applying the exchange rate on the date of transaction. The exchange differences arising on actual settlement of the transactions are recognized in the statement of Profit and Loss during the year.

Monetary assets and liabilities in foreign exchange, which are outstanding as at the year end, are translated at the closing rate and the resulting exchange differences are recognized in statement of profit and loss.

Derivative contracts are entered into by the company based on underlying transactions.

(VII) Accounting for Government Grants :

Governments grants are credited to capital Reserve

(VIII) Accounting of Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current Investments are valued at lower of cost or realisable value determined on individual basis. Long term investments are stated at cost less provision, if any, for decline, other than temporary in their value.

(IX) Employees' Benefits:**a) Short Term:**

Short term employee benefits are recognised as expenses at the undiscounted amount in the period during which the services have been rendered.

b) Long Term:**Defined Contribution Plan.**

Provident fund contribution for employees are made to the Fund administered by the regional provident fund Commissioner as per the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

Retirement Gratuity for employees, is funded through a scheme of Life Insurance Corporation of India. The excess/shortfall in the fair value of the plan assets and/or the present value of obligation calculated as per actuarial method as at balance sheet date is recognised as gain/ loss in the Statement of Profit and Loss.

Leave encashment liability is provided at the year ended on account of unavailed earned leave as per the actuarial valuation as per Projected Unit Credit Method.

(X) Borrowing costs :

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets till such time the asset is ready for its intended use or sale. A qualifying assets that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(XI) Segment Reporting :

Segment accounting and reporting which is done in accordance with the accounting policies of the Company and the guidelines prescribed by Accounting Standard -17

(XII) Leases :**Operating Lease**

Assets acquired under lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease.

(XIII) Earning per share :

The basic earnings per share is calculated by dividing the profit attributable to the shareholders for the year by the weighted average number of equity shares outstanding during the reporting period.

(XIV) Taxes on Income:

Tax expenses comprises of current tax and deferred tax (charge or credit). Current income tax is measured at the amount expected to be paid to the authorities in accordance with the Income -Tax Act, 1961.

Deferred tax expenses or benefits is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or subsequently amended at the balance sheet date.

(XV) Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date for indicators of impairment based on internal/ external factors. An impairment loss is recognised wherever the carrying amount of an assets exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present values, based on market rates of borrowing.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on the changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

(XVI) Provisions and contingencies :

Provisions are recognised when there is a present obligation as a result of a past event 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 based on technical evaluation and past experience. A Contingent Liability is disclosed when the company has a future or present obligation & where it is not probable that an outflow resources will be required to settle it. Contingent assets are neither recognised nor disclosed.

Notes on Financial Statements for the Year ended 31st March, 2014

2 SHARE CAPITAL

Particulars	As at 31/03/2014		As at 31/03/2013	
	Number of Shares	₹	Number of Shares	₹
a Authorised:				
Equity share of ₹ 10/- each	2,50,00,000	250,000,000	2,50,00,000	250,000,000
b Issued:				
Equity share of ₹ 10/- each	11,879,457	118,794,570	11,879,457	118,794,570
c Subscribed and fully paid up				
Equity share of ₹ 10/- each	11,839,857	118,398,570	11,839,857	118,398,570
d Subscribed and not fully paid up				
Equity share of ₹ 5/- each	39,600	198,000	39,600	198,000
e Per Value of Share		10		10
f Calls unpaid				
Others	39,600	198,000	39,600	198,000
g Forfeited Shares (Amount originally paid-up)	39,600	198,000	39,600	198,000

2.1 Reconciliation of number of Shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at 31/03/2014		As at 31/03/2013	
	Number of Shares	₹	Number of Shares	₹
Outstanding at beginning of the year	11,839,857	118,398,570	11,839,857	118,398,570
Add : Shares issued during the year	-	-	-	-
Outstanding at the end of the year	11,839,857	118,398,570	11,839,857	118,398,570

2.2 Rights, Preferences and restrictions attached to each class of shares:

Equity Shares: The company has one class of equity shares having a par value of ₹ 10/- per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The equity shares rank pari passu in all respect including rights to dividend, issue of new shares and voting rights.

2.3 The details of shareholders holding more than 5% Equity Shares in the Company

Name of Shareholders	As at 31/03/2014		As at 31/03/2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Rishiroop Holding Pvt Ltd	1,669,125	14.10	1,505,567	12.72
Rishiroop Polymers Pvt Ltd	2,945,741	24.88	2,945,741	24.88

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Notes on Financial Statements for the Year ended 31st March, 2014**3 RESERVE AND SURPLUS**

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Capital Reserve		
As per Last Balance sheet	156,065,498	156,065,498
Surplus in the Statement of Profit & Loss		
Balance as per Last Balance sheet	(33,494,841)	(41,509,757)
Add : Profit for the year	18,174,616	8,014,916
	(15,320,225)	(33,494,841)
Total	140,745,273	122,570,657
4 LONG TERM PROVISIONS		
Provision for employee benefits		
Gratuity	763,885	603,609
Leave Encashment	41,952	16,002
Others	22,536	22,537
Total	828,373	642,148
5 DEFERRED TAX LIABILITIES		
Deferred Tax Liabilities on account of:		
Difference between Net block as per books and Income Tax Act	2,410,548	4,728,661
(A)	2,410,548	4,728,661
Deferred Tax Assets on account of :		
Disallowance U/s 43(B)	469,688	632,924
Unabsorbed Depreciation & Carried forward Losses	1,295,057	-
(B)	1,764,745	632,924
Net Difference (A - B)	645,803	4,095,736
6 TRADE PAYABLES		
Due to Micro, Small and Medium Enterprises	-	-
Others	55,860,106	88,549,485
Total	55,860,106	88,549,485

