

RAJKAMAL
SYNTHETICS LIMITED

ISIN NO. INE 376L01013

32nd Annual Report
2012-2013

RAJKAMAL SYNTHETICS LIMITED

BOARD OF DIRECTORS

SHEODUTT SANGHAI	Chairman
SUSHIL SANGHAI	Director
RAJENDRA NANGALIA	Director
ASHOK JAKHOTIA	Director
JAGDISH LADHA	Director

BANKERS

AXIS Bank Ltd.

AUDITOR

N. K. Jalan & Co.
2A, Mayur Apartment,
Dadabhai Cross Road No. 3,
Vile Parle (W), Mumbai - 400 056.

REGISTERED OFFICE

Diamond Plaza,
391, Dr. D. B. Marg, Mumbai - 400 004.

REGISTRAR AND SHARE TRANSFER AGENT

Satellite Corporate Services Pvt. Ltd.
B - 302, Sony Apartment,
Opp. St. Jude's High School,
Off Andheri Kurla Road, Jarimari, Sakinaka,
Mumbai-400072. Tel. : 28520461 / 62

32nd Annual General Meeting
on 30th September, 2013
Monday, 10.30 A. M. at
DIAMOND PLAZA
5th Floor, 391, Dr. D. B. Marg,
Mumbai - 400 004.

Members are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting, as copies of the Report will not be distributed at the Meeting.

RAJKAMAL SYNTHETICS LIMITED NOTICE

NOTICE is hereby given that THE 32nd ANNUAL GENERAL MEETING of the Members of RAJKAMAL SYNTHETICS LIMITED will be held at Diamond Plaza, 5TH Floor, 391, Dr. D. B. Marg, Mumbai – 400 004 on Monday the 30th September, 2013 at 10.30 a.m. to transact the following business :

ORDINARY BUSINESS.

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit and Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Sheodutt B. Sanghai who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Sushil S. Sanghai who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

Diamond Plaza,
391, Dr.D.B.Marg,
Mumbai – 400 004.
Dated : 29th May, 2013.

BY ORDER OF THE BOARD OF DIRECTORS
Sd/-
(SHEODUTT B. SANGHAI)
CHAIRMAN

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective must be received by the Company at the Registered Office not less than 48 hours before the Annual Genral Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 24th September, 2013 to Monday, the 30th September, 2013 (Both days inclusive)
4. Members / Proxies should bring the Attendance Slip sent herewith duly filled for attending the Meeting.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
6. Members who wish to obtain information on the Company may send their queries at least 10 days before the Annual General Meeting to the Company at its Registered Office of the Company.
7. Members are requested to notify change in Address, if any immediately to the Company or its Registrars: M/s **Satellite Corporate Services Pvt. Ltd.** B - 302, Sony Apartment, Opp. St. Jude's High School, Off Andheri Kurla Road, Jari Mari, Saki Naka, Mumbai - 400072.
8. Pursuant to the requirements of the Listing Agreement of Stock Exchange on Corporate Governance, the information about the Directors proposed to be appointed / re-appointed is given in the Annexure to the Notice.
9. As per the requirement of Clause 49 of the Listing Agreement on Corporate Governance for the appointment of the Directors / re-appointment of the Retiring Directors, a statement containing details of the Concerned Director is given below.
10. The Company has Rs. 288,538/- payable to 141 Debenture holders, Final Reminder Notice to collect their dues has been sent to them on 14th August, 2012. The Company would be transferring the said Amount of Rs. 288,538/- to Investor Protection and Education Fund, We are awaiting instructions from the Debenture Trustee and release of lien by them on the said Unpaid Debenture Bank Account for Transfer of Proceeds.

ANNEXURE TO THE NOTICE

Details of the Directors seeking Appointment / Re-appointment in Forthcoming Annual General Meeting.

