39TH ANNUAL REPORT

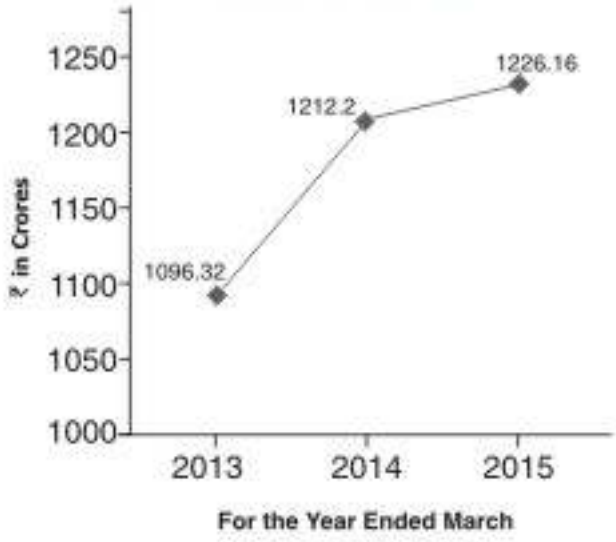
2014-15



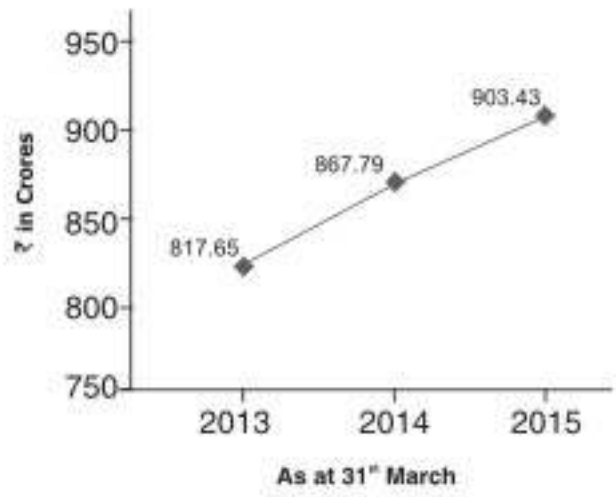
BANSWARA

BANSWARA SYNTEX LIMITED

Total Income



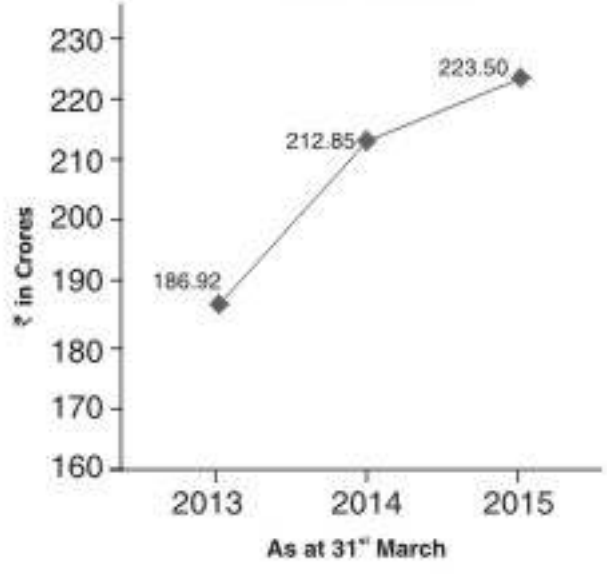
Gross Fixed Assets



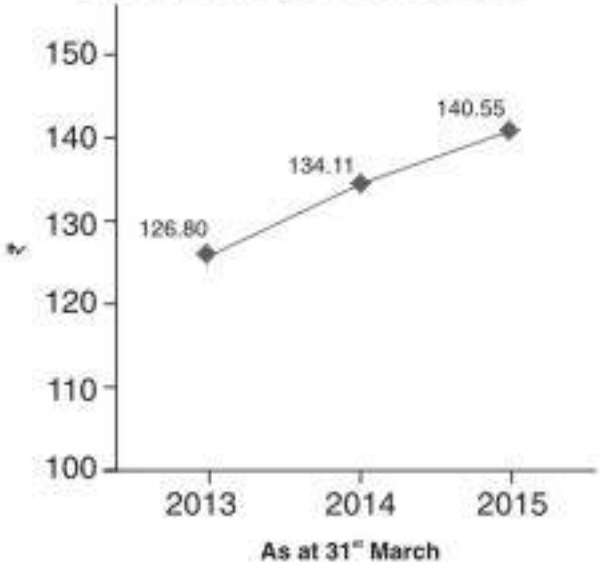
KEY HIGHLIGHTS OF 2014-15

- **Total Income increased by 2.20%**
- **Earning Per Share ₹ 5.06**
- **Book Value Per Share ₹ 140.55 per Share**
- **Net Worth ₹ 223.50 Cr.**
- **Net Worth and DTL ₹ 265 Cr.**
- **Dividend 10%**

Net Worth



Book Value Per Share



COMPANY INFORMATION

BOARD OF DIRECTORS

Shri R.L.Toshniwal, Chairman
Shri Ravindra Kumar Toshniwal, Managing Director
Shri Rakesh Mehra,Vice Chairman
Shri Shaleen Toshniwal, Jt. Managing Director
Shri P. Kumar
Shri D.P.Garg
Dr. S.B. Agarwal
Shri Vijay Kumar Agarwal
Shri P.K. Bhandari
Shri Kamal Kishore Kacholia
Shri A.N. Jariwala
Shri Vijay Mehta
Dr. Vaijayanti Pandit (w.e.f. 12.11.2014)

EXECUTIVES

Shri S.S. Sajal, President
Shri J.K. Rathi, President (Commercial)
Shri J.K. Jain, CFO & Company Secretary
Smt. Kavita Soni, Sr. Vice President (HR & CSR)
Shri B.C. Kaushik, Sr. Vice President (Technical)
Shri S.S. Kella, Vice President (Audit & Taxation)
Shri S.R. Jain, Vice President (Engineering)
Shri Ashok Mishra, Vice President (Technical Worsted)
Shri Nailesh G. Joshi, Vice President (Operation)
Shri Prashant Joshi, Vice President (Processing)
Shri D.K. Menariya, Vice President (Personnal)