6.1 Micro, Small & Medium Enterprises disclosure

The Company has compiled this information based on the current data in its possession as at March 31st, 2014, no supplier has intimated the Company about its status as Micro, Small and Medium enterprise or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006. There are no overdue payment to any small, medium enterprises, hence no interest is payable.

7 OTHER CURRENT LIABILITIES

Particulars	As at	As at
	31/03/2014	31/03/2013
	₹	₹
Advance from Customers	17,488	9,368
Duties and Taxes	766,108	1,420,318
Other Payables	194,656	291,571
Total	978,252	1,721,257
8 SHORT TERM PROVISIONS		
(a) Provisions for Employee Benefits		
Gratuity	202,776	149,744
Leave Encashment	439,030	415,634
Others	210,601	315,216
(b) Others		
Income Tax (Net)	1,101,359	2,720,787
Total	1,953,766	3,601,381

9 FIXED ASSETS

Sr. No.	Particulars	Gross Block			Depreciation			Net Block		
		Balance as at 01/04/2013	Additions/ (Disposals)	Balance as at 31/03/2014	Balance as at 01/04/2013	Charge for the year	On disposals	Balance as at 31/03/2014	Balance as at 31/03/2014	Balance as at 31/03/2013
		₹	₹	₹	₹	₹	₹	₹	₹	₹
	Tangible Assets									
1	Leasehold Land	5,053,235		5,053,235	-	-	-	-	5,053,235	5,053,235
2	Factory Building	26,102,253		26,102,253	16,268,451	871,815	-	17,140,266	8,961,986	9,833,802
3	Office Building	2,009,735		2,009,735	603,828	32,759	-	636,587	1,373,148	1,405,907
4	Machinery	174,916,500	(383,996)	174,532,504	167,206,619	6,641,113	383,996	173,463,736	1,068,768	7,709,881
5	Electrical Installation	9,667,549	(2,193,914)	7,473,635	8,577,299	443,220	1,964,018	7,056,501	417,134	1,090,250
6	Safety Equipments	155,233		155,233	139,886	7,374	-	147,258	7,975	15,347
7	Laboratory Equipments	544,256		544,256	486,143	25,853	-	511,996	32,260	58,114
8	Office Equipments	2,756,896		2,756,896	2,710,457	-	-	2,710,457	46,439	46,439
9	Furniture & Fixtures	542,895		542,895	515,749	-	-	515,749	27,146	27,146
10	Vehicle	275,649		275,649	190,738	24,118	-	214,856	60,793	84,911
	Total	222,024,201	(2,577,910)	219,446,291	196,699,171	8,046,251	2,348,014	202,397,406	17,048,885	25,325,032
	Previous Year Figures	222,024,201	-	222,024,201	186,438,993	10,260,176	-	196,699,169	25,325,032	-

Notes on Financial Statements for the Year ended 31st March, 2014

10 NON CURRENT INVESTMENTS

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Quoted		
Non traded (At Cost)		
1 In Bonds		
1 National Highway Authority of India Series-1 for period of 10 Years 2,472 Bonds (P.Y. 2472) of ₹ 1000 each Bond Market value ₹ 23,98,414/- (P.Y. ₹ 24,72,000/-)	2,472,000	2,472,000
2 Housing and Urban Development Corporation Ltd. TR1 SR2A Annual for period of 15 Years 10,000 Bonds (P.Y. Nil) of ₹ 1000 each Bond Market value ₹ 98,32,546/- (P.Y. Nil)	10,000,000	-
2 In Mutual Fund		
1 Axis Midcap Fund (Growth Plan) NIL (P.Y.2,00,803.213 Units of ₹ 12.45 each units) Market Value ₹ NIL (P.Y. ₹ 24,51,807/-) Cost Value ₹ NIL (P.Y. ₹ 25,00,000/-)	-	2,451,807
2 Birla Sunlife India GenNext Fund (Growth Plan) 1,56,887.355 Units of ₹ 31.87 each units (P.Y. 1,56,887.355 Units of ₹ 31.87 each units) Market Value ₹ 54,78,506/- (P.Y. ₹ 46,12,488/-) Cost Value ₹ 50,00,000/- (P.Y. ₹ 50,00,000/-)	5,000,000	4,612,488
3 Birla Sun Life Fixed Term Plan - Series IP - Growth Regular 4,10,000.00 Units of ₹ 10.00 each unit (P.Y. NIL) Market value ₹ 42,49,281/- (P.Y. Nil) Cost Value ₹ 41,00,000/- (P.Y. NIL)	4,100,000	-
4 Franklin India Smaller Companies Fund-Growth Plan 2,36,090.715 Units of ₹ 21.18 each (P.Y. NIL) Market Value ₹ 51,23,144/- (P.Y. NIL) Cost Value ₹ 50,00,000/- (P.Y. NIL)	5,000,000	-
5 HDFC Top 200 Fund (Dividend Plan) 55,717.669 Units of ₹ 44.41 each (P.Y.50,471.678 Units of ₹ 45.02 each) Market Value ₹ 22,87,600/- (P.Y. ₹ 18,94,404/-) Cost Value ₹ 24,74,282/- (P.Y. ₹ 22,72,395/-)	2,474,282	1,894,404
6 ICICI Prudential Banking and Financial Services Fund Retail (Growth Plan) 4,42,168.059 Units of ₹ 22.61 each (P.Y. 4,42,168.059 Units of ₹ 22.61 each) Market Value ₹ 1,05,98,768/- (P.Y. ₹ 91,08,662/-) Cost Value ₹ 1,00,00,000/- (P.Y. ₹ 1,00,00,000/-)	10,000,000	9,108,662
7 Kotak FMP Series 131 - Regular Growth Plan 5,00,000 Units of ₹ 10.00 each units (P.Y. Nil) Market Value ₹ 51,69,250/- (P.Y. NIL) Cost Value ₹ 50,00,000/- (P.Y. NIL)	5,000,000	-
8 Kotak FMP Series -151 Growth 500000.00 Units of ₹ 10.00 each (P.Y. Nil) Market Value ₹ 50,00,000/- (P.Y. Nil) Cost Value ₹ 50,00,000/- (P.Y. Nil)	5,000,000	-