Name of the Director.	Mr. Sheodutt B. Sanghai
Age	77 years
Date of Appointment	10/04/1982
Expertise in Specific functional Areas	Sales and Marketing
Qualifications	Graduate
List of Companies in which Outside Directorship held as On 29th May, 2013 (Excluding Private Companies.)	Nil
Chairman/Member of the Committees of the Board of	Nil
The Other Companies in which he is a Director as on 29th May, 2013	

Name of the Director.	Mr. Sushil S. Sanghai
Age	49 years
Date of Appointment	07/09/1993
Expertise in Specific functional Areas	Finance
Qualifications	B. Com.
List of Companies in which Outside Directorship held as On 29th May, 2013 (excluding Private Companies.)	Nil
Chairman/Member of the Committees of the Board of	Nil
The Other Companies in which he is a Director as on 29th May, 2013	

Diamond Plaza,
391, Dr. D.B. Marg,
Mumbai - 400 004.
Dated : 29th May, 2013

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-
(SHEODUTT B. SANGHAI)
CHAIRMAN

32nd ANNUAL REPORT 2012-2013

DIRECTORS' REPORT

To
The Members,

Your Directors hereby present the 32nd ANNUAL REPORT of the Company together with Audited Statement of Accounts for the year ended on 31st March, 2013.

FINANCIAL RESULTS :

	(Amount in Rs.)	
	Current Year	Previous Year
	31-3-2013	31-3-2012
	Rs.	Rs.
Profit/ (Loss) for the Year	5,20,957/-	2,40,651/-
Less : Provision for Taxation	99,082/-	73,440/-
Less : Prior period adjustment	---	2,980/-
Less : Capital Receipts Remission on Debentures	(2,99,325)	(11,48,915)
Add : Surplus / (Deficit) on appropriation brought forward from previous year	(55,105,678)	(54,120,994)
Profit / (Losses) carried to Balance Sheet	(54,983,128)	(55,105,678)

DIVIDEND :

In view of the Carried forward losses of Earlier Years, Your Directors regret their inability to recommend any Dividend for the year under Review.

OPERATIONS:

Receipts during the year were of Rs.10.57 Lacs as against Rs. 8.96 Lacs during the previous year.

FUTURE PLANS :

Your Directors are happy to inform you that due to consistent efforts put in by all involved in running of the Company there has been improvement in working of your Company which can be seen by the Members of the Company which is reflected in the profits earned by the Company during the Current Year.

DIRECTORS :

Shri Sheodutt B. Sanghai and Shri Sushil S. Sanghai, Directors retire by rotation and being eligible offer themselves for Re-appointment.

FIXED DEPOSIT :

The Company has not accepted any fixed deposit from the Public during the year under review.

AUDIT COMMITTEE :

The Audit Committee consist of 4 directors of whom 3 are Independent Directors, namely Shri Ashok Kumar H. Jakhotia - Chairman, Shri Sheodutt B. Sanghai - Director, Shri Rajendra R. Nangalia - Director and Shri Jagdish B. Ladha - Director. The constitution of Audit Committee meets the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

INVESTORS GRIEVANCE COMMITTEE :

The Investors Grievance Committee consists of 4 directors of whom 3 are Independent Directors, namely Shri Sheodutt B. Sanghai - Chairman, Shri Ashok Kumar H. Jakhotia - Director, Shri Rajendra R. Nangalia - Director and Shri Jagdish B. Ladha - Director. The constitution of Investors Grievance Committee meets the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

REMUNERATION COMMITTEE :

The Remuneration Committee consists of 4 directors of whom 3 Independent Directors, namely, Shri Jagdish B. Ladha - Chairman, Shri Ashok Kumar H. Jakhotia - Director, Shri Rajendra R. Nangalia - Director and Shri Sheodutt B. Sanghi - Director. The constitution of Remuneration Committee meets the requirements of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

CORPORATE GOVERNANCE :

Your Company's Philosophy is to enhance Stakeholders Value by adopting and implementing the best of Corporate Governance practices. A detailed Report on Corporate Governance Compliance duly certified by the Practising Company Secretary forms part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

As required by Clause 49 of the Listing Agreement with Stock Exchange, a Management Discussion and Analysis Report is appended to the Annual Report, it also forms part of this Report of your Directors.

RAJKAMAL SYNTHETICS LIMITED

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed.

- That in preparation of the Accounts for the financial year ended 31st March, 2013, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were 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 and of the profit or loss of the company for the year under review.
- That the Directors have taken prior and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- That the Directors have prepared the accounts for the financial year 31st March, 2013 on a going concern basis.

ENVIRONMENT:

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 are not given since there was no manufacturing activity during the year under review. Foreign exchange earning / outgo during the year and also during the previous year was Nil.

RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION ADAPTATION AND INNOVATION :

As there is no Manufacturing activity hence information pertaining to Research & Development etc is not given.

PARTICULARS OF EMPLOYEES :

No employee has drawn a remuneration of Rs. 24,00,000/- per annum nor Rs. 2,00,000/- per month during part of the year.

