

Board of Directors

Chairman

Dr. Ranchhoddas Mohota

Managing Director

Shri Vinodkumar Mohota

Directors

Shri Vinay Kumar Mohota

Shri S. B. Singhvi

Shri C. J. Thakar

Shri G. G. Singhee

Shri Pavan Poddar

Shri Suresh Rathi

Bankers

State Bank of India

Bank of India

Auditors

M/s. Batliboi & Purohit

Chartered Accountants, Mumbai

Registered Office

Block no. 15, 3rd Floor, Devkaran Mansion, Gate No. 2,
63, Princess Street, Mumbai - 400 002

Corporate Office

Ram Mandir Ward, Hinganghat - 442301 Dist Wardha (M.S.)

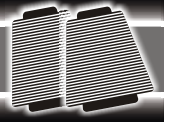
Export Office

309, ACME Plaza, Andheri Kurla Road, Andheri (E)
Mumbai - 400 059

Works

a) Ram Mandir Ward, Hinganghat

b) Village Burkoni, Tah. Hinganghat

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 66th Annual General Meeting of the Members of The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd. will be held on **Friday the 27th day of September, 2013** at 10.30 a.m. at the Registered Office of the Company at Devkaran Mansion, Gate No.2, Block No.15, , 3rd Floor, 63 Princess Street, Mumbai - 400 002 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as of 31st March, 2013, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Ranchhoddas Mohota, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Vinod kumar Mohota, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri G. G. Singhee, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration and for this purpose, to consider and if thought fit, to pass with or without modification the following resolution:

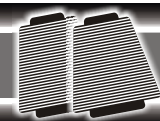
“RESOLVED THAT pursuant to the provisions of section 224 and other applicable provisions, if any of the Companies Act, 1956, M/s Batliboi & Purohit, Chartered Accountants, Mumbai, the retiring auditors, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and is hereby authorized to fix their remuneration and reimbursement of the expenses for the said period.”

**By the order of the Board
The Rai Saheb Rekhchand Mohota
Spg. and Wvg. Mills Ltd.**



**Place : HINGANGHAT
Date : 25.08.2013**

**Vinod Kumar Mohota
Managing Director**



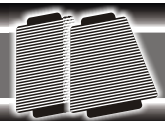
NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/herself and the proxy need not be a member of the Company. The Proxies in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed **from 20th September 2013 to 27th September, 2013** (both days inclusive).
3. Members/ Proxies should bring their attendance slip duly filled in for attending the meeting.
4. Members are requested to bring their copy of the Annual Report to the Meeting.
5. Members are requested to send their queries, if any, in writing at least 10 days in advance of the day of the meeting.
6. The information required to be provided under the listing agreements entered into with various Stock Exchanges, regarding the Directors who are proposed to be appointed / reappointed is annexed hereto.

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

(Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting.)

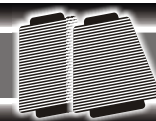
Name	Shri Ranchhoddas Mohota	Shri Vinod Kumar Mohota	Shri G. G. Singhee
Date of Birth	17.01.1936	27.10.1961	02.11.1934
Qualification	M.Com., L.L.B., D.Litt.(Tex), A.M.B.I.M.(London), F.R.E.S.(London)	B. Com.	B.Com., .L.L.B.,
Date of first Appointment	10.08.1960	16.08.1994	28.03.2002
Expertise	Production & General Administration	Administration, Finance, Purchases.	Corporate Laws, Accounting & General Administration & Marketing.
Directorship held in other Companies	None	None	Shivam Textiles Pvt. Ltd. Alchemist Metals Ltd.
Chairman/ Member of Committee of the other Companies	None	None	None


THE RAI SAHEB REKHCHAND MOHOTA SPG.& WVG. MILLS LTD. – MUMBAI
FINANCIAL HIGHLIGHTS
(RS.IN LACS)

