RISHAB SPECIAL YARNS LTD.

30th
ANNUAL REPORT
2017-18

Board of Directors :
SHRI AMITABH HIRAWAT
SMT. ARTI HIRAWAT
SHRI SHASHANK HIRAWAT
SHRI PRADEEP LOIWAL
SHRI KAMAL KISHORE KALANI

Company Secretary :
NIDHI JAIN

Auditors :
STATUTORY :
JAIN SHRIMAL & CO.
Chartered Accountants

Registered Office :
2070, Rasta Bara Gangore
Jaipur - 302 003
Tel. : 0141-2575213
E-mail : rsyltd@gmail.com
Website : www.rishabspecial.com
CIN : L17114RJ1987PLC004067
ISIN : (CDSL) INE351D01013

Secratarial :
SUNITA GARG & ASSOCIATES
Company Secretary

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RISHAB SPECIAL YARNS LIMITED
REGD. OFFICE : 2070 RASTA BARA GANGORE, JOHARI BAZAR, JAIPUR-302003
E-mail : rsyltd@gmail.com • Phone : 0141-2575213 • CIN : L17114RJ1987PLC004067
Visit us at www.rishabspecial.com

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of **RISHAB SPECIAL YARNS LIMITED** will be held at Regd. Office at 2070, Rasta Bara Gangore, Johari Bazar, Jaipur – 302003 on **Sunday, 30th September, 2018** at 12.00 Noon to transact the following business:

ORDINARY BUSINESS:

1. To consider, approve and adopt the Audited Balance Sheet as at **March 31, 2018** and the Profit and Loss Account for the year ended **March 31, 2018** and the Report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Arti Hirawat (DIN 00349855), who retires by rotation and, being eligible, offers herself for re-appointment
3. To appoint Auditor and to fix their remuneration and in this regard 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 139-142 and other applicable provisions, if any, of the Companies Act, 2013 read with the underlying Rules viz. Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee of the Board, the retiring Statutory Auditor M/s. Jain Shrimal & Co., Chartered Accountants, having firm registration No. 001704C Allotted by The Institute of Chartered Accountants of India (ICAI) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office till the conclusion of the 34th Annual General Meeting and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company."

FOR AND ON BEHALF OF THE BOARD

(AMITABH HIRAWAT)
MANAGING DIRECTOR
(DIN 00349697)

(ARTI HIRAWAT)
DIRECTOR
(DIN: 00349855)

Registered Office :
2070, Rasta Bara Ganagore,
Johari Bazar, Jaipur – 302003
Dated: 006/09/2018