Shri S.L. Agarwal, Vice President (Finance & Accounts)
Shri Basant Kala, Vice President (Finance & Accounts)
Shri Arun Kumar Pareek, Vice President (Technical)
Shri Rahul Bhadauria, Vice President (Operation)
Shri Neeraj Mishra, Vice President (Sales & Marketing)
Shri H Maharana, Vice President (Weaving)
Shri S.K. Dhar, Vice President (Fabric Marketing)

AUDITORS

M/s Kalani & Company, Chartered Accountants
5th Floor, Mile Stone Building
Tonk Road
JAIPUR –302 015 (Raj.)

BANKERS

Punjab National Bank
Union Bank of India
Bank of Baroda
Bank of India

REGISTRAR & SHARE TRANSFER AGENT

Computech Sharecap Ltd.
147, Mahatma Gandhi Road,
Fort,
MUMBAI-400 001
Email:helpdesk@computechsharecap.in
Website:www.computechsharecap.in
Phone No. (022)-22635000, 22635001
Fax: (022)-22635005

OFFICES

REGISTERED OFFICE

Industrial Area, Dahod Road
BANSWARA-327 001 (Raj.)
CIN:L24302RJ1976PLC001684
Email : secbsw@banswarafabrics.com
website : www.banswarasyntex.com
Phone No. (02962) 257676, 257679-681
257195-197, 240690
Fax No. (02962) 240692

HEAD/MARKETING OFFICE

4th/5th Floor, Gopal Bhawan
199, Princess Street
MUMBAI-400 002

DELHI OFFICE

Room No. 201-202,
ARA Center
Jhandewalan Extn.
NEW DELHI - 110 055

JAIPUR OFFICE

Ankur Apartments,
S-6, Jyoti Nagar Extension
JAIPUR - 302 005 (Raj.)

PLANTS

Banswara Unit
(Spinning, Weaving & Finishing)
Industrial Area, Dahod Road
BANSWARA - 327 001 (Raj.)

