



**TWENTIETH ANNUAL REPORT 2018-2019**

**BOARD OF DIRECTORS**

**CHAIRMAN**

MR. H. D. RAMSINGHANI

**WHOLE TIME DIRECTOR**

MR. S. S. ARORA

**DIRECTORS**

MR. D. N. SINGH

MR. R. G. KULKARNI

MS. SHEFALI B. KARANI

(w.e.f. 28/12/2018 upto 15/05/2019)

MR. B. L. KHANNA

(w.e.f. 28/03/2019)

**COMPANY SECRETARY**

MS. BHAVNA DAVE

**AUDITORS**

KHANDELWAL & MEHTA LLP

CHARTERED ACCOUNTANTS

**REGISTERED OFFICE & WORKS**

VILLAGE CHAUNDHERI,  
P O DAPPAR, TEHSIL DERABASSI,  
DIST MOHALI, PUNJAB 140506

CIN: L18101PB1999PLC022452

Email: [rainbow@rainbowdenim.com](mailto:rainbow@rainbowdenim.com)

Website : [www.rainbowdenim.com](http://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](mailto:cs@rainbowdenim.com)

Tel. No. (91-22) 2283 3355 / 2283 4182

Fax : (91-22) 2204 9946

**REGISTRARS & TRANSFER AGENT**

LINK INTIME INDIA PVT.LTD.

C-101, 247 PARK, L. B. S MARG,  
VIKHHOLI (WEST), MUMBAI 400 078

TEL : 91-22-49186000

FAX : 91-22-49186060

EMAIL: [rnt.helpdesk@linktime.co.in](mailto:rnt.helpdesk@linktime.co.in)

Website : [www.linkintime.com](http://www.linkintime.com)

**NOTICE**

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of RAINBOW DENIM LIMITED will be held on Monday, the 30<sup>th</sup> day of December, 2019 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 businesses:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements for the year ended March 31, 2019 together with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. H. D. Ramsinghani (DIN 00035416) who retires by rotation and being eligible, offers himself for reappointment.

**SPECIAL BUSINESS**

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

“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. Pawan & Associates (Registration No. 101729) appointed by the Board of Directors as Cost Auditor for audit of cost records for the financial year 2019-20 be paid a remuneration of Rs 35,000/- plus applicable taxes and reimbursement of out of pocket expenses.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary or expedient to give effect to the above resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and other applicable provisions of the Companies Act, 2013 (“the Act”), 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 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. D.N. Singh (DIN 00021741) 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 reappointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years and shall hold office as an Independent Director up to August 11, 2024.”

“RESOLVED FURTHER THAT pursuant to the provision of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 as amended and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby granted to Mr. D. N. Singh (DIN- 00021741) to continue to hold the office of non-executive Independent Director of the Company notwithstanding the fact that he has attained the age of 75 (Seventy Five) years.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions of the Companies Act, 2013 (“the Act”), 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 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. B. L. Khanna (DIN 00841927) 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 up to September 29, 2024.”

“RESOLVED FURTHER THAT pursuant to the provision of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 as amended and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby granted to Mr. B. L. Khanna (DIN 00841927) to continue to hold the office of non-executive Independent Director of the Company notwithstanding the fact that he shall attain the age of 75 (Seventy Five) years during the tenure of his appointment.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this 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 Monday the 23<sup>rd</sup> day of December, 2019 to Monday the 30<sup>th</sup> day of December, 2019 (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 10.00 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 has undertaken a ‘Green initiative in Corporate Governance’ and allowed companies to share documents with its shareholders through 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 October 24, 2019 for the 20<sup>th</sup> Annual General Meeting of the Company. The instructions for members voting electronically are given below:

### **E-Voting instructions**

The instructions to members for voting electronically are as under;

- (I) The voting period begins on December 27, 2019 at 9:00 am and ends on December 29, 2019 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 December 23, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL 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 instructions for shareholders voting electronically are as under:**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in de-mat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both de-mat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your de-mat account or in the company records in order to login. <ul style="list-style-type: none"> <li>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.</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in de-mat 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 de-mat 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (xi) 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.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a de-mat 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.
- (xvii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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](http://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](mailto: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](mailto: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.
- (xix) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- (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.