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NOTE:-

1. A Member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy to attend and vote, instead of himself/herself. A proxy need not be a Member of the Company. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital carrying voting rights of the company and a member holding more than 10 (ten) percent of the total share capital of the Company and carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy to be for any other person or shareholder.
2. The instrument of proxy in order (duly completed & signed) to be effective must reach at the Registered Office of the Company not less than 48 hours before the commencement of meeting.
3. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority authorizing their representative to attend and vote at the Annual General Meeting.
4. A proxy shall not vote except on a poll. A proxy form is appended with the admission slip.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. Member seeking any clarification on accounts of the company are requested to send their query in writing to the company at registered office addressed to Managing Director or through e-mail at rsyltd@gmail.com. The query must reach the company either by mail or e-mail at least seven working days before the date of AGM (excluding the date of AGM).
7. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2018 to 30th September, 2018 (both days inclusive).
8. As a measure of economy, copies of the Annual Report will not be distributed at the Meeting. Members are, therefore, requested to bring the copies of Annual Report.
9. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent M/s Link Intime India Pvt. Ltd.. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository.
10. Members are requested to send all their communications pertaining to shares & notify change in their address/ mandate/bank details to The Registrar & Share Transfer Agent, M/s. Link Intime India Pvt. Ltd. to facilitate better servicing.
11. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to The Registrar & Share Transfer Agent, M/s. Link Intime India Pvt. Ltd., for doing the needful.
12. In furtherance of the Green Initiative and Section 101 of the Companies Act, 2013 read with Rule 18(3) (i) of the Companies (Management & Administration) Rules, 2014 and Rule 11 of the Companies (Accounts) Rules, 2014, the Company urges the Members to register their email address with the Company and / or its Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd., for receiving the Annual Report and Accounts, Notices etc. in electronic mode. The Form for such registration is being attached with the Annual Report. In future all the Annual Report and Accounts, Notices and other communications etc. will be sent in electronic mode to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same. Positive consent letter is attached to the Notice being sent to the Members for giving consent to receive documents in electronic mode.
13. **The Securities and Exchange Board of India has mandated the submission of Bank Detail, Permanent Account Number (PAN) and E-mail Address by every Investor with RTA/company. Members holding shares in electronic form are requested to submit their Bank Detail, PAN and E-mail to their DPs. Members holding shares in physical form are requested to submit their Bank Detail, PAN and E-mail address to the RTA M/s Link Intime India Pvt. Ltd.(Unit: Rishab Special Yarns Limited) at C- 101,247 PARK, LAL BHADUR SHASTRI MARG, VIKHROLI WEST, MUMBAI -400083 and c/c to Company M/s Rishab Special Yarns Limited at: 2070, Rasta Bara Gangore, Johari Bazar, Jaipur – 302003. The form for furnishing Bank Detail, PAN and E-Mail address along with self attested documents as mentioned in the form is placed at company's website at www.rishabspecial.com and hard copy of which will be despatched through registered post at the address in our record. Investors are hereby requested to send the duly signed, filled form along with self attested documents mentioned at the earliest.**
14. **Also Note that from 5th December, 2018 except in the case of transmission or transposition of securities request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form (in electronic Form) with the depository. So, investors are advised to send their physical share for dematerialization through any of the Depository Participants who is registered with CDSL. The ISIN(s) allotted by the CDSL for the company is INE351D01013.**
15. In future electronic copy of the Notice of General Meetings of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form will be sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same.
16. Members are advised that it is mandatory to furnish copy of PAN Card both side signed as self attested in the following cases:
    i) Transferees' PAN Cards for transfer of shares,
    ii) Legal heirs' PAN Cards for transmission of shares,
    iii) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder and
    iv) Joint holders' PAN Cards for transposition of shares.

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17. Members may also note that the Notice of the Annual General Meeting and the Annual Report 2017-2018 will also be available on the Company's website http://www.rishabspecial.com for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post, free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: rsyltd@gmail.com

18. As required under Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015, brief resume including expertise in specific functional area, disclosure of relationship between Directors, other Directorship and Committee membership and shareholding of the person proposed for appointment/reappointment as director is given below:

SMT. ARTI HIRAWAT

Designation	:	Woman Director
Date of Birth	:	26.02.1961
Date of Appointment	:	27.10.2014
DIN	:	00349855
Education	:	B.A.
Experience	:	30 Years in Business
Expertise	:	TEXTILE
Other Directorship	:	Shashwin Textile Ltd.
Committee membership	:	2
Committee Chairmanship	:	1
Shareholding in RSYL on 31st March, 2018	:	54000

19. Process and manner for members opting for E-voting.

I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

II. Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

(III) The instructions for shareholders voting electronically are as under:

i) The voting period begins on 26.09.2018 at 9 AM and ends on 28.09.2018 at 5 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 20th Sept, 2018 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 / Members.

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 first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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).

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(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 also to be 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 the relevant <Company Name>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.

(ixx) **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 users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xx) **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 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.

(xxi) 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.

20. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Cut-Off Date (Record Date) of 20th September-2018.

21. M/s. Sunita Garg & Associates, A Practicing Company Secretary, FCS No. 4716 and C.P. Membership No. 4671 has been appointed as the Scrutinizer to scrutinize the e-voting process and physical votes in Annual General Meeting in a fair and transparent manner.

22. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

23. The Results shall be declared on or after the Annual General Meeting (AGM) of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting (AGM) of the Company on 30thSeptember, 2018 and communicated to the Stock Exchange(s).