Daman Unit (Garment)

1. 98/3,Village Kadaiya
   Nani Daman
   DAMAN - 396 210 (U.T.)

2. Survey No. 713/1 ,713/2 ,713/3 ,725/2 & 725/1, Village Dabhel , Nani Daman,
   DAMAN - 396 210 (U.T.)

3. Survey No. 722/9
   Village Dabhel, Nani Daman
   DAMAN - 396 210 (U.T.)

4. Plot No.85/3, 85/4 & 86/2
   Vill: Kadaiya, Daman Industrial Area,
   Nani Daman, DAMAN - 396 210

Surat Unit (Garment)
Plot No. 5-6, G.I.D.C., Apparel Park
SEZ Sachin
SURAT- 394 230 (Gujarat)

QUALITY POLICY

WE, BANSWARA SYNTEX LIMITED ,WISH TO BE WORLD CLASS IN THE MANUFACTURE OF YARN & FABRIC. OUR ENDEAVOR IS TO ANTICIPATE & EXCEED CUSTOMER SATISFACTION BY UNDERSTANDING CUSTOMER'S NEED AND EXPECTATION AND THUS, ENSURING QUALITY AND TIMELY DELIVERY BY:-

- BEING IN CLOSE CONTACT WITH CUSTOMERS AND GETTING THEIR FEED BACK.
- CONTINUOUS INNOVATION IN PRODUCT DEVELOPMENT.
- CONTINUAL IMPROVEMENT IN QMS & QUALITY THROUGH H.R.D., UPGRADATION OF PLANT & MACHINERY AND IMPROVEMENT IN METHODS OF WORK.
- PARTICIPATION OF MANAGEMENT AND ALL EMPLOYEES AS ONE TEAM.

NOTICE

NOTICE is hereby given that 39th Annual General Meeting of the shareholders of Banswara Syntex Limited, will be held on Saturday, the day of 12th September, 2015 at 3.30 p.m. at its Registered Office at Industrial Area, Dahod Road, Banswara (Raj.) to transact the following business:

ORDINARY BUSINESS

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

2 To declare dividend on Preference Shares for the year 2014-15 (for period up to 12th May, 2014, since the Preference Shares were redeemed on 13th May, 2014).

3 To declare dividend on Equity Shares for the year 2014-15.

4 To appoint a Director in place of Shri Rakesh Mehra (holding DIN :00467321) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

5. To ratify the Appointment of Kalani & Company, Jaipur, as Statutory Auditors of the Company, and to authorize Board to fix their remuneration.

   To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Audit and Auditors)Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force),consent of the Company be and is hereby accorded ratifying the appointment (for the financial year 2015-16) of M/s Kalani & Company, Chartered Accountants (Firm Registration No. 000722C) as Statutory Auditors of the Company pursuant to the resolution passed by the shareholders in the 38th Annual General Meeting of the Company held on 22.9.2014 on such remuneration as may be agreed upon by the Board of Directors and auditors, and that such remuneration may be paid on a progressive billing basis to be agreed upon between the auditors and the Board of Directors."

SPECIAL BUSINESS

6. **Ratification of Remuneration to the Cost Auditors**

   To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all others applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force),the payment of the remuneration of ₹2,00,000/- (Rupees Two Lacs only) plus applicable Service Tax and reimbursement of out of pocket expenses at actual to M/s. K.G. Goyal & Company, Cost Accountants (Firm Registration No.000017) who were appointed by the Board of Directors of the Company, as "Cost Auditors" to conduct the audit of the cost records maintained by the Company for Financial Year ending March 31, 2016, be and is hereby ratified and approved.

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

7. **Acceptance of Deposits from Members and / or Public Under Sections 73 and 76 of the Companies Act, 2013.**

   To consider and if thought fit, to pass, the following Resolution as a Special Resolution:-

   "**RESOLVED THAT** pursuant to the provisions of Sections 73, 76 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such conditions, approvals, permissions, as may be necessary, consent of the members of the Company be and is hereby accorded to invite/accept renew/receive money by way of unsecured/ secured deposits, or in any other form, from public and/or members of the Company, in any form or manner, through circular, advertisement or through any other permissible mode, up to permissible limits prescribed under applicable provisions of law and on such terms and conditions as the Board of Directors of the Company, in its sole discretion, deem fit and necessary.