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
9 Reliance Income Fund (Growth Plan) NIL (P.Y. ₹ 1,33,527.75 Units of ₹ 38.60 each) Market Value ₹ NIL- (P.Y. ₹ 51,54,385/-) Cost Value ₹ NIL (P.Y. ₹ 50,00,000/-)	-	5,000,000
10 SBI MSFU Pharma (Growth Plan) 44,964.029 Units of ₹ 55.60 each (P.Y. ₹ 44,964.029 Units of ₹ 55.60 each) Market Value ₹ 35,55,723/- (P.Y. ₹ 26,26,196/-) Cost Value ₹ 25,00,000/- (P.Y. ₹ 25,00,000/-)	2,500,000	2,500,000
11 SBI Magnum MIDCAP Fund - Growth Plan 1,47,231.6040 Units of ₹ 33.96 each (P.Y. NIL) Market Value ₹ 51,34,289/- (P.Y. NIL) Cost Value ₹ 50,00,000/- (P.Y. NIL)	5,000,000	-
12 SBI MSFU Emerging Business Fund (Growth Plan) NIL (P.Y. ₹ 1,22,907.955 Units of ₹ 52.89 each) Market Value ₹ NIL (P.Y. ₹ 66,07,028/-) Cost Value ₹ NIL- (P.Y. ₹ 65,00,000/-)	-	6,500,000
13 Templeton India Short Term Income Plan (Gowth Plan) 6299.191 Units of ₹ 2492.38 each (P.Y. Nil) Market value ₹ 1,61,81,155/- (P.Y.Nil) Cost Value ₹ 1,57,00,000/- (P.Y. Nil)	15,700,000	-
Total	72,246,282	34,539,361
Aggregate Cost Value of Quoted Investment	74,246,282	33,744,395
Aggregate Market Value of Quoted Investment	75,008,676	34,926,970
Unquoted		
Non Traded (At Cost)		
3 Equity		
Bharuch Enviro Infrastructure Ltd 420 Equity Shares of ₹ 10/- each fully paid up (P.Y. 420 Equity shares)	4,200	4,200
Bharuch Eco Aqua Infrastructure Ltd. 60,000 Equity Shares of ₹ 10 each fully paid up (P.Y. 60,000 Equity Shares)	600,000	600,000
4 Others		
IIFL Income Opportunities Fund (AIF) 10,38,202.20 Units of ₹ 10.12 each units (P.Y.5,13,202.200 Units of ₹10.23 each) Market Value ₹ 1,06,80,096/- (P.Y. ₹ 52,50,000/-) Cost Value ₹ 1,05,00,000/- (P.Y. ₹ 52,50,000/-)	10,500,000	5,250,000
Total	11,104,200	5,854,200
Total Non Current Investments	83,350,482	40,393,561
11 LONG TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Security Deposits	144,690	144,690
Total	144,690	144,690

Notes on Financial Statements for the Year ended 31st March, 2014**12 CURRENT INVESTMENTS**