24. Route Map to the venue of the meeting is provided at the end of Annual Report.

FOR AND ON BEHALF OF THE BOARD

Registered Office :
2070, Rasta Bara Ganagore,
Johari Bazar, Jaipur – 302003
Dated: 06/09/2018

RISHAB SPECIAL YARNS LTD. JAIPUR

(AMITABH HIRAWAT)
MANAGING DIRECTOR
(DIN 00349697)

(ARTI HIRAWAT)
DIRECTOR
(DIN: 00349855)

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DIRECTORS' REPORT

TO
The Members of
RISHAB SPECIAL YARNS LIMITED
JAIPUR

Your Directors have pleasure in presenting their 30th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2018.

1. Financial summary or highlights/Performance of the Company (Standalone)

FINANCIAL RESULTS		Amount in rupees
	2018	2017
Net Sales/ Income From Operations	-	-
Other Income	192911	245500
Profit/(Loss) before depreciation, finance cost, exceptional items & taxes.	(571661)	(415851)
Less: Finance Cost	2006	446
Profit/(Loss) before depreciation, exceptional items & taxes.	(573667)	(416298)
Less : Depreciation	-	-
Profit/(Loss) before exceptional items & taxes	(573667)	(416298)
Exceptional items : Profit on sale of land & building	-	-
Profit/(Loss) before tax	(573667)	(416298)
Provision for Taxation	-	-
Profit/ (Loss) after tax	(573667)	(416298)
Balance Brought forward from the last year	(107620574)	(107204276)
Balance Carried to Balance Sheet	(108194241)	(107620574)

2. Dividend

In view of the current year operational loss and carried forward losses, your directors are unable to declare dividend.

3. Reserves

In view of the current year loss the Board does not propose to appropriate any amount to carry to any kind of reserves.

4. Brief description of the Company's working during the year/State of Company's affair:

PERFORMANCE : Due to financial constraints, manufacturing activities stand discontinued. During the year under review company has incurred a loss of Rs. 5.74 lakhs from non operating expenses in comparison to Rs. 4.16 lakhs in previous year. The increase in expenses during the year is due to increase in Listing Fees and the expenses related to excise duty of Rs. 101632/- paid under protest earlier now booked as expenses on decision of CESTAT. The Basic and diluted EPS during the year is Rs. (0.16) as compare to Rs. (0.12) in previous year. There are no separate divisions in the company so division wise working details are not applicable. The management is examining various options to gainfully utilize factory assets at Abu Road.

FUTURE PROSPECTS : The company is continuously examining the possibility of starting some business to utilize the existing assets gainfully. Any future course of action shall be finalized and implemented based on final view of board and availability of funds. As soon as the management is able to finalize any business plans, it shall keep the valued shareholders informed through available mode of communications.

5. Change in the nature of business, if any: There is no change in the nature of business of the company during the year..

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There is no Material changes and commitments which can affect the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relates and the date of the report.

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7. **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

The Company's Appeal with CESTAT was heard on 28.08.2017 and was decided in company's favor. Hence the contingent liability of the company, in the current Annual Report, has reduced by Rs. 83.36 lakh, from the Annual Report of earlier years.

8. **Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

The company has adequate internal financial controls with reference to financial statement. The company has appointed internal auditor during the year to audit and highlight the adequacy of internal control and it has given its report satisfactorily.

9. **Details of Subsidiary/Joint Ventures/Associate Companies**

There is no company which either have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year. So no statement about subsidiary company(ies) is required to be given.

10. **Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.**

There is no subsidiaries, associates and joint venture companies of the company so report on the performance and financial position of these are not applicable to the company.

11. **Deposits**

The details relating to deposits, covered under exempt category of Chapter V of the Act,-

The company has taken interest-free unsecured loans, repayable on demand, from four parties covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount involved during the year was Rs. 2,03,12,182/- and the year-end balance of loans taken from such parties was Rs. 1,80,06,405/-.Apart from above the company has not accepted any deposits.