   "**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors and /or any Committee there of be and is hereby authorized to do all such acts, deeds, things and matters as the Board of Directors and/ or any Committee thereof may, in its absolute discretion, consent, necessary, proper, expedient, desirable or appropriate for such invitation /acceptance/ renewal/receipt as aforesaid."

8. **Related Party Transactions / Contract with Banswara Global Limited under Section 188 (1)(a) and 188(1)(d) of the Companies Act, 2013.**

   To consider and if thought fit, to pass, the following Resolution as a Special Resolution:-

   "**RESOLVED THAT** pursuant to the provisions of Section 188 (1)(a) and (d), and other applicable provisions (if any) of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers), Rules 2014(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and provisions of Articles of Association, subject to compliances of all applicable laws and regulations, the consent of members of the company be and is hereby accorded to the Board of Directors (hereinafter called "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) for execution of a contract with M/s. Banswara Global Limited in which Shri R.L. Toshniwal and Shri Ravindra Kumar Toshniwal, Directors of the Company are interested, to sell, purchase or supply of any goods or materials and to avail or render any service of any nature whatsoever, as the Board in its discretion deem proper, up to an amount not exceeding an aggregate of ₹ 25,00,00,000/- (Rupees Twenty Five Crores Only) as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for

the purposes of identification and in such form and manner as it may deem fit."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to execute the agreement with M/s. Banswara Global Limited and perform all such acts, deeds and to sign all such documents and writings as may be necessary, expedient and incidental thereto including all the negotiations and settlements, to give effect to this resolution and for matter connected therewith or incidental thereto in the best interest of the Company."

9. **Related Party Transactions / Contract with Treves Banswara Private Limited under Section 188 (1)(a) and (d) of the Companies Act,2013.**

To consider and if thought fit, to pass, the following Resolution as a special Resolution:-

"**RESOLVED THAT** pursuant to the provisions of Section 188 (1)(a) and (d), and other applicable provisions (if any) of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers), Rules 2014(including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of Articles of Association, subject to compliances of all applicable laws and regulations, consent of members of the company be and is hereby accorded to the Board of Directors (hereinafter called "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) for execution of a contract with M/s. Treves Banswara Private Limited in which Shri Rakesh Mehra and Shri Ravindra Kumar Toshniwal, Directors of the Company are interested, to sell, purchase or supply of any goods or materials and to avail or render any service of any nature whatsoever, as the Board in its discretion deem proper, up to an amount not exceeding an aggregate of ₹25,00,00,000/- (Rupees Twenty Five Crores Only) as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for the purposes of identification and in such form and manner as it may deem fit."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to execute the agreement with M/s. Treves Banswara Private Limited and perform all such acts, deeds and to sign all such documents and writings as may be necessary, expedient and incidental thereto including all the negotiations and settlements, to give effect to this resolution and for matter connected therewith or incidental thereto in the best interest of the Company."

10. **Related Party Transactions / Contract with Banswara Fabrics Limited Under Section 188 (1) (a) and (d) of the Companies Act, 2013.**

To consider and if thought fit, to pass, the following Resolution as a special Resolution:-

"**RESOLVED THAT** pursuant to the provisions of Section 188 (1)(a) and (d), and other applicable provisions (if any) of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers), Rules 2014(including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of Articles of Association, subject to compliances of all applicable laws and regulations, consent of members of the company be and is hereby accorded to the Board of Directors (hereinafter called "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) be and is hereby accorded for execution of a contract with M/s. Banswara Fabrics Limited in which Shri R.L. Toshniwal and Shri Rakesh Mehra, Directors of the Company are interested, to sell, purchase or supply of any goods or materials and to avail or render any service of any nature whatsoever, as the Board in its discretion deem proper, upto an amount not exceeding an aggregate of ₹50,00,00,000/- (Rupees Fifty Crores Only) as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for the purposes of identification and in such form and manner as it may deem fit."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to execute the agreement with M/s. Banswara Fabrics Limited and perform all such acts, deeds and to sign all such documents and writings as may be necessary, expedient and incidental thereto including all the negotiations and settlements, to give effect to this resolution and for matter connected therewith or incidental thereto in the best interest of the Company."