AUDITORS :

The Observations made in the Auditor's Reports are self explanatory and as such they do not require any explanation under Section 217 (3) of the Companies Act, 1956.

The Auditors M/s N.K. Jalan & Co., Chartered Accountants will retire at the conclusion of the ensuing Annual General Meeting. They have given their consent to act as Auditors of the Company if re-appointed, Members are requested to re-appoint them and fix their remuneration.

Your Directors would like to acknowledge the co-operation and Support received by the Company during the year from its employees, financial institutions and Business Partners.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

Place : Mumbai

Dated : 29th May, 2013

(SHEODUTT B. SANGHAI)

CHAIRMAN

CORPORATE GOVERNANCE REPORT – CLAUSE 49 OF THE LISTING AGREEMENT

A. Company's Philosophy :

Rajkamal Synthetics Limited believes that for a Company to grow and maintain a Sustained level of Growth the Company must maintain Global Standards of Corporate conduct towards its Employees, Shareholders, Consumers, Investors and Society.

The Primary objective of the Company is to create and imbibe a Corporate culture of conscience and consciousness, transparency and openness towards them.

B. Board of Directors:

i) Composition:

Details of Composition of the Existing Board of Directors as on 31st March, 2013 is given below:

Sr. No.	Name of Directors	Category	No. of Shares held	Attendance Particulars.		Member ship in other Public Ltd. Company	Chairman ship/Member ship in other Public Ltd. Company
				Annual General Meeting	Board Meeting		
1.	Mr. Sheodutt B. Sanghai	P, NE, S	1,79,310	Yes	7	No.	No.
2.	Mr. Sushil S. Sanghai	P, NE, S	2,68,966	Yes	7	No.	No.
3.	Mr. Rajendra R. Nangalia	I	Nil	Yes	7	No.	No.
4.	Mr. Ashok H. Jakhotia	I	Nil	Yes	7	No.	No.
5.	Mr. Jagdish B. Ladha	I	Nil	Yes	7	No.	No.

Abbreviations:

P= Promoter, E= Executive Director, NE = Non Executive Director, I= Independent Non Executive Director.

S= Shareholder, C= Chairman, M= Member, SI= Strategic Investor.

ii) Details of the Date of Board Meetings.

During the year 2012 -13, the Board of Directors met 7 times on the following dates:

09/05/2012; 31/07/2012; 07/08/2012; 07/09/2012; 03/10/2012; 31/10/2012 and 31/01/2013

C. COMMITTEES OF THE BOARD.

The Committee constituted by the Board as on date are mentioned below:

1. AUDIT COMMITTEE.

The Audit Committee consists of the following 4 Directors of whom 3 are independent Directors as on 31-03-2013.

Mr. Ashok H. Jakhotia	- Chairman	(Independent)
Mr. Sheodutt B. Sanghai	- Director.	
Mr. Rajendra R. Nangalia	- Director.	(Independent)
Mr. Jagdish B. Ladha	- Director.	(Independent)

The Compliance Officer of the Company Mr. M. S. Yadav also acts as a Secretary to the Committee.

Terms of reference

The terms of reference stipulated by the Board of Directors to the Audit Committee are as laid down under Clause 49 of the Listing Agreement.

Meetings of the Audit Committee of Board of Directors were held on 09/05/2012; 31/07/2012; 31/10/2012 and 31/01/2013.

The details of Attendance of Members of the audit Committee are as follows.

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (1/4/2012 to 31/3/2013)
1.	Mr. Ashok H. Jakhotia	Chairman	4
2.	Mr. Sheodutt B. Sanghai	Director	4
3.	Mr. Rajendra R. Nangalia	Director	4
4.	Mr. Jagdish B. Ladha	Director	4

2. REMUNERATION COMMITTEE.

The Remuneration Committee consists of 4 Directors of whom 3 are Independent Directors as on 31-03-2013.

Mr. Jagdish B. Ladha	- Chairman	(Independent)
Mr. Sheodutt B. Sanghai	- Director.	
Mr. Rajendra R. Nangalia	- Director.	(Independent)
Mr. Ashok H. Jakhotia	- Director.	(Independent)

The Compliance Officer of the Company Mr M S Yadav also acts as a Secretary to the Committee.

Terms of reference

To recommend payment of Remuneration to the Managing Director /Executive Director from time to time.

No Meetings of the Remuneration Committee of Board of Directors were held, during the year under review.