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Quoted (Lower of Cost or Fair Value)		
Trade Investment		
1 In Mutual Fund		
1 Axis Liquid Fund (Growth Plan) 12996.591 Units of ₹ 1,408.96 each units (P.Y. Nil) Market Value ₹ 1,84,84,265.09 (P.Y. NIL) Cost Value ₹ 1,83,11,746/- (P.Y. NIL)	18,311,746	-
2 Birla Sunlife Income Plus Fund - (Growth Plan) 90,745.749 Units of ₹ 55.10 each (P.Y. 1,07,161.13 Units of ₹ 53.20 each) Market Value ₹ 49,03,020/- (P.Y. ₹ 57,00,683/-) Cost Value ₹ 50,00,000/- (P.Y. ₹ 54,84,667/-)	4,903,020	5,484,667
3 DWS Cash Opportunities Fund Regular (Growth Plan) 74,209.8820 Units of ₹ 16.04 each (P.Y. ₹ 3,07,063.4510 Units of ₹15.47 each) Market Value ₹ 12,65,545/- (P.Y. ₹ 47,95,134/-) Cost Value ₹ 11,89,985/- (P.Y. ₹47,51,764/-)	1,189,985	4,751,764
4 DWS Fixed Maturity Plan Series 53 (Regular Plan - Growth Plan) 2,50,000.00 units of ₹ 10.00 each (P.Y. NIL) Market Value ₹ 25,18,625/- (P.Y. NIL) Cost Value ₹ 25,00,000/- (P.Y. NIL)	2,500,000	-
5 DWS Ultra Short Term Fund - Institutional Growth Plan 2,75,645.2541 units of ₹ 15.10 each (P.Y. NIL) Market Value ₹ 38,17,140/- (P.Y. NIL) Cost Value ₹ 37,65,948/- (P.Y. NIL)	3,765,948	-
6 HDFC Equity Fund (Dividend Plan) NIL (P.Y.36,353.722 Units of ₹ 55.02 each Market value ₹NIL- (P.Y. ₹ 13,66,500/-) Cost Value ₹ NIL (P.Y. ₹ 20,00,000/-)	-	1,366,500
7 HDFC Balance Fund (Growth Plan) 37,368.376 Units of ₹ 58.34 each (P.Y.37,368.376 Units of ₹ 58.34 each) Market Value ₹ 27,69,258/- (P.Y. ₹ 22,66,130/-) Cost Value ₹ 21,80,034/- (P.Y. ₹ 21,80,034/-)	2,180,034	2,180,034
8 HDFC Floating Rate Income Fund Short Term (Dividend Plan) NIL (P.Y. ₹ 7,97,754.445 Units of ₹ 10.08 each) Market Value ₹ NIL (P.Y. ₹ 80,42,083/-) Cost Value ₹ NIL- (P.Y. ₹ 80,42,083/-)	-	8,042,083

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
9 HDFC High Interest Fund Short Term (Growth Plan) NIL (P.Y. 1,60,862.5910 Units of ₹ 21.78 each) Market Value ₹ NIL- (P.Y. ₹37,17,567/-) Cost Value ₹ NIL (P.Y. ₹ 35,00,000/-)	-	3,500,000
10 HDFC FMP 1175D Jan 14 (1) Series 29 - Regular Growth Plan 9,00,000.00 Units of ₹ 10.00 each (P.Y. NIL) Market Value ₹ 91,52,910/- (P.Y. NIL) Cost Value ₹ 90,00,000/- (P.Y. NILNIL)	9,000,000	-
11 HDFC STP (Dividend Plan) NIL (P.Y. 6,64,022.597 Units of ₹ 10.39 each) Market Value ₹ NIL (P.Y. ₹ 68,57,029/-) Cost Value ₹ NIL (P.Y. ₹ 68,96,622/-)	-	6,857,029
12 HDFC Prudence Fund (Dividend Plan) NIL (P.Y. 54,029.099 units of ₹ 25.88 each) Market Value ₹ NIL(P.Y. ₹ 12,81,894/-) Cost Value ₹ NIL (P.Y. ₹13,98,711/-)	-	1,281,894
13 IDFC Dynamic Bond Fund- Short Term Plan (Growth Plan) 7,12645.1060 Units of ₹ 14.45 each (P.Y. ₹ 3,75,519.155 Units of ₹ 13.31 each) Market Value ₹ 1,03,90,365/- (P.Y. ₹ 52,85,733/-) Cost Value ₹ 1,02,66,857/- (P.Y. ₹ 50,00,000/-)	10,266,857	5,000,000
14 IDFC Ultra Short Term Fund (Growth Plan) Nil (P.Y. ` 5,54,417.879 Units of ₹15.65 each) Market Value ₹ Nil (P.Y. ₹ 90,28,474/-) Cost Value ₹ Nil (P.Y. ₹ 86,74,063/-)	-	8,674,063
15 IDFC Premier Equity Fund Plan- A (Growth Plan) 74,019.245 Units of ₹ 27.02 Each (P.Y. 74,019.245 Units of ₹ 27.02 each) Market Value ₹ 34,96,358/- (P.Y ₹ 27,02,058/-) Cost Value ₹ 20,00,000/- (P.Y. ₹ 20,00,000/-)	2,000,000	2,000,000
16 JM Money Manager Fund- Super Plus (Growth Plan) NIL (P.Y. ₹ 4,14,688.783 Units of ₹ 15.67 each) Market Value ₹ NIL (P.Y. ₹ 68,90,179/-) Cost Value ₹ NIL(P.Y. ₹ 65,00,000/-)	-	6,500,000
17 JP Morgan India Active Bond Fund Inst. (Growth Plan) NIL (P.Y. ₹ 9,90,726.7972 Units of ₹ 10.09 each) Market Value ₹ NIL (P.Y. ₹ 1,05,17,754/-) Cost Value ₹ NIL(P.Y. ₹ 1,00,00,000/-)	-	10,000,000