11. **Appointment of Dr. Vaijayanti Pandit (DIN: 06742237) as an Independent Director**

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions (if any) of the Companies Act, 2013 and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement, Dr. Vaijayanti Pandit (DIN:06742237), a non-executive Director who was appointed as an Additional Director on 12.11.2014 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years w.e.f. the date of Annual General Meeting not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, things as may be necessary, expedient and desirable in this regard."

Registered Office
Industrial Area, Dahod Road
BANSWARA-327001 (Raj.)

By order of the Board

Place : Mumbai
Date : 27th May, 2015

J.K. JAIN
CFO & COMPANY SECRETARY

NOTES:

1. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the ensuing Annual General Meeting is appended hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the Proxy, in order to be effective, should be duly stamped, filled, signed and must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. Computech Sharecap Limited, 147, Mahatma Gandhi Road, Fort, Mumbai - 400001 is the Registrar and Share Transfer Agent (RTA) for physical shares and is also the depository interface of the Company with both CDSL and NSDL.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 5th September, 2015 to 12th September, 2015 (both days inclusive) in connection with the payment of dividend for the financial year 2014-15.
5. Shareholders are requested to immediately notify, to the Company, any change in their address.
6. Keeping in view, the relaxation of Ministry of Corporate Affairs (MCA), Government of India, the Company may send various notices/documents to its members, through electronic mode, to the registered e-mail addresses of the shareholders. In view of this, the shareholders are requested to provide their e-mail IDs to the Company duly mentioning their Folio No., Name and number of shares held as on date. This can also be sent by electronic mode to the Company at following e-mail IDs of the Company and/or its RTA.
   a) secbsw@banswarafabrics.com
   b) helpdesk@computechsharecap.in
7. The shareholders, who have not converted their shares into demat form, are requested to do so, in their own interest.
8. Payment of dividend, upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made on or after 16th September, 2015 as under:-
   a) To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data as may be made available to the Company by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the end of the day on 4th September, 2015.
   b) To all those shareholders holding shares in physical form, after giving effect to all the valid share transfers lodged with the Company, before the closing hours on 4th September, 2015.
9. Members holding shares in physical form are advised to furnish, on or before 14th August, 2015, particulars of their bank account, if changed, to the Company to incorporate the same in the dividend warrants.

   In case of payments to the shareholders holding shares in dematerialized form, particulars of bank account registered with their depository participants will be considered by the Company to incorporate the same in the dividend warrants.
10. The Company has declared dividends for the years 2007-08 to 2013-14. It has also declared interim dividends for the years 2009-10 and 2010-11. The shareholders who have, so far, not encashed the dividend warrants, are hereby informed to encash their dividend warrants by surrendering the same, in original, to the Company and getting demand drafts issued in lieu thereof/get the same credited in their account by NEFT. As per the provisions of the Companies Act, 1956 or 2013, the unpaid dividend after the expiry of seven years from the date of declaration will be transferred to Investors' Education and Protection Fund. Unpaid dividend for the year 2007-08 can be encashed till 17.9.2015, thereafter the same will be transferred to the above fund. Please, therefore, encash the unclaimed dividend before its transferred to above fund.
11. The Company is providing facility of Electronic Clearing Services (ECS) for payment of dividend to shareholders residing in selected cities. Shareholders holding shares in physical form are requested to provide details of their bank accounts for availing ECS facility in the form being forwarded with the Annual Report. However, if the shares are held in dematerialized form, the ECS mandate has to be communicated to the respective Depository Participant (DP). Changes, if any, in the details furnished earlier may also be communicated to the Company or DP, as the case may be.
12. The documents referred to in the proposed resolutions are available for inspection at the registered office of the Company during working hours between 10.00 A.M. and 1.00 P.M. except on holidays.
13. Queries, if any, on accounts and operations may please be sent to the Company 7 days in advance of the Annual General Meeting so that the answers can be made available at the meeting.
14. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting's venue.
15. Members holding shares in physical form can avail the nomination facility by filing Form 2B (in duplicate) with the Company's Registrar and Share Transfer Agents which will be made available on request ; incase of shares held in dematerialized form, the nomination has to be lodged with their DP. Members holding shares in dematerialized form may contact their DP for recording nomination in respect of their equity shares.
16. As required under Clause 49 (VIII) E of the Listing Agreements with the Stock Exchanges, the relevant details