PARTICULARS	31ST MARCH									
	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
Total Income	25218.66	22799.67	23749.19	18796.99	15336.52	15542.93	12736.96	16415.49	15701.15	12984.54
Operating Profit	1497.56	1024.99	1405.40	1062.85	636.85	814.08	1067.42	956.14	922.53	837.84
Interest	1017.32	975.48	573.56	650.22	586.19	410.08	263.97	266.34	256.53	136.04
Depreciation	455.49	495.86	538.19	580.21	557.84	500.51	486.21	586.85	538.14	426.30
Tax	(12.13)	71.29	(185.80)	(55.02)	134.09	28.00	34.14	10.32	4.00	7.12
Net Profit/(Loss)	12.62	(271.67)	107.85	(222.60)	(373.09)	(124.51)	283.08	92.63	123.86	268.38
Gross Block	12348.54	12324.94	12263.09	12171.78	12191.26	11705.48	8897.92	**7944.69	*10143.33	7506.05
Investments	83.11	95.69	435.56	147.74	244.09	244.09	218.03	180.12	---	0.63
Net Current Assets	7171.93	6788.68	5707.03	5327.36	4477.75	4482.15	5020.69	4073.58	5227.18	5302.60
Equity Share Capital	418.87	418.87	418.87	418.87	418.87	418.87	418.87	418.87	418.87	418.87
Reserves	2349.61	1989.70	2318.35	2277.20	2603.08	3060.37	3338.36	3172.30	3410.30	2598.84
Borrowings	7949.79	8868.94	8734.32	8764.26	8281.70	7874.21	5766.20	4418.88	5849.81	4608.53
Book Value Per Share Rs.	70.66	51.91	58.42	55.84	61.18	70.13	74.42	67.63	71.13	70.00
Earning Per Share Rs.	0.30	(6.52)	2.59	(5.34)	(8.94)	(2.99)	6.79	2.22	2.97	6.44

* Gross Block increased by Rs.776.88 Lacs due to revaluation of factory building of Hinganghat Unit

** Gross Block decreased due to slump sale of Wani Unit.



DIRECTORS' REPORT :

Dear Members,

Your Directors are pleased to present their 66th report on the business and operation of your company together with Audited Statement of Accounts for the year ended March 31, 2013.

FINANCIAL RESULTS

(Rs.in Lacs)

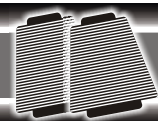
	For The Year ended 31st March 2013	For The Year ended 31st March 2012
Gross Revenue	25218.66	22,799.67
Gross Profit (before interest, depreciation & tax)	1497.56	1024.99
Less : Interest	1017.32	975.48
Depreciation	455.49	495.86
Profit / (Loss) before tax & extraordinary Item	24.75	(446.35)
Less : Extraordinary Item	-	103.39
	24.75	(342.96)
Less : Provision for taxation		
Current	-	-
Deferred	12.13	71.29
Fringe Benefit Tax	-	-
For earlier years	-	-
Net Profit / (Loss) for the year	12.62	(271.67)
Appropriation :		
Transfer to General Reserve	12.62	(271.67)

DIVIDEND

In view to augment the resources of the company, the Board of Directors have not recommended any Dividend on the paid up Equity Share Capital of the company for the year.

OPERATIONS

During the financial year under review, your Company's turnover has increased to Rs. 25218.66 lacs from Rs. 22799.62 lacs in the corresponding previous year mainly on account of increase in local demand of fabrics and yarn. Company has generated net Profit (after tax) of Rs. 12.62 lacs in the current financial Year.



EXPORTS

The Company's export during the year calculated on FOB basis amounted to Rs.49.62 crore as against Rs.60.78 crore in the immediately preceding year, registering decrease in sale by 22.49% due to low demand of yarn in international market.

CURRENT AND FUTURE OUTLOOK

Indian textiles industry is one of the leading sector of Indian economy and contributes significantly to the country's industrial output (14%), employment generation (35 million in direct and another 20 million, in indirect employment) and export earnings (17%). It contributes 4% to Indian's GDP.

Consumer demand remained sluggish across the textile and apparel value chain in FY 2013 due to high inflation and interest rates resulting in long periods of extended end-of-season sales, pressure on margins, thus impacting profitability.

OPPORTUNITIES AND CHALLENGES

Textile industry is one of the largest employers in India and has strong linkages with the rural economy. The growing young middle-class population is a source of great potential and provides immense opportunities to spur growth in the industry going forward.

The major challenge that the textile and apparel industry is facing is increasing cost of production arising out of rising wages, high power and interest costs.