Notes on Financial Statements for the Year ended 31st March, 2014

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
18 Kotak Gift Investment Regular (Growth Plan) NIL (P.Y. ₹1,84,270.971 Units of ₹ 38.13 each) Market Value ₹ NIL (P.Y.₹ 74,81,954/-) Cost Value ₹ NIL (P.Y. ₹ 70,00,000/-)	-	7,000,000
19 Morgan Stanley Active Bond Fund - Regular Growth Plan 1,94,052.6740 Units of ₹ 12.88 each (P.Y. NIL) Market Value ₹ 25,07,956/- (P.Y. NIL) Cost Value ₹ 25,00,000/- (P.Y. NIL)	2,500,000	-
20 Reliance Dynamic Bond Fund (Growth) 151072.92 Units of ₹ 16.55 each (P.Y. Nil) Market Value ₹ 24,82,475.54 (P.Y. Nil) Cost Value ₹ 25,00,000/- (P.Y. Nil)	2,482,475	-
21 Reliance Interval Fund - Retail Plan - Growth Option 1,52,270.9690 Units of ₹ 16.42 each (P.Y. Nil) Market Value ₹ 26,19,517.48/- (P.Y. NIL) Cost Value ₹ 25,00,000/- (P.Y. NIL)	2,500,000	-
22 Reliance Dynamic Fund Bond Fund (Growth Plan) 1,52,399.9950 Units of ₹ 16.40 each (P.Y. ₹ 6,92,022.808 of ₹ 15.32) Market Value ₹ 25,04,282/- (P.Y.₹ 1,08,60,606/-) Cost Value ₹ 25,00,000/- (P.Y. ₹ 1,05,00,000/-)	2,500,000	10,500,000
23 Reliance Dynamic Bond Fund (Dividend Plan) Nil (P.Y.5,11,296.149 Units of ₹ 10.05 each) Market Value ₹ Nil (P.Y. ₹ 52,92,580/-) Cost Value ₹ NIL (P.Y.₹ 51,38,629/-)	-	5,138,629
24 Reliance Dynamic Bond Fund (Growth Plan) 3,37,233.287 Units of ₹ 16.56 each (P.Y.NIL) Market Value ₹ 5544385/- (P.Y.NIL) Cost Value ₹ 55,84,786/- (P.Y. NIL)	5,544,385	-
25 Religare Short Term Plan - (Institutional Growth Plan) NIL(P.Y. ₹ 2,65,678.3430 Units of ₹ 15.06 each) Market Value ₹ NIL (P.Y.₹ 42,13,499/-) Cost Value ₹ NIL (P.Y. ₹ 40,00,000/-)	-	4,000,000
26 SBI Dynamic Bond Fund (Growth Plan) NIL (P.Y. ₹ 6,60,613.5353of ₹ 13.62 of eachs) Market Value ₹ NIL (P.Y.₹ 97,37,179/-) Cost Value ₹ NIL (P.Y. ₹ 90,00,000/-)	-	9,000,000

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
27 SBI Magnum Income Fund - Growth Plan 1,67,338.2510 Units of ₹ 29.88 each (P.Y. NILt) Market Value ₹ 50,06,325/- (P.Y. NIL) Cost Value ₹ 50,00,000/- (P.Y. NIL)	5,000,000	-
28 Templeton India Ultra Short Bond Super Institution Fund (Dividend Plan) 3,23,064.378 Units of ₹ 16.71 each (P.Y. 3,15,205.999 Units of ₹ 10.0172 each) Market Value ₹ 54,46,510/- (P.Y. ₹ 31,57,734/-) Cost Value ₹ 54,00,000/- (P.Y. ₹ 31,57,482/-)	5,400,000	3,157,482
29 Templeton India Short Term Income Plan (Growth Plan) 2,243.112 Units of ₹ 2229.05 each (P.Y. 2,243.112 Units of ₹ 2229.05 each) Market Value ₹ 57,62,183/- (P.Y. ₹ 52,81,262/-) Cost Value ₹ 50,00,000/- (P.Y. ₹ 50,00,000/-)	5,000,000	5,000,000
30 Templeton India Income Opportunities Fund (Growth Plan) 2,93,147.6730 Units of ₹ 13.65 each (P.Y. NIL) Market value ₹ 42,25,371/- (P.Y. NILIL) Cost Value ₹ 40,00,000/- (P.Y. NIL)	4,000,000	-
31 Templeton India Short Term Income Plan (Growth Plan) NIL (P.Y. ₹ 1,76,799.644 of ₹ 14.14 each) Market Value ₹ NIL- (P.Y. ₹ 26,42,713/-) Cost Value ₹ NIL (P.Y. ₹ 25,00,000/-)	-	2,500,000
TOTAL (A)	89,044,450	111,934,145
Aggregate Cost Value of Quoted Investment	89,199,355	110,724,055
Aggregate Market Value of Quoted Investment	92,896,491	117,118,745
2 Others		
In Bullion		
Nil (P.Y. 209.9605 K.g. of Silver)	-	10,976,925
TOTAL (B)	-	10,976,925
TOTAL (A+B)	89,044,450	122,911,070
13 INVENTORIES		
a) Stock-in trade	47,379,492	70,431,412
b) Stores and Spares	0	62,986
Total	47,379,492	70,494,398