of Director retiring by rotation and seeking re-appointment at the ensuing AGM and also other Director seeking reappointment are furnished in the Corporate Governance section of the Annual Report.

17. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

18. A copy of Statement of Profit & Loss for the year ended 31st March, 2015 and Balance Sheet as on that date together with the Directors' and Auditor's Report thereon are enclosed herewith.

19. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on 5th September, 2015.

20. CS Manoj Maheshwari, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting and poll process to be carried out at the AGM in a fair and transparent manner.

21. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company, www.banswarasyntex.com and on the website of CDSL, www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

22. In compliance with provisions of the Companies Act, 2013, the Company is also offering remote e-voting facility to the Members to enable them to cast their votes electronically. Please note that remote e-voting is optional and not mandatory. Remote E-voting facility would remain open only from 8th September, 2015 to 11th September, 2015 (both days inclusive).

23. Members are requested to bring their copies of the Annual Report to the meeting.

24. E-voting Facility.

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 39th Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting Services provided by Central Depository Services Limited (CDSL).

If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.

The instructions for shareholders voting electronically are as under:

i) The voting period begins at 10 A.M. on 8th September, 2015 and ends at 5 P.M. on 11th September, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 5th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii) The shareholders should log on to the e-voting website www.evotingindia.com.

iv) Click on Shareholders.

v) Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

vi) Next enter the Image Verification as displayed and Click on Login.

vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the code NPBSL alongwith the 5 digits of the sequence number mentioned on the address label.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for Banswara Syntex Limited on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Non Individual Shareholders and Custodians Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

a) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.

b) The voting period begins on 10 A.M. on 8th September, 2015 and ends on 5 P.M. on 11th September, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 5th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

25. The Company has designated two exclusive email IDs viz secbsw@banswarafabrics.com and helpdesk@computechsharecap.in to enable investors to register their complaints/queries, if any.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s K.G. Goyal & Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2016.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice.

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

ITEM NO. 7

The Company is accepting fixed deposits as per newly enacted Act, 2013. In order to continue to accept and renew the fixed deposits from the members of the Company, consent of the members is required.

The Board of Directors of your Company has approved this item in the Board Meeting held on 27th May, 2015 and recommends the Resolution, as set out in the accompanying Notice, for the approval of members of the Company as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their Deposit holdings and/or their share holding in the Company, if any.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

ITEM NO. 8, 9 and 10

The provisions of Section 188 of the Companies Act, 2013 governs the Related Party Transactions, requiring a Company to obtain prior approval of the Board of Directors and in case the paid up share capital of a Company is ₹10 Crores or more, the prior approval of shareholders by way of Special Resolution.

Further third proviso to Section 188(1) provides that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

The provisions of Section 188(3) also provide that any contract or

arrangement entered into u/s 188(1) may be ratified by the board or as the case may be, by the shareholders at a meeting within three months from the date on which such contact or arrangement was entered into.

In the light of the provisions of 2013 Act, the Board of Directors of your Company has approved the proposed transactions along with the limits that the Company may enter into with its Related Parties for the financial year 2015-16.