MODERNISATION / EXPANSION

Your Company has incurred capital expenditure of Rs.23.60 lacs on Plant & Machinery accessories for modernization / upgradation of Hinganghat and Burkoni Unit. Company also has incurred Rs.82.49 lacs in WIP for New TFO shed in Burkoni Unit.

CDM PROJECT ACTIVITY

Company has received CDM project revenue by sale proceed from VCU'S in the international market. Process of getting certificate for CER is in progress and likely to generate more revenue in the future.

MEGA PROJECT STATUS

The company has been given Mega project status under PSI-2007 scheme by Govt.of Maharashtra for its Burkoni Unit.

DEPOSITS

The Company has accepted Deposits U/S 58A of the Companies Act, 1956 and are within the rules as prescribed under the Companies (Acceptance of Deposit) Rules, 1975.

DIRECTORS

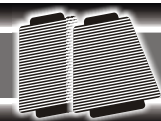
In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Shri Ranchhoddas Mohota, Shri Vinod Kumar Mohota & Shri G.G. Singhee Directors of the company, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS

Your Company's Auditor, M/s. Batliboi & Purohit, Chartered Accountants, Mumbai retire at the ensuing annual general meeting and being eligible, offer themselves for re-appointment.

AUDITOR'S REPORT

The observations made in the Auditor's Report are dealt with separately in the Notes to the Profit and Loss Account and the Balance Sheet in Note No. 25 of the Accounts. These are self explanatory and do not call for any further comments.



COST AUDITORS :

The Board of Directors have Re-appointed M/s G. R. Paliwal & Company, Cost Accountants, Nagpur as the Cost Auditors of the Company pursuant to Section 233B of The Companies Act, 1956, for conducting the Cost Audit Records of the Company for the financial year 2012-2013, which has been approved by the Central Government.

Cost Audit Report for the financial year ended 31st March, 2012 which was required to be filed with the Central Government on or before 31st January, 2013 has been filed electronically with the Central Government on 30th January, 2013 in XBRL Format.

SAFETY AND POLLUTION CONTROL

Your company accords priority to the health and safety of its employees and surroundings. It has been taking proper care in complying with all the statutory requirements relating to safety, environment and pollution control.

DIRECTORS' RESPONSIBILITY STATEMENT :

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000, your Directors state,

- a) that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b) that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended on 31.03.2013 and of the profit/loss of the company for the year ended on 31.03.2013;
- c) 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, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and;
- d) that the directors have prepared the annual accounts on a going concern basis.

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

Information required under Section 217(1)(e) of the Companies Act, 1956 read with rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure 'I' which forms an integral part of this report.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement, the Report on the Corporate Governance, together with Auditor's Certificate thereon are annexed to this report as Annexure II & III respectively.

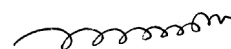
PERSONNEL

The company at present does not have any employee drawing salary in excess of the limits specified under Section 217 (2A) of the Companies Act, 1956 read with rules thereunder.

ACKNOWLEDGEMENTS

The Directors wish to place on record, their appreciation and gratitude for all the co-operation extended by Government Agencies, Bankers, Financial Institutions and Shareholders. The Directors also record their sense of appreciation for the sincere services rendered by all the Executives and Staff of the company and for their valuable contribution in the working of the company.

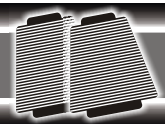
On Behalf of the Board



Dr. Ranchhoddas Mohota
Chairman

Place : Hinganghat

Dated: 30/05/2013



ANNEXURE 'I' TO DIRECTORS' REPORT

Information as per section 217(1)(e) read with rule 2 of the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ended 31st March, 2013

I. CONSERVATION OF ENERGY

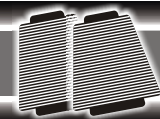
- (a) **Measures taken :** The company is aware of the importance of conservation of energy and continuous efforts are being made to reduce energy cost at all levels. Special attention is being given for the use of energy efficient equipments. During the year Company reviewed and continued to pursue the energy conservation measures taken in the previous year with a view to further reduce the cost of energy and consequently the cost of production.
- (b) **Additional investments and proposal for reduction of consumption of energy:** The Management is committed to further identify new areas where the conventional equipments can be replaced by latest equipments so as to reduce the consumption of various sources of energy.
- (c) **Impact of the measures (a) and (b) :** The Company has achieved reduction in energy costs.