Notes on Financial Statements for the Year ended 31st March, 2014**14 TRADE RECEIVABLES**

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Unsecured, Considered good		
14.1 Outstanding for a period exceeding six months from the date they are due for payment	11,210	29,864
14.2 Others	57,806,283	56,326,018
Total	57,817,493	56,355,882
15 CASH AND CASH EQUIVALENTS		
Cash on Hand	51,540	40,377
Balance with Banks :		
Current Account	15,216,496	15,910,950
Fixed Deposits - (With maturity less than 12 months) (As Margin Money against Letter of Credits)	1,215,338	2,375,055
Fixed Deposits - (with maturity more the 12 months) (As Margin Money against Bank Guarantee)	1,076,817	993,589
Total	17,560,191	19,319,971
16 SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Balance with Revenue Authority	876,975	1,248,438
Advance against investment in Mutual Fund	5,668,739	0
Prepaid Expenses	234,087	692,837
Total	6,779,801	1,941,275
17 OTHER CURRENT ASSETS		
Unsecured, Considered Good		
DEPB Licence Purchased	0	2,355,564
Interest Accrued but not due	466,281	127,320
Margin Money	0	386,434
Others	16,378	22,037
Total	482,659	2,891,355
18 REVENUE FROM OPERATION		
Sale of Products (Net)	361,453,238	465,822,714
Total	361,453,238	465,822,714
PARTICULARS OF PRODUCT SOLD		
Polymers	361,453,238	465,822,714
Total	361,453,238	465,822,714

19 OTHER INCOME

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Interest		
a) Fixed Deposit with Bank	173,404	245,808
b) Bonds	554,494	239,811
c) Others	1,144,660	209,134
Dividend	4,38,934	3,279,853
Gain on Sale of Investments	7,389,662	0
Reversal of Diminution in Value of Investments	2,340,039	1,558,656
Gain on Sale of Fixed Assets	170,104	0
Miscellaneous Income	64,129	18,732
Total	12,275,426	5,551,994
20 PURCHASE OF STOCK IN TRADE		
Polymers	308,119,933	385,396,572
Total	308,119,933	385,396,572
21 CHANGES IN INVENTORIES		
Closing Stock		
Stock in Trade	30,660,576	47,292,651
	30,660,576	47,292,651
Opening Stock		
Stock in Trade	47,292,651	81,800,261
	47,292,651	81,800,261
(Increase) / Decrease in Stock in Trade	Total	Total
	16,632,075	34,507,610
22 EMPLOYEE BENEFITS EXPENSES		
1. Salary, Wages, Allowances & Bonus	4,434,507	3,945,437
2. Contribution to Provident, Gratuity and Other Funds	521,612	736,474
3. Staff Welfare	81,373	120,539
Total	5,037,492	4,802,450

22.1 Employee Benefits

The Company has a defined benefit plan. Every employee who has completed five year or more of service gets a gratuity on departure at 15 days basic salary (last drawn) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Company has a defined unfunded obligation for leave encashment. Generally the leave encashment is paid to employees as and when claimed, as per company's Policy.

Notes on Financial Statements for the Year ended 31st March, 2014

As Per Accounting Standard 15 “Employees Benefits” The Disclosures as defined In the Accounting Standard are given below :

Particulars	2013-2014		2012-2013	
	₹		₹	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
The amounts Recognised in the Balance Sheet :				
Present value of funded obligations	Nil	2,400,471	Nil	1,210,912
Fair value of plan assets	Nil	1,433,810	Nil	1,210,912
Present value of unfunded obligations	480,981	966,661	431,636	753,353
Unrecognised past service cost	Nil	Nil	Nil	Nil
Net Liability	480,981	966,661	431,636	753,353
Amounts in the Balance Sheet				
Liabilities	480,981	2,400,471	431,636	1,964,265
Assets	Nil	1,433,810	Nil	1,210,912
Net Liability	480,981	966,661	431,636	753,353
Amounts Recognised in the statement of Profit & Loss :				
Current service cost	67,990	113,135	62,481	97,879
Interest on obligation	32,899	153,213	27,129	126,425
Expected return on plan assets	Nil	-116,420	Nil	-101,946
Net actuarial losses / gains recognised in the year	-31,844	172,215	24,483	228,898
Past service cost	Nil	Nil	Nil	Nil
Losses / (gains) on curtailments and settlement	Nil	Nil	Nil	Nil
Adjustment to the opening fund	Nil	-108,835	Nil	104,301
Total (Included in employee benefit expenses)	69,046	213,308	114,093	455,557
Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof :				
Opening defined obligation as on 01/04/2013	431,636	1,964,265	360,676	1,648,393
Service cost for the year	67,990	113,135	62,481	97,879
Interest cost	32,899	153,213	27,129	126,425
Actuarial losses / gains	-31,844	169,858	24,483	227,722
Losses / gains on curtailments	Nil	Nil	Nil	Nil
Benefits paid	-19,700	0	-43,133	-136,154
Closing defined benefit obligation as on 31/03/2014	480,981	2,400,471	431,636	1,964,265
Changes in the fair value of plan assets representing reconciliation of the Opening and closing balances thereof:				
Opening fair value of plan assets	Nil	1,210,912	Nil	1,259,627
Adjustment to the opening fund	Nil	56,452	Nil	-104,301
Expected return	Nil	116,420	Nil	101,946
Actuarial gains or (losses)	Nil	-2,357	Nil	-1,176
Assets distributed on settlements	Nil	Nil	Nil	Nil
Contribution by employer	Nil	52,383	Nil	90,970
Benefits paid	Nil	0	Nil	-136,154
Closing balance of Fund	Nil	1,433,810	Nil	1,210,912