All the prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Company's (Meetings of Board and its Powers) Rules, 2014 are given herein below in a tabular format for kind perusal of members:

PARTICULARS OF PROPOSED TRANSACTIONS FOR THE PURPOSE OF APPROVALS U/S 188 OF THE COMPANIES ACT, 2013

(₹ in crore)

NAME and NATURE OF RELATIONSHIP with Related Parties:	NATURE OF CONTRACT	MONETARY VALUE OF CONTRACT
M/s. Banswara Global Limited, (Subsidiary Company)	Sale, purchase, job work or supply of any goods or materials Availing or rendering of any services	25.00
M/s.Treves Banswara Private Limited (Joint Venture Company)	Sale, purchase, job work or supply of any goods or materials Availing or rendering of any services	25.00
M/s. Banswara Fabrics Limited (Associate Company)	Sale, purchase, job work or supply of any goods or materials Availing or rendering of any services	50.00

(a) The name of the related party and nature of relationship: As provided in the table above

(b) The nature, duration of the contract and particulars of the contract or arrangement: The nature and particular of contract are mentioned in the table above. Duration of the contract is one year from 01.04.2015 to 31.03.2016.

(c) The material terms of the contract or arrangement including the value, if any: At Arm's length basis.

(d) Any advance paid or received for the contract or arrangement, if any: Nil

(e) The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract: All business transactions would be carried out as part of business requirements of the Company. Further the Company is also subject to pricing norms prevailing in the industry.

(f) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors: Yes

(g) Any other information relevant or important for the Board to take a decision on the proposed transaction: Nil

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Board of Directors of your Company has approved this Item in the Board meeting held on 27th May, 2015 and recommends the resolution as set out in the accompanying notice for the approval of members of the Company as Special Resolutions.

None of the Directors, key managerial personnel and their relatives except Shri R.L. Toshniwal, Shri Ravindra Kumar Toshniwal and Shri Rakesh Mehra are deemed to be concerned or interested, financial or otherwise in the proposed special resolutions except to the extent of their shareholding and interest mentioned hereinabove, in the company.

ITEM NO. 11

Dr. Vaijayanti Pandit was appointed as an Additional Director of the Company w.e.f. 12.11.2014 by the Board of Directors as recommended by Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of Companies Act, 2013 and the Articles of Association of the Company. In terms of the provisions of Section 161(1) of the Act, Dr. Vaijayanti Pandit would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Dr. Vaijayanti Pandit for the office of Director of the Company. She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. Section 149 of the Act, inter alia, stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. The Company has received a declaration from Dr. Vaijayanti Pandit that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreements. She possesses appropriate skills, experience and knowledge; inter alia, in the field of Management. In the opinion of the Board, she fulfills the conditions for appointment as an Independent Director as specified in the Act and the Listing Agreements. Brief resume of Dr. Vaijayanti Pandit, and her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges, are provided in the Corporate Governance Report, forming part of the Annual Report. Copy of the draft letter for appointment of Dr.Vaijayanti Pandit as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

None of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution. The Board recommends the Ordinary Resolution set out at this item of the Notice for approval by the shareholders.

Registered Office
Industrial Area, Dahod Road
BANSWARA-327001 (Raj.)

By order of the Board

Place : Mumbai
Date : 27th May, 2015

J.K. JAIN
CFO & COMPANY SECRETARY

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 39th Annual Report of the Company together with its Audited Accounts for the year ended 31st March, 2015.

Financial review

(₹ in Lacs)

	This year 2014-15*	Previous year 2013-14
Gross Income	123565	123076
Net Income	122616	121220
Profit before interest, extra-ordinary items, depreciation & tax	15454	18131
Profit before depreciation & tax	7385	10001
Less: Depreciation	5939	5196
Profit before tax	1446	4805
Tax on Income	643	2142
(a) Current Tax (Net of MAT Credit of ₹ NIL) (previous year ₹112.27 lacs)	854	1458
(b) Deferred Tax	(211)	625
(c) Prior period tax	-	59
Profit after Tax	803	2663
Dividend on Equity and Preference Shares	164	471
Tax on Dividend	33	80
Earning per share (₹) : Basic	5.06	16.86
Diluted	4.90	16.30

₹ 500 Lacs (Previous Year ₹1,000 Lacs) have been transferred to General Reserve out of Surplus.

*Stand alone working performance of the Company (without consolidation).