Total energy consumption and consumption per unit of production in prescribed Form 'A' is given below :

FORM A

I. Power and Fuel Consumption	2012-2013	2011-2012
1. Electricity		
(a) Purchased		
Unit (kwh in lacs)	268.52	266.14
Total Amount (Rs. In lacs)	1574.07	1313.27
Rate/Unit (Rs.)	5.86	4.93
(b) Own Generation (Through Diesel Generator)		
Unit (kwh in lacs)	Nil	Nil
Units per Ltr.of Diesel	Nil	Nil
Cost/Unit (Rs.)	Nil	Nil
2. Furnace Oil / L.S.H.S.	N. A.	N. A.
3. Rice Husk/ Coal (Boiler)		
Quantity (M. T.)	11154.075	11418.11
Total Cost (Rs. in lacs)	411.67	279.93
Average Rate (Rs. per M.T.)	3690.76	2451.63

In view of composite nature of its Textile Business, it is not possible to express the consumption of power & fuel per unit of productions.



II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B is given below :

FORM B

I. Research and Development (R & D)

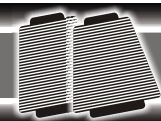
1. **Specific areas** : The R & D activities of the Company are aimed at quality control and improvement/up-gradation of the product range.
2. **Benefits derived** : Improvement in product quality, development of new value added products and cost effectiveness.
3. **Future plan of action** : Development of more value added products and making the product more cost effective.
4. **Expenditure on R & D** : Expenditure on Research & Development are difficult to ascertain as the same staff and equipments are used for production and quality control.

II. Technology Absorption, adoption and innovation :

1. **Efforts made** : Sustained efforts are being made towards upgrading the process technology.
2. **Benefits derived** : The Company has been able to improve the quality of its existing products.
3. **Particulars of technology imported** : Nil

III. FOREIGN EXCHANGE EARNINGS AND OUTGO :

- (a) **Efforts** : Various efforts are being made to explore and secure new export market for Company's products.
- (b) **Earning and outgo** : (Rs. in lacs)
 - i) Foreign Exchange earning : 4961.95
 - ii) Foreign Exchange outgo : 90.91

**ANNEXURE 'II' TO THE DIRECTORS' REPORT****CORPORATE GOVERNANCE REPORT****A. MANDATORY REQUIREMENTS****THE CORPORATE GOVERNANCE CODE**

It has been the continuous endeavor of the company to exceed and excel through better Corporate Governance and fair and transparent governance practices. The company has always believed in fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and others. The company is prompt in discharging its statutory obligations and duties.

Green Initiative in Corporate Governance : Save Paper

As you are aware, you are entitled to receive, a copy of the Balance Sheet of the Company and all other documents required under the Companies Act, 1956 (the "Act") to be attached thereto at the time of Annual General Meeting as well as upon receipt of a specific requisition from you, any time, as a member of the Company.

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies and has issued Circulars (No.: 17/2011, dated 21st April, 2011 and No. 18/2011, dated 29th April, 2011) stating that the service of Document by a Company can be made through Electronic Mode.

We trust that you would wholeheartedly support this initiative of the MCA in the conservation of paper and promoting a greener environment. By registering yourself with the Company for e-communication, you will be able to receive Annual Report promptly by Electronic Mode and without loss in postal transit.

In furtherance of the above mentioned initiative of the MCA, we propose to send the Annual Report containing the Documents like the Notice convening the Annual General Meeting, Audited Financial Statements, Director's Report, Auditor's Report etc., henceforth in electronic form, to the e-mail address provided by you and made available to us by the Depositories.

In case you desire to receive the Annual Report in electronic form, please inform us by sending us an e-mail on info@rsrmm.com / finance@rsrmm.com / info@bigshareonline.com mentioning your DP ID, Client ID. Your mail will be considered as an affirmation and accordingly the Annual Report will be sent to you in electronic form.

In case we do not receive any mail from you, then the Company will send you Physical copy of the Annual Report.

The Annual Report will also be displayed on our Company's website : www.rsrmm.com in due course of time.

Please note that you will be entitled to receive at free of cost a copy of the Annual Report upon receipt of a requisition from you, any time, as a member of the Company.

Looking forward to your co-operation in the protection of our environment.