Particulars	2013-2014		2012-2013	
	₹		₹	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
The Major categories of plan assets as a percentage of total plan assets are as follows:				
Government of India Securities	0	0	0	0
High Quality Corporate Bonds	0	0	0	0
Equity shares of Listed Companies	0	0	0	0
Property	0	0	0	0
Policy of Insurance	0	100%	0	100%
Principal actuarial assumptions at the Balance Sheet date (Expressed as weighted averages) :				
Discount rate (p.a.)	8.70%	8.70%	7.80%	7.80%
Expected return on plan assets (p.a)	0	9.00%	0	9.00%
Proportion of employee opting early retirement	0	0	0	0
Annual increase in salary costs	6.00%	6.00%	6.00%	6.00%
Amount for the current and previous four periods :				
Defined benefit obligation	48,0981	2,400,471	431,636	1,964,265
Plan assets	0	1,433,810	0	1,210,912
Surplus / (Deficit)	-480,981	-966,661	-431,636	-753,353
Bifurcation of Liabilities				
Current Liability	439,030	202,776	415,634	149,744
Non - Current Liability	41,951	763,885	16,002	603,609
Transitional Liability :				
Transitional Liability as on the date of adoption of Revised Accounting Standard as on 01/04/2009				
Defined Benefit Obligation (as per revised Standards on 01-04-2009)	Nil	Nil	Nil	Nil
Less: Fair Value of Plan Assets	Nil	Nil	Nil	Nil
Less: Any unrecognised Past service cost	Nil		Nil	
Gross: Transitional Liability	Nil	Nil	Nil	Nil
Less: Amount already provided in the books of Accounts	Nil	Nil	Nil	Nil
Net Transitional Liability / Assets	Nil	Nil	Nil	Nil

23 FINANCE COST

Particulars	2013-14	2012-13
	₹	₹
Bank Charges	1,535,605	2,066,057
Total	1,535,605	2,066,057

Notes on Financial Statements for the Year ended 31st March, 2014**24 OTHER EXPENSES**

Particulars	2013-14 ₹	2012-13 ₹
Power, Water and Fuel	77,510	76,330
Insurance	237,713	415,672
Rate & Taxes	1,640,579	727,214
Security Charges	1,337,121	1,276,345
Rent Charges	353,800	201,218
Export Expenses	1,706,891	1,825,765
Legal & Professional Charges	347,701	622,314
Payment to Auditor	228,091	256,982
Loss on Foreign Currency Transactions (Net)	2,602,794	1,580,960
Director Sitting Fees	250,000	195,000
Loss on Sale of Investments	0	104,798
Bad debts	0	765,769
Stock of Stores and Spares Written Off	62,986	0
Miscellaneous Expenses	2,787,441	2,886,215
Total	11,632,627	10,934,582
24.1 Payment to Auditors As :		
Audit Fees	100,000	90,000
Tax Audit Fees	50,000	50,000
Other Services	53,000	84,000
Reimbursement of out off pocket expenses	0	5,296
Service Tax	25,091	27,686
Total	228,091	256,982
25 CIF VALUE OF IMPORTS		
Stock in Trade	256,071,114	335,195,227
26 EARNING IN FOREIGN CURRENCY :		
F O B Value of Export of Goods	22,522,036	33,967,201
26.1 Expenditure in Foreign currency :		
Travelling	-	51,288
27 EARNING PER SHARE		
Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
The basic earning per share ("EPS") is calculated by dividing the Profit after Tax by the number of Equity Shares outstanding at the balance sheet date.		
Profit after Tax as per Statement of Profit & Loss (A)	18,174,616	8,014,916
No. of Equity Shares (B)	11,839,857	11,839,857
Basic and Diluted Earning Per Share (A/B)	1.54	0.68
Nominal Value per Share	10.00	10.00

28 DETAILS OF RELATED PARTY TRANSACTIONS :

Disclosure as required by Accounting Standard (AS) -18 'Related Party Disclosures'

1 (a) Key Management Personnel :

1. Mahendra Kumar Kapoor (Chairman)
2. Arvind .M. Kapoor (Managing Director)

(b) Enterprises under significant influence of key management personnel :

1. Puneet Resins Limited
2. Rishiroop Polymers Pvt. Limited
3. Rishichem Distributors Pvt. Limited
4. Rishiroop Holding Pvt. Limited
5. Rishichem Mideast Limited
6. Rishi Foods Private Limited
7. Devi Organics Private Limited
8. Rishiroop Investments and Trading Company Private Limited
9. Others - Puneet Polymers (Partnership Firm)

2 Transactions

Particulars	2013-14 (₹)		2012-13 (₹)	
	Referred in 1 (a) above (i)	Referred in 1 (b) above (ii)	Referred in 1 (a) above (i)	Referred in 1 (b) above (ii)
1) Managerial Remuneration to Managing Director	4,016,219		3,677,549	
2) DEBP Licence Sold				
Rishiroop Polymers Pvt. Ltd.		217,021		18,613
3) Sale of Goods				
Puneet Resins Limited		2,824,913		9,314,261
Rishichem Mideast Ltd		1,892,715		3,205,057
4) Sale of Assets				
Puneet Polymers		50,000		0
Rishiroop Polymers Pvt. Ltd.		350,000		0
5) Closing Balance		0		0

29 SEGMENT INFORMATION

The Company is engaged in the one business segment i.e. Polymers and it is primary segment.