(a) accepted during the year Rs. 5,44,169/- paid during the year Rs. 23,15,150/-
(b) remained unpaid or unclaimed as at the end of the year; Rs. 1,80,06,405/-.
(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- There is no default in repayment of interest or deposit during the year.
(i) at the beginning of the year;: NIL
(ii) maximum during the year; : NIL
(iii) at the end of the year;: NIL

There is no such deposits which are not in compliance with the requirements of Chapter V of the Act;

12. **Statutory Auditors**

M/s Jain Shrimal & Co., Chartered Accountants, Jaipur, retire at the ensuing Annual General Meeting and being eligible for re-appointment and has shown his interest for re-appointment. Your Directors recommend their appointment.

13. **Explanation or Comments by the Board on every qualification, reservation or adverse remark or disclaimer made in:**

i) **Auditors' Report**
There is no qualification, reservation or adverse remark or disclaimer made by the auditor in his report so the explanations or comments by the Board does not required.

ii) **Secretarial Audit Report:** There is no qualification, reservation or adverse remark or disclaimer made by the auditor in his report so the explanations or comments by the Board does not required.

14. **Share Capital**

A) **Issue of equity shares with differential rights**
No equity shares issued during the year and all equity shares issued in earliear years have equal rights. No equity shares issued with differential rights till date.

B) **Issue of sweat equity shares**
The Company has not issued any sweat equity shares from inception to till date.

C) **Issue of employee stock options**
The company has not issued any employee stock options to any of it's employee from its inception to till date.

D) **Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees :** No provision has been made for purchase of company's own shares by employees or by trustees for the benefit of employees from its inception to till date.

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15. **Extract of the annual return :**
Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with rule 1(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is annexed herewith and forming part of the report. (Annexure - VII)

16. **Conservation of energy, technology absorption and foreign exchange earnings and outgo :**
Particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under section 134(3)(m)of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out in a separate statement attached hereto as Annexure - IV and forming part of the report.

17. **Corporate Social Responsibility (CSR) :**
Neither the Company fall under the criteria for which the Corporate Social Responsibility is applicable nor it has any operations. So the same is not applicable to the company.

18. **Directors:**

A) **Changes in Directors and Key Managerial Personnel**
Smt. Arti Hirawat, retires by rotation and being eligible offer herself for re-appointment. Miss Nidhi Jain has resigned from Company Secretary from 30.04.2018.
There is no change in key managerial person during the year. Miss Nidhi Jain resigned as Company Secretary from 30.04.2018

B) **Declaration of Independence by Independent Director(s) and re- appointment, if any**
Pursuant to section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section. Both the independent Director have not completed their first term of 5 years. So, re-appointment is not required.

C) **Formal Annual Evaluation**
The Board of Directors of the company has initiated and put in place evaluation of it's own performance, its committees and individual Directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the company.

19. **Number of meetings of the Board of Directors:**
The Board have met 10 times and independent directors once during the year ended 31st March, 2018.

20. **Detail of Committee of Directors:** Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors and Stakeholders Relationship/Grievance Committee of Directors, number of meetings held of each committee during the financial year 2017-18 and meeting attended by each members of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report and forming part of the Report.
The recommendation by the Audit Committee as and when made to Board has been accepted by it.

21. **Details of establishment of vigil mechanism for directors and employees :**Your company has put in place the vigil mechanism. The detailed mechanism is given in Corporate Governance Report forming part of this report.

22. **Policy on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and other matters provided under sub-section (3) of section 178:** The details is given in Corporate Governance Report forming part of this report.

23. **Particulars of loans, guarantees or investments under section 186:** There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013.

24. **Particulars of contracts or arrangements with related parties:** There is no transaction with related party which requires disclosure under section 134(3)(h) of the Companies Act, 2013 and Rule8(2) of the Companies (Accounts) Rules, 2014.

