



SEVENTEENTH ANNUAL REPORT 2015-2016

BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

MR. H. D. RAMSINGHANI

REGISTERED OFFICE & WORKS

VILLAGE CHAUNDHERI,
P O DAPPAR, TEHSIL DERABASSI,
DIST MOHALI, PUNJAB 140506
CIN: L18101PB1999PLC022452
Email: rainbow@rainbowdenim.com
Website : www.rainbowdenim.com
Tel: 01762- 248810/11/12;
Fax : 01762-248761/248809

CORPORATE OFFICE

51/52, FREE PRESS HOUSE,
FREE PRESS JOURNAL MARG,
NARIMAN POINT,
MUMBAI 400021,
Email : cs@rainbowdenim.com
Tel. No. (91-22) 2283 3355 / 2283 4182
Fax : (91-22) 2204 9946

DIRECTORS

MR. D. N. SINGH
MR. S. S. ARORA
MR. MAHENDRA LODHA - (up to 15.06.2016)
MR. R. G. KULKARNI
MRS. N. H. RAMSINGHANI
MR. N. R. JOSHI - Additional Director (from 30.05.2016)

COMPANY SECRETARY

MR. R. D. JOG

REGISTRARS & TRANSFER AGENT

LINK INTIME INDIA PVT.LTD.
C-13, PANNALAL SILK MILLS
COMPOUND,
L.B.S MARG, BHANDUP (WEST),
MUMBAI 400 078
TEL : 25946969 /25946970
FAX : 25946969
EMAIL: rnt.helpdesk@linktime.co.in
Website : www.linkintime.com

AUDITORS

DAYAL & LOHIA
CHARTERED ACCOUNTANTS
MUMBAI

BANKERS

AB BANK LTD

RAINBOW DENIM LIMITED

Corporate Identification Number (CIN). : L18101PB1999PLC022452

Regd. Office : Village Chaundheri, Post Office Dappar, Ambala-Chandigarh Highway, Dist. Mohali, Punjab 140 506.

Tel: 01762 248810/11/12; Fax : 01762-248761/248809 Email : rainbow@rainbowdenim.com ;

Website : www.rainbowdenim.com

NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of RAINBOW DENIM LIMITED will be held on Friday the 23rd day of September 2016, at 10.00 a. m. at the Registered Office of the Company at Village Chaundheri, P O Dappar, Tehsil Derabassi, District Mohali, Punjab 140506 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2016 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. N. H. Ramsinghani (DIN 01327609) who retires by rotation and being eligible, offers herself for reappointment.
3. To consider, and if thought fit, to pass with or without modification, the following Resolution, as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under including any statutory modification or re enactment thereof for the time being in force the retiring Statutory Auditors M/s. Dayal and Lohia (Registration No 102200W), Chartered Accountants be and they are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors.”

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification, as an Ordinary Resolution the following :

“RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re enactments thereof for the time being in force) M/s. J. Verma and Associates (Registration No. 100769) appointed by the Board of Directors as Cost Auditor for audit of cost records for the financial year 2016-17 be paid a remuneration of ₹ 30,000/- plus applicable taxes and reimbursement of out of pocket expenses.”

‘FURTHER RESOLVED 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 or expedient to give effect to the above resolution.”
5. To consider and if thought fit, to pass with or without modification(s) if any, the following as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions of the Companies Act, 2013, if any, and the rules made there under (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of the Act, Mr. N. R. Joshi (DIN 03574604) who was appointed by the Board of Directors as an Additional Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company who shall not be liable to retire by rotation and shall hold office for five consecutive years from the date of appointment up to May 30, 2021.”

6. To consider and if thought fit, to pass with or without modification(s) if any, the following as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a), 188 and other applicable provisions, if any, of the Companies act, 2013 read with rules, circulars, orders and notifications issued there under and subject to such consents, approvals and sanctions as may be necessary, the consent of the Members be and it is hereby accorded to the Board of Directors (the Board) for selling, transferring or otherwise disposing off the undertakings/assets as per details set out in the Explanatory Statement on an arms length basis at prevailing market rates.”

“RESOLVED FURTHER THAT the Board (which term shall include a committee thereof) be and is hereby authorized to take all such steps and do all such acts, deeds, matters and things, including the authority to negotiate and finalize the terms and conditions for the said sale/transfer and execute documents etc, as may be required, necessary and expedient to the end and intent that no further approval of the Members shall be required to give effect to the above Resolution.”

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business specified in the Notice is annexed thereto.
2. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight 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. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday the 16th day of September, 2016 to Friday the 23rd day of September, 2016 (both days inclusive).
4. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and Public Holidays from 11.00 am to 1.00 pm up to the date of the meeting.
5. Members desirous of seeking any information concerning the Accounts are requested to address their queries, in writing, to the Company at the Corporate Office at least seven days before the date of the Meeting so that the requested information can be made available at the time of the meeting.
6. Members/Proxies should bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
7. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a ‘Green Initiative in Corporate Governance’ and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Link Intime India Private Limited.
8. The Company is pleased to provide e-voting facility through Central Depository Services (India) Limited (CDSL) to enable all the Members to cast their votes electronically on the resolutions mentioned in the Notice dated August 11, 2016 for the 17th Annual General Meeting of the Company.

e-Voting instructions

The instructions for members for voting electronically are as under ;

- (I) The voting period begins on 19/09/2016 at 9.00 am and ends on 22/09/2016 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 16, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(II) Procedure :

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

- (i) Click on Shareholders.
- (ii) 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.
- (iii) Next enter the Image Verification as displayed and Click on Login.