**By Order of the Board  
FOR RAINBOW DENIM LIMITED**

**BHAVNA DAVE  
COMPANY SECRETARY  
M. No.: 56569**

Place : Mumbai  
Dated : October 24, 2019

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

**ITEM NO 3**

The Board on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. Pawan & Associates (Registration No. 101729) as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020.

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. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

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

The Board recommends this Ordinary Resolution as set out at Item no. 3 for approval of the members.

**ITEM NO 4**

Mr. D.N. Singh (DIN – 00021741) was appointed as an Independent Director of the Company at the 15<sup>th</sup> Annual General Meeting of the Company held on 19<sup>th</sup> day of September 2014 for the period of five years for a term up to the conclusion of the 20<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, have approved the appointment of Mr. D.N. Singh as an Independent Director not liable to retire by rotation for a further term of five years up to August 11, 2024.

The Company has received a notice in writing from a member under the provisions of Section 160 of the Act, proposing the candidature of Mr. D.N. Singh for the office of Director.

Mr. D.N. Singh 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. D.N. Singh 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. D.N. Singh that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Rules made thereunder.

The draft letter of appointment of Mr. D.N. Singh as an Independent Director setting out the 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. D.N. Singh holds 1364 Equity Shares of the Company.

A special Resolution is proposed for his reappointment since he is 76 years of age, in view of the SEBI (LODR) Regulations, 2015 as amended, which requires the consent of members by way of Special Resolution for appointment or continuation of a Non-Executive Director beyond the age of seventy five years.

Except Mr. D.N. Singh 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.

The Board recommends this Special Resolution as set out at Item no. 4 for approval of the members.

**ITEM NO 5**

Mr. B. L. Khanna (DIN 00841927) was appointed as an Additional Director, on the recommendation of the Nomination and Remuneration committee, by the Board of Directors on March 28, 2019 and holds office as a Director up to the date of the forthcoming Annual General Meeting.

It is proposed to appoint Mr. B. L. Khanna 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 proposing the candidature of Mr. B. L. Khanna for the office of Director.

Mr. B. L. Khanna 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.

A special Resolution is proposed for his appointment since he shall attain the age of 75 years during the tenure of his appointment, in view of the SEBI (LODR) Regulations, 2015 as amended, which requires the consent of members by way of Special Resolution for appointment or continuation of a Non-Executive Director beyond the age of seventy five years.

In the opinion of the Board, Mr. B. L. Khanna 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. B. L. Khanna that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Rules made thereunder.

The draft letter of appointment of Mr. B. L. Khanna 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. B. L. Khanna does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Except Mr. B. L. Khanna 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.

The Board recommends this Special Resolution as set out at Item no. 5 for approval of the members.

**By Order of the Board  
FOR RAINBOW DENIM LIMITED**

**BHAVNA DAVE  
COMPANY SECRETARY  
M. No.: 56569**

Place : Mumbai  
Dated : October 24, 2019

**INFORMATION PURSUANT TO SEBI (LODR) REGULATIONS, 2015**

Pursuant to Regulation 36 (3) of the SEBI (LODR) Regulations, 2015, the particulars of Director who are proposed to be Appointed/Re-appointed at the forthcoming Annual General Meeting are as under:

<b>Sr. No.</b>	<b>Names of the Directors</b>	<b>Mr. H.D. Ramsinghani</b>	<b>Mr. D.N Singh</b>	<b>Mr. B.L. Khanna</b>
<b>1.</b>	<b>DIN</b>	00035416	00021741	00841927
<b>2.</b>	<b>Date of Birth</b>	08/01/1962	01/07/1943	02/12/1946
<b>3.</b>	<b>Qualifications</b>	B.com (Bombay University) MBA (U.S.A.)	B.Sc.(Chemical Engineering)	Chartered Accountant
<b>4.</b>	<b>No. of Equity shares held (as on 31.03.2019)</b>	8	1364	NIL
<b>5.</b>	<b>Brief Profile</b>	Mr. H. D Ramsinghani has done his Post Graduation in Management from USA and has over 35 years of rich and varied experience in the field of Textiles, Petrochemicals and Fertilizers.	Mr. D. N. Singh is a Chemical Engineer from Banaras Hindu University and has over 48 years of experience in the field of Chemicals and Petrochemicals. He has held senior positions in several companies viz. Synthetics and Chemicals Ltd., Cyanides and Chemicals Co., Alkyl Amines Chemicals Ltd. etc.	Mr. B L Khanna is a Chartered Accountant and has over 45 years of rich and varied experience in the field of Finance and Business Management.
<b>6</b>	<b>Date of first Appointment in current designation</b>	01/06/2017	19/09/2014	28/03/2019
<b>7.</b>	<b>List of other Directorships (excluding Foreign Company)</b>	<ul style="list-style-type: none"> <li>- Rama Petrochemicals Limited</li> <li>- Rainbow Agri Industries Ltd.</li> <li>- Rama Industries Ltd.</li> <li>- Rama Phosphates Ltd</li> <li>- Nova Gelicon Pvt. Ltd.</li> <li>- Rama Capital &amp; Fiscal Services Pvt. Ltd.</li> <li>- Jupiter Corporate Services Pvt. Ltd.</li> <li>- Blue Lagoon Inv. Pvt. Ltd</li> </ul>	<ul style="list-style-type: none"> <li>- Rama Petrochemicals Ltd.</li> <li>- Rama Phosphates Ltd.</li> <li>- Rama Industries Ltd.</li> <li>- Accord Agrotech Pvt. Ltd</li> </ul>	<ul style="list-style-type: none"> <li>- Uttam Value Steels Limited</li> <li>- ARR Maritime International Terminals (India) Pvt. Ltd.</li> <li>- Rama Petrochemicals Limited</li> <li>- Bansal Properties Pvt. Ltd.</li> <li>- Rama Industries Limited</li> </ul>

Sr. No.	Names of the Directors	Mr. H.D. Ramsinghani	Mr. D.N Singh	Mr. B.L. Khanna
8.	<b>Membership/ Chairmanship of other Public Companies (includes only Audit Committee and Stakeholder Relationship Committee)</b>	<p style="text-align: center;"><b><u>Member</u></b></p> <ul style="list-style-type: none"> <li>- Rama Phosphates Ltd – Audit and Stakeholder Relationship Committee</li> <li>- Rama Petrochemicals Ltd. – Audit Committee</li> <li>- Rama Industries Ltd. – Audit Committee</li> <li>- Rainbow Agri Industries Ltd. – Audit Committee</li> <li>- Rainbow Denim Ltd. – Audit and Stakeholder Relationship Committee</li> </ul> <p style="text-align: center;"><b><u>Chairman</u></b> NIL</p>	<p style="text-align: center;"><b><u>Member</u></b></p> <ul style="list-style-type: none"> <li>- Rama Phosphates Ltd – Audit and Stakeholder Relationship Committee</li> <li>- Rainbow Denim Ltd. – Audit and Stakeholder Relationship Committee</li> </ul> <p style="text-align: center;"><b><u>Chairman</u></b></p> <ul style="list-style-type: none"> <li>- Rama Phosphates Ltd. – Stakeholder Relationship Committee</li> <li>- Rainbow Denim Ltd. – Audit &amp; Stakeholder relationship Committee</li> </ul>	<p style="text-align: center;"><b><u>Member</u></b></p> <ul style="list-style-type: none"> <li>- Rama Industries Ltd - Audit Committee</li> <li>- Uttam Value Steels Limited - Audit and Stakeholder Relationship Committee</li> </ul> <p style="text-align: center;"><b><u>Chairman</u></b></p> <ul style="list-style-type: none"> <li>- Uttam Value Steels - Audit Committee</li> </ul>
9.	<b>Relationships, if any between Directors and other Key Managerial Personnel.</b>	Related to Mrs. Shefali B Karani.	He is not related with any Director and Key Managerial Personnel of the Company.	He is not related with any Director and Key Managerial Personnel of the Company.