25. **Managerial Remuneration:** The Ministry of Corporate Affairs (***"MCA"***) has amended the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ***("Managerial Remuneration Rules, 2014")*** *by way of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 dated June 30, 2016* **("Amended Managerial Remuneration Rules, 2016").** Under these Rules a listed company is required to disclose (a) ratio of remuneration of director to the employees; (b) percentage increase in the remuneration of directors, key managerial personnel and employees; (c) average percentile increase already made in the salaries of employees and its comparison with the percentile increase in managerial remuneration and justification thereof etc., under its Board Report. As your Company neither provide any remuneration to any Director nor has any employee on its Roll except Company Secretary, to whom salary of Rs. 10000/- payable on monthly basis, so the above analysis is not possible because remuneration is neither paid to Directors nor to any employee except Company Secretary. The salary paid to company Secretary is same and there is no change in remuneration from last year to this year.

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26. **Secretarial Audit Report** A Secretarial Audit Report for the year ended on 31st March 2018 in prescribed form duly audited by the Practising Company Secretary M/s Sunita Garg & Associates is annexed herewith as Annexure – VIII and forming part of the report.

27. **Corporate Governance:** Your Company re-affirm its commitment to Corporate Governance and is fully compliant with the conditions of Corporate Governance provisions as specified in chapter IV of the Securities and Exchange Board Of India (Listing Obligation and Disclosure Requirements) Regulation, 2015. A separate section on compliance with the conditions of Corporate Governance is annexed as Annexure-I, and a Certificate from the firm of Practicing Chartered Accountant in this regard is annexed as Annexure – II, hereto and forms a part of the report.

28. **Risk management policy:** During the year, Management of the Company, evaluated the existing Risk Management Policy of the Company to make it more focused in identifying and prioritizing the risks, role of various directors in monitoring and mitigation of risk and reporting process. The Risk Management Policy has been reviewed and found adequate to the requirements of the company.

29. **MANAGEMENT DISCUSSION & ANALYSIS :** This has been included as a separate Annexure - III to this Report.

30. **Directors' Responsibility Statement :** Pursuant to the requirements of section 134(1)(c) of the Companies Act, 2013 and on the basis of explanation and compliance certificate given by the Directors of the Company, and subject to disclosures in the Annual Accounts and also on the basis of discussions with the Statutory Auditors of the company from time to time, we state as under :

    (a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

    (b) that the directors had selected such accounting policies and applied them consistently and made judgments 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 and of the profit and loss of the company for that period;

    (c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

    (d) that the directors had prepared the annual accounts on a going concern basis; and

    (e) that the directors, in the case of a **listed company,** have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

    (f) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. **Depository System :** The company's shares can now be traded in electronic form. The company has entered into an agreement with CDSL to act as depository and for dematerialization of shares. CDSL has issued ISIN INE351DO1013 and activated the same as on 25th August, 2014. Some of the shareholders have already dematerialized the shares to electronic form but most of shares till date are in physical form. The shareholders are requested to convert their physical holding to demat form.

32. **Business Responsibility Report :** Business Responsibility Report is attached as Annexure-VI.

33. **Employees :** None of the employees of the company is in receipt of Remuneration of Rs. 60,00,000/- or more per annum or Rs. 5,00,000/- or more per month, if employed for part of the year. The Company does not have any employee except Company Secretary during the year under review

34. **Safe & Conducive Workplace:** The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

35. **Web site:** The Extract of Annual Return as provided under sub-section (3) of section 92 has been placed at company's web site www.rishabspecial.com.

36. **Acknowledgements:** The Board gratefully acknowledges the co-operation and support given by the Shareholder, Creditors, Bank and financial institutions and others..