Notes on Financial Statements for the Year ended 31st March, 2014**30 DERIVATIVE INSTRUMENTS**

30.1 The Company enters into forward contracts to offset foreign currency risk arising from the amounts denominated in currencies other than the Indian Rupee. The counter party of such forward contracts is a bank.

Particulars	Exposure to buy / sell	As at 31/03/2014		As at 31/03/2013	
		₹	Foreign Currency (US Dollars)	₹	Foreign Currency (US Dollars)
Forward Contract	Buy	26,682,758	427,409	18,012,076	324,895.20

30.2 **Foreign currency exposure at the year end not hedged by derivative instruments.**

Particulars	As at 31/03/2014		As at 31/03/2013	
	₹	Foreign Currency (US Dollars)	₹	Foreign Currency (US Dollars)
Payable against import of goods	12,121,912	189,846	46,333,872	847,868
Receivable against export of goods	-	-	-	-

31 CONTINGENT LIABILITIES (NOT PROVIDED FOR) IN RESPECT OF :-

- (a) Outstanding Bank Guarantees ₹ 10,00,000/- (Previous Year ₹ 10,00,000/-)
- (b) During the year company has received demand of ₹ 1,47,460/- under section 156 of the Income Tax Act for Assessment Year 2011-12. However Company has filed appeal before Appellate authorities , hence no provision is made in the accounts.

32 Provision for taxation has been recognised with reference to the taxable profit for the year ended 31.03.2014 in accordance with the provision of the Income Tax Act, 1961.

33 Previous year figures have been re-grouped, re-cast and re-arranged wherever necessary to make them comparable with the current year figures.

As per our report attached of even date

For **Jayesh Dadia & Associates**

Chartered Accountants
Registration No.121142W

Nishit Dave

Partner
Membership No. - 120073

Place : Mumbai

Dated : 23.05.2014

For and on behalf of the Board

Mahendra Kumar Kapoor	Chairman
Arvind M. Kapoor	Managing Director
Hemant D. Vakil	Director
Dilip Shah	Director
Atul R. Shah	Chief Financial Officer



RISHIROOP RUBBER (INTERNATIONAL) LIMITED

CIN : L25191GJ1990PLC017657

Regd. Office : Plot No. 5807/08, GIDC Industrial Area, Ankleshwar, Gujrat – 393 002

Head Office : 65, Atlanta, Nariman Point, Mumbai – 400 021, Website : www.rishiroop.in, Email : investor@rishiroop.com

ATTENDANCE SLIP

(To be presented at the entrance)

24TH ANNUAL GENERAL MEETING ON FRIDAY, AUGUST 08, 2014 AT 12.00 NOON

at Hotel Shalimar, Near GIDC Reservoir, Valia Road, Ankleshwar, Gujarat 393002

Folio No. _____ DP ID No. _____ Client ID No. _____ No. of Shares _____

Name of the Member _____ Signature _____

Name of the Proxyholder _____ Signature _____

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

RISHIROOP RUBBER (INTERNATIONAL) LIMITED

CIN : L25191GJ1990PLC017657

Regd. Office : Plot No. 5807/08, GIDC Industrial Area, Ankleshwar, Gujrat – 393 002

Head Office : 65, Atlanta, Nariman Point, Mumbai – 400 021, Website : www.rishiroop.in, Email : investor@rishiroop.com

FORM NO. MGT-11 - PROXY FORM

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

Name of the Member(s) :

Registered Address :

E-mail Id :

Folio No./Client ID No. :

I / We, being the member(s) of Shares of Rishiroop Rubber (International) Limited, hereby appoint

1. Name : E-mail Id :

Address :

Signature :

or failing him/her

2. Name : E-mail Id :

Address :

Signature :

or failing him/her

3. Name : E-mail Id :

Address :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company to be held on Friday 8th August, 2014 at 12 noon at Hotel Shalimar, Near GIDC Reservoir, Valia Road, Ankleshwar, Gujrat – 393002 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Directors' Report, Audited financial statements for the year ended 31st March, 2014 and the Auditors' Report thereon.
2. Reappointment of Shri. Mahendra Kumar Kapoor who retires by rotation.
3. Reappointment of Statutory Auditors of the company and fixing their remuneration.
4. Appointment of Shri. H. D. Vakil as an Independent Director.
5. Appointment of Shri. D.P. Shah as an Independent Director.

Please Affix Re. 1 Revenue Stamp.

Signed this _____ day of _____ 2014.

Signature of Shareholder _____ Signature of Proxyholder(s) _____

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