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.

- (iv) 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)
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) 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.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) 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.

- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiv) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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 Corporates.

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 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.

- (III) The Company has appointed Mr. Ajay K. Arora, Practicing Company Secretary (Membership Number FCS 2191) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (IV) The results shall be declared after the Annual General Meeting. The results along with the Scrutinizer’s report shall be placed on the website of the Company and also communicated to the stock Exchange.
- (V) 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 send an email to helpdesk.evoting@cdslindia.com.

By Order of the Board
For RAINBOW DENIM LTD.

Place : Mumbai
Dated : August 11, 2016

R. D. JOG
COMPANY SECRETARY

Regd Office : Village Chaundheri
P. O. Dappar, Tehsil Derabassi,
District Mohali, Punjab 140506
Tel : 91-1762-248810
Fax : 91-1762-248809
CIN : L18101PB1999PLC022452
Email: rainbow@rainbowdenim.com
Website: www.rainbowdenim.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 WITH REFERENCE TO THE SPECIAL BUSINESS SPECIFIED IN THE NOTICE CONVENING THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE COMPANY.

ITEM NO 4

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. J Verma and Associates (Registration No. 100769) as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors 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 at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors / Key managerial Personnel of the Company / their relatives are, in any way, concerned or interested financially or otherwise, in this resolution.

ITEM NO 5

Mr. N. R. Joshi is a Non Executive Director of the Company. He joined the Board of Directors on May 30, 2016

Mr. N. R. Joshi is B. E. (Chemical Engineering) and a member of the Institute of Engineers, India. He has a total experience of over 35 years in the field of Gelatin manufacturing and has served in various capacities in different companies viz. Marine Chemicals, India Gelatin & Chemicals Ltd etc. It is proposed to appoint Mr. N. R. Joshi as an Independent Director not liable to retire by rotation for a term of five years. The Company has received a notice in writing from a member along with deposit of the requisite amount under the provisions of Section 160 of the Act, proposing the candidature of Mr. N. R. Joshi for the office of Director.

Mr. N. R. Joshi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Mr. N. R. Joshi fulfils the conditions specified in Section 152 of the Act and rules made there under for his appointment as Independent Director of the Company.

The Company has also received declaration from Mr. N. R. Joshi that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations' 2015.

The draft letter of appointment of Mr. N. R. Joshi as an Independent Director setting out terms and conditions is open for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and holidays, until the date of the Annual General meeting or any adjournment thereof

Mr. N. R. Joshi does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Except Mr. N. R. Joshi being the appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in this Resolution.

ITEM NO 6

In order to improve liquidity and reduce the debt burden the Company is proposing to sell/transfer or otherwise dispose off the office premises at 51/52, Free Press House, Nariman Point, Mumbai 400021 to a related party, after obtaining all requisite approvals, for which the enabling resolution is placed before the Members for their approval.

The information as required under Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014 is as under :

1. Name of the Related Party : Rama Enterprises
2. Name of the Director or KMP who is related: Mr. H. D. Ramsinghani.
3. Nature of relationship: The relatives of Mr. H. D. Ramsinghani are partners of Rama Enterprises.
4. Nature, material terms, monetary value and particulars of the contract: The office premises of the Company are proposed to be sold to Rama Enterprises on an arms length basis at the prevailing market rate.

All the other Directors and the Key Managerial Personnel along with their relatives may be deemed to be concerned or interested in the resolution to the extent of their shareholding, if any.

By Order of the Board
For RAINBOW DENIM LTD.

Place : Mumbai
Dated : August 11, 2016
Regd Office : Village Chaundheri
P.O. Dappar, Tehsil Derabassi,
District Mohali, Punjab 140506
Tel : 91-1762-248810
Fax : 91-1762-248809
CIN : L18101PB1999PLC022452
Email:rainbow@rainbowdenim.com
Website:www.rainbowdenim.com

R. D. JOG
COMPANY SECRETARY

INFORMATION PURSUANT TO SEBI (LODR) REGULATIONS, 2015

As required under the SEBI (LODR) Regulations, 2015, the particulars of Directors who are proposed to be appointed/reappointed at the forthcoming Annual General Meeting are as follows ;

Reappointment

Mrs. N. H. Ramsinghani retires by rotation at the forthcoming Annual General Meeting and is eligible for reappointment.

Mrs. N. H. Ramsinghani has done her MBA from U. S. A. and has over 30 years of rich and varied experience in the field of International Trade, Business management and Real Estate Development.

She is also a Director of Jupiter Corporate Services Pvt. Ltd., Rama Phosphates Ltd and Rama Petrochemicals Limited. She is not a member or chairman of any committee in any other company. She does not hold any shares in the Company.

Appointment

Mr. N. R. Joshi is B. E. (Chemical Engineering) and a member of the Institute of Engineers, India. He has a total experience of over 35 years in the field of Gelatin manufacturing and has served in various capacities in different companies viz. Marine Chemicals, India Gelatin & Chemicals Ltd etc. Mr. N. R. Joshi does not hold any Shares of the Company

Mr. N. R. Joshi is a whole time Director in Rama Industries Limited and a Director of Rama Phosphates Limited and Rama Petrochemicals Limited. He is a Member of Audit Committee and Stakeholders Relationship Committee of Rama Petrochemicals Limited.

Map Showing Location of the venue of the AGM of Rainbow Denim Limited
Venue : Village Chaundheri, Post Office Dappar, Ambala-Chandigarh Highway,
Dist. Mohali, Punjab 140 506.