Operations & state of affairs

The production of yarn during 2014-15 has been 320 lac Kgs as against 301 lac Kgs during 2013-14. The Company has increased the own production of wool and wool mixed yarn. It has increased by more than 50%. However, production of cotton yarn started during the year 2013-14 has been discontinued during the year 2014-15, as this was considered unviable at 12096 spindles. The Company has converted these spindles for production of synthetic blended yarn.

Your Company has maintained the production of readymade garments at about 33 lac pieces. However, the fabric production has been 349 lac meters as against 360 lac meters during 2013-14.

Your Company's net income from operations during 2014-15 has been ₹1226 Crores as against ₹1212 Crores during 2013-14.

The profit before interest, depreciation and tax (PBIDT) during 2014-15 is ₹155 Crores as against ₹181 Crores during 2013-14. Similarly, the profit before depreciation and tax (PBDT) has been ₹74 Crores as against ₹100 Crores during 2013-14. The post tax net profit of the Company during 2014-15 is at ₹8.03 Crores as against ₹26.63 Crores during 2013-14.

The basic and diluted EPS for the year 2014-15 works out to ₹5.06 and ₹4.90 respectively as against ₹16.86 and ₹16.30 respectively for 2013-14.

During 2014-15 your Company purchased additional equity from Carreman, France in Carreman Fabrics India Limited (now Banswara Global Limited). As such Banswara Global Limited (BGL) became wholly owned subsidiary Company of your Company effective from 12th August, 2014.

Your Company has charged depreciation on fixed assets as per the provisions of Companies Act, 2013. The Company has reassessed the remaining useful life of its plant & machinery and has charged the depreciation accordingly.

The Board of Directors of the Company has approved the scheme of amalgamation of Banswara Fabrics Limited (BFL) an Associate Company and Banswara Global Limited (BGL) a wholly owned subsidiary Company with Banswara Syntex Limited.

There is no change in the nature of Company's business during the year as it remains in the business of manufacturing of the textile products.

Exports

During the year the export turnover of the Company has been ₹525 Crores as against Rs.605 Crores during 2013-14. The share of export turnover in the net income has reduced from 50% in 2013-14 to 43% during 2014-15. Your Company has started exporting to Japan. Free Trade Agreement of India with Japan is likely to boost up the sale in Japan.

During the year under report, the Company's marketing as well as design and development team continued to participate in the international trade fairs, meetings with the customers abroad for regular feedback of market trends, demand etc. in the international market.

Dividend

Your Directors are pleased to recommend dividend of ₹1/- per equity share (previous year ₹3/- per share). The Company is paying 3% dividend on preference shares. The total dividend payout on Equity and preference shares for the year will absorb ₹1.64 Crores (previous year ₹4.71 Crores) and ₹0.33 Crores by way of tax on dividend (previous year tax on dividend ₹0.80 Crores).

The Company has transferred unclaimed dividend amount to the Investor Education and Protection Fund for dividend declared up to the year 2006-07.

Increase in paid-up share capital

The Board, in its meeting held on 13th November, 2013, issued 1600000 warrants to promoters and promoters' group, convertible into an equal number of equity shares, at the price of ₹41.50 per warrant including premium of ₹31.50 per share.

Out of the warrants issued to the promoters and promoters' group, your directors have converted 170000 warrants into an equal number of Equity Shares during the year 2013-14. On 12th November, 2014, 9,20,000 warrants were converted into an equal number of Equity Shares. As on 31st March, 2015, 5,10,000 warrants were pending for conversion. These balance warrants were converted in to equal number of equity shares on 8th May, 2015.

The paid up equity share capital of the Company increased from ₹1552.64 lacs as on 31st March, 2014 to ₹1644.64 lacs as on 31st March, 2015 due to conversion of warrants into equity shares.

The preferential issue was made as per the SEBI (ICDR) Regulations, 2009.

Expansion, diversification and modernization

During the year, the Company invested ₹50.32 Crores for acquisition of fixed assets. As at 31st March, 2015 the capital-work-in progress stood at ₹10.04 Crores and advances to the capital goods' suppliers aggregated ₹1.85 Crores, as against ₹8.54 Crores and ₹4.54 Crores respectively at the beginning of the year. During the year, the Company has added 1 jacket line at its Daman plant.