No sitting Fees have been paid to Non Executive Directors and Independent Directors during the financial year 2012-13.

3. SHARE TRANSFER AND INVESTORS GRIEVANCE COMMITTEE.

a) The Share Transfer and Investors Grievance Committee focused on Shareholder's Grievances and strengthening of Investor relations. The functions of the Committee include specifically looking into redressal of Investors' grievances pertaining to Transfer of shares, Dematerialization of Shares, replacement of lost/ stolen/mutilated share certificates and other related issues.

b) Composition and details of attendance of members of the Committee are as follows :

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (1/4/2012 to 31/3/2013)
1.	Mr. Sheodutt B. Sanghai	Chairman	25
2.	Mr. Rajendra R. Nangalia	Director (Independent)	25
3.	Mr. Jagdish B. Ladha	Director (Independent)	25
4.	Mr. Ashok H. Jakhotia	Director (Independent)	25

c) Meeting of Share Transfer and Investors Grievance Committees were held on 16/04/2012; 30/04/2012; 31/05/2012; 29/06/2012; 16/07/2012; 31/07/2012; 14/09/2012; 15/10/2012; 09/11/2012; 19/11/2012; 30/11/2012; 10/12/2012; 17/12/2012; 24/12/2012; 31/12/2012; 14/01/2013; 21/01/2013; 28/01/2013; 01/02/2013; 11/02/2013; 18/02/2013; 28/02/2013; 11/03/2013; 18/03/2013 and 28/03/2013.

d) Number of Shareholders Complaints / requests received during the year.:

During the year under review, Nil Investor's complaints / requests were received.

All the requests received during the year under report were resolved within the time limit to the satisfaction of the Investors / Shareholders and no requests were pending as on 31st March 2013 for more than 15 days.

D. GENERAL BODY MEETINGS:

(i) The details of General Meetings held in the last Three years are given hereunder:

RAJKAMAL SYNTHETICS LIMITED

Date	Type of Meeting	Location	Time	No. of Special Resolutions
30/09/2010	Annual General Meeting	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	10.30 AM	Nil
30/05/2011	Annual General Meeting	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	10.30 AM	1
30/08/2011	Extra Ordinary General Meeting	Diamond Plaza 5th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	11.00 AM	1
29/09/2012	Annual General Meeting	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	10.30 AM	2

(ii) Details of Special Resolutions passed in the last three years are given hereunder.

Date	Location	No. of Special Resolutions	Special Resolutions Passed
30/09/2010	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	Nil	Nil
30/05/2011	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	One	Modified Resolution for raising of funds under Section 81 (1A) and other applicable provisions of the Companies Act, 1956 up to Rs. 4.75 Crores.
30/08/2011	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	One	Modified Resolution for raising of funds under Section 81 (1A) and other applicable provisions of the Companies Act, 1956 up to Rs. 4.75 Crores.
29/09/2012	Diamond Plaza 7th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.	Two (Special Business)	1) Re-appointment of Additional Director as Director 2) Re-appointment of Additional Director as Director

(iii) During the year under report, no Resolution was passed through postal ballot.

E. MANAGEMENT DISCUSSION AND ANALYSIS.

Management Discussion and Analysis of the Company is separately given in the Annual Report.

F. DISCLOSURES.

- There are no transactions with related parties during the year under review.
- There was no non- compliance of any law or regulations (during the last three years) and hence no penalties / strictures.
- Certification by CEO/CFO – Certificate obtained from Chairman on the financial statements of the Company in terms of Clause 49 of the Listing Agreement was placed before the Board Meeting, who took the same on record.
- Brief resume of Directors being appointed/ reappointed :-

Mr. Sheodutt B. Sanghai

Age 77 Years
Expertise in Specific Functional areas Sales & Marketing
Qualifications Graduate
Date of Appointment 10/04/1982.

Mr. Sushil S. Sanghai

Age 49 Years
Expertise in Specific Functional areas Finance
Qualifications B. Com.
Date of Appointment 07/09/1993.

G. MEANS OF COMMUNICATION.

The Board of Directors of the Company approved and took on record the unaudited results for the quarter ended on 30-6-2012; 30-9-2012; 31-12-2012 and 31-03-2013 and forwarded the results to the Stock Exchange and published the same in The Free Press Journal (English) and Navshakti Mumbai edition (Hindi).