FOR AND ON BEHALF OF THE BOARD

RISHAB SPECIAL YARNS LIMITED JAIPUR

(AMITABH HIRAWAT)
MANAGING DIRECTOR
(DIN 00349697)

(ARTI HIRAWAT)
DIRECTOR
(DIN: 00349855)

Registered Office :
2070, Rasta Bara Ganagore,
Johari Bazar, Jaipur – 302003
Dated: 06/09/2018

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RISHAB SPECIAL YARNS LIMITED

REGD. OFFICE : 2070 RASTA BARA GANGORE, JOHARI BAZAR, JAIPUR-302003

E-mail : rsyltd@gmail.com • Phone : 0141-2575213 • CIN : L17114RJ1987PLC004067

Visit us at www.rishabspecial.com

ANNEXURE - 1

1. **CORPORATE GOVERNANCE REPORT :** Corporate Governance Report as required by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   Company's Philosophy on Corporate Governance : Company's philosophy in relation to Corporate Governance is to ensure transparency in all it's operations, make disclosures and comply with various laws and regulations. Emphasis therefore is on adding value to it's shareholders, investors, employees, suppliers, customers and the community at large.

   Declaration for Compliance with Code of Conduct : Pursuant to Regulation 17 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all Board Members and senior Management team of the Company have affirmed compliance with the company's code of conduct for the financial year ended 31st March, 2018.

   CEO Certification : Pursuant to Regulation 17 (8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director has provided to the Board of Director the Compliance Certificate as specified in the Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, on the financial statements and internal control relating to financial reporting has been obtained and is part of this report as Annexure - (V).

2. **Board of Directors :** The Board of Directors consists of 5 directors (One Managing Director, one Woman Director, one non-executive non-independent Director and two Non Executive independent Directors. During the year Board Meetings were held on 07th April, 2017, 30th May 2017, 31ST July 2017, 14teenth August 2017, 05TH September 2017, 13teenth September 2017, 2nd October 2017, 14teenth November 2017, 14teenth February 2018, and 28th March 2018. The Board was presented with the relevant and necessary information at it's meetings. The attendance of each Director at the Board Meeting during the year and at the last Annual General Meeting and Extra Ordinary General Meeting and also the other Companies and Committees where he is a director/member is tabulated below:

Name of Directors	Category	Attendance Particulars		No of other Directorship and Committee Member/Chairmanship		
		Board Meeting	Last AGM/ EOGM	Other Directorship	Committee Membership	Committee Chairmanship
Sh. Amitabh Hirawat	Managing Director & Promoter	10	Yes	3	1	-
Sh. Pradeep Loiwal	Non Executive Independent Director	8	Yes	-	3	1
Sh. Kamal Kishore Kalani	Non Executive Independent Director	6	Yes	-	3	1
Smt. Arti Hirawat	Non Executive Woman Director & Promoter	10	Yes	1	2	-
Sh. Shashank Hirawat	Non Executive Director & Promoter	10	Yes	2	-	-

Meeting of Independent Directors and their attendance: Independent Directors to Meet at least once in a year to deal with matters listed out in Regulation 25(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which inter-alia includes, review the performance of non-independent directors, chairman and the Board as a whole and assess quality and quality of flow of information to perform the duties by the Board of Directors. Both the Independent Directors have attended the meeting.

Directors Remuneration: Due to losses in the company the company has not paid any remuneration, sitting fees or commission to any of the Director whether executive, non executive or independent.

3 Audit Committee : The Board of Directors has constituted an audit committee, as prescribed under section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the Directors and empowered the Committee to deal with all such matters which it may consider appropriate to perform as audit committee including items specified in section 177(4) of the Companies Act, 2013 (as may be modified/amended from time to time), items specified in Part C of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 under the head role of audit committee and Review of Information by Audit Committee (as may be modified/amended from time to time) and such matters as may be assigned by the Board of Directors. The committee in addition to other business, review un-audited and/or audited financial results for the relevant quarter, half year and the year for adoption/approval by the board, review internal control system and procedures and its adequacy, risk management, related party transaction, audit program, nature and scope of audit program, appointment and remuneration of Auditors. The composition of the audit committee and details of meeting attended by members thereof are as follows:

Name of Directors	Category of Directorship & Designation	Qualifications	No. of Meeting Attended
Sh. Pradeep Kumar Loiwal	Non Executive Member of the Committee Independent	B.E.	7
Sh. Kamal Kishore Kalani	Non executive Chairman of the committee Independent	B.Com., F.C.A.	7
Smt. Arti Hirawat	Non Executive Member of the Committee	B.A.	7

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