H. GENERAL SHAREHOLDER INFORMATION.

The Next Annual Genral Meeting of the Company shall be held at:-

- Venue: Diamond Plaza 5th Floor, 391, Dr. D. B. Marg, Mumbai - 400 004.
- Date of Book Closure :- From : Tuesday, the 24th September, 2013. To : Monday, the 30th September, 2013
- Dividend Payment date : No dividend has been declared by the Company for the financial year 2012-13.
- Listing on Stock Exchanges and Codes
The securities of the Company are listed on The Bombay Stock Exchange (Scrip Code - 514028.) Demat code - ISIN INE 376L01013.
- Market Price Data- High - Low Quotations on Bombay Stock Exchange Limited Mumbai, during each month from April 1, 2012 to March 31, 2013 is as follows:

32nd ANNUAL REPORT 2012-2013

Month	Market Price		Sensex	
	High Price	Low Price	High	Low
April - 2012	Nil	Nil	17664.10	17010.16
May - 2012	7.99	7.99	17432.33	15809.71
June - 2012	Nil	Nil	17448.48	15748.48
July - 2012	7.60	6.85	17631.19	16598.48
Aug - 2012	7.54	7.17	17972.07	17026.97
Sept - 2012	8.24	7.86	18869.94	17250.80
Oct - 2012	14.00	8.58	19137.29	18393.42
Nov - 2012	21.30	13.69	19372.70	18255.69
Dec - 2012	33.90	22.35	19612.18	19149.03
Jan - 2013	34.60	28.85	20203.66	19508.93
Feb - 2013	34.00	28.60	19966.69	18793.97
Mar - 2013	29.00	22.80	19754.66	18568.43

vi) The Transfers of the Company's shares are being done by **Satellite Corporate Services Pvt. Ltd.**, the R and T Agents, having their address at : B - 302, Sony Apartment, Opp. St. Jude's High School, Jari - Mari, Saki Naka, Mumbai - 400 072.

Tel. : 022-2852 0461/2.

Contact Person : Mr. Michael Monteiro – Director,

vii) Distribution of Shareholding of Equity Shares as on 31st March, 2013 is as follows:

Shareholding of Nominal Value Rs	Total Holders		Amount In Rs.	Amount % of Total
	(In Nos)	% of Total		
1 - 5000	6237	98.44	14053370	21.62
5001 - 10000	33	0.52	2580810	3.97
10001 - 20000	26	0.41	3741820	5.76
20001 - 30000	13	0.21	3233630	4.97
30001 - 40000	6	0.09	2151010	3.31
40001 - 50000	3	0.05	1254090	1.93
50001 - 100000	6	0.09	4775780	7.35
100001 and above.	12	0.19	33207490	51.09
	6336	100.00	65000000	100.00

viii) 5415268 Equity Shares constituting 83.31 % of the Share Capital are in demat form as on 31/03/2013.

ix) **Address for Correspondence** : Diamond Plaza, 391, Dr. D. B. Marg, Mumbai - 400 004.

x) E-mail : ashok@seantometal.com • website : www.rajkamalsynthetics.com

DECLARATION : As provided under Clause 49 of the Listing Agreement with the Stock Exchange, it is hereby declared that all the Board Members of the Company have affirmed their compliance with the Conduct for the year ended 31st March, 2013.

Place : Mumbai

Dated : 29th May, 2013

Sd/-
(**SHEODUTT B. SANGHAI**)
CHAIRMAN

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Clause 49 (IV) (F) of the Listing Agreement, your Directors report as follows :

MACRO ECONOMIC OVERVIEW :

The Financial Year 2012-13 was a challenging Year for the Indian Economy. GDP growth during the year slipped to 5% as compared to 6.25% in 2011-2012, which is the slowest pace of growth in the last decade. According to Central Statistical Organization in 2002-2003 the GDP had grown at 4% since then the Indian Economy had been growing at over 6% the highest rate of 9.6% had been attained in 2006-2007. Economic growth was impacted by slow pace of reforms, political and policy uncertainty, foreign exchange volatility and high interest rates. Global economic headwinds created further uncertainty for businesses and lowered business confidence.

The Indian economy is expected to rebound in 2013-2014, boosted by lower inflation and Interest rate cuts from the Reserve Bank of India. Some temporary factors like easing of commodity prices are helping to keep inflation in check.

The Indian Economy is approaching an inflexion point with GDP growth having bottomed out and Corporate Earnings having stabilized, it is expected that Economic momentum and Earnings will improve from Current Levels.

Industry Scenario and the Company's performance.