



**RAMA PETROCHEMICALS LIMITED**

**Thirtieth Annual Report**

**2015 - 2016**

**BOARD OF DIRECTORS**

**CHAIRMAN**

MR. H. D. RAMSINGHANI

**REGISTERED OFFICE**

51/52, FREE PRESS HOUSE,  
NARIMAN POINT,  
MUMBAI 400 021.  
CIN: L23200MH1985PLC035187  
Email : rama@ramagroup.co.in  
Website:www.ramapetrochemicals.com  
Tel.No. 022-2283 3355 / 2283 4182  
Fax : 022-2204 9946

**TECHNICAL DIRECTOR**

MR. D. N. SINGH

**DIRECTORS**

MR. MAHENDRA LODHA (up to 15.06.2016)  
MR. R. G. KULKARNI  
MRS. N. H. RAMSINGHANI  
MR. N. R. JOSHI (w. e. f. 30.05.2016)

**PLANT**

VILLAGE VASHIVALLI,  
SAVROLI KHARPADA ROAD,  
PATALGANGA,  
DIST RAIGAD  
MAHARASHTRA

**BANKERS**

BANK OF INDIA  
ICICI BANK LTD.  
STATE BANK OF INDIA

**REGISTRARS AND TRANSFER AGENT**

LINK INTIME INDIA PVT. LTD.  
C-13, PANNALAL SILK MILLS  
COMPOUND, L B S MARG,  
BHANDUP (WEST),  
MUMBAI 400 078  
TEL : 25963838  
FAX : 25946969  
EMAIL: rnt.helpdesk@linkintime.co.in  
Website : www.linkintime.co.in

**AUDITORS**

DAYAL & LOHIA  
CHARTERED ACCOUNTANTS  
MUMBAI

## **NOTICE**

NOTICE is hereby given that the Thirtieth Annual General Meeting of the members of RAMA PETROCHEMICALS LIMITED will be held on Friday the 30<sup>th</sup> day of September, 2016 at 10.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai - 400 001 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 Mr. H. D. Ramsinghani (DIN 00035416) who retires by rotation and is eligible 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 there of 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 such remuneration as may be finalized by the Board of Directors of the Company.”

### **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 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.”

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

“RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents and sanctions, the consent of the Members be and it is hereby accorded pursuant to the provisions of Sections 197,198, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 for the reappointment of Mr. D. N. Singh as Whole Time Director designated as ‘Technical Director’ for a further period of three years from May 01, 2016 on the terms and conditions as set out in the draft agreement between the Company and Mr. D. N. Singh placed before the meeting and for the purpose of identification initialed by the Chairman hereof.”

“FURTHER RESOLVED THAT the Directors be and they are hereby authorised to execute the Agreement, in terms of the said draft with such alterations, changes and/or variations as may be agreed between the Directors and Mr. D. N. Singh.”

“FURTHER RESOLVED THAT the Board of Directors be and it is hereby authorised to take such steps as may be necessary to give effect to the above Resolutions.”

## **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 Wednesday the 21<sup>st</sup> day of September, 2016 to Friday the 30<sup>th</sup> 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 10.00 a.m. to 1.00 p.m. 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 its Registered 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 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 30<sup>th</sup> Annual General Meeting of the Company. The instructions for members voting electronically are given below :

### **e-Voting instructions**

The instructions for members for voting electronically are as under ;

- (I) The voting period begins on 26/09/2016 at 9.00 am and ends on 29/09/2016 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 21, 2016, 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 shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://www.evotingindia.com) and voted on an earlier resolution of any company, then your existing password is to be used.

- (iv) 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 demat shareholders as well as physical shareholders) Members who have not updated their PAN are requested to use the Sequence Number printed on the sticker.
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.

(xv) 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 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.

- (III) The Company has appointed Mr. Sanjay Dholakia, Practicing Company Secretary (Membership Number FCS 2655) 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](http://www.evotingindia.com) under help section or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board  
**for RAMA PETROCHEMICALS LTD.**

**H. D. RAMSINGHANI**  
**CHAIRMAN**  
**(DIN 00035416)**

Place : Mumbai  
Date : August 11, 2016

Registered Office ;  
51-52, Free Press House,  
Nariman Point,  
Mumbai 400021  
Tel : 912222834123  
Fax : 912222049946  
CIN No. L23200MH1985PLC035187  
e-mail : [rama@ramagroup.co.in](mailto:rama@ramagroup.co.in)  
Website: [www.ramapetrochemicals.com](http://www.ramapetrochemicals.com)

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

**ITEM NO 4**

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 an 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 5**

The Board of Directors of the Company at their meeting held on February 12, 2016, have reappointed Mr. D. N. Singh as the Whole Time Director designated as 'Technical Director' for a further period of Three Years from May 01, 2016.

The material terms and conditions of his reappointment, as set out in the draft Agreement between the Company and Mr. D. N. Singh, are as follows :

Designation	:	Whole Time Director designated as 'Technical Director'.
Effective Date of Appointment	:	May 01, 2016.
Period	:	Three years

**REMUNERATION:**

- (a) Mr. D. N. Singh shall not be entitled to any remuneration as the Technical Director of the Company. He shall, however, be entitled to reimbursement of all expenses incurred for the business of the Company.
- (b) He shall not be entitled to sitting fees for attending meetings of the Board of Directors or any committee thereof.

The Draft Agreement between the Company and Mr. D. N. Singh is open for inspection of the Members on all days except Saturdays, Sundays and Public Holidays between 11.00 a.m. and 1.00 p.m.

Mr. D. N. Singh may be deemed to be concerned or interested in this Resolution as it relates to his own reappointment. None of the other Directors of the Company are in any way concerned or interested in the Resolution.

By Order of the Board  
for **RAMA PETROCHEMICALS LTD.**

**H. D. RAMSINGHANI**  
**CHAIRMAN**  
**(DIN 00035416)**

Place : Mumbai  
Date : August 11, 2016

Registered Office ;  
51-52, Free Press House,  
Nariman Point,  
Mumbai 400021  
Tel : 912222834123  
Fax : 912222049946  
CIN No. L23200MH1985PLC035187  
e-mail : rama@ramagroup.co.in  
Website:www.ramapetrochemicals.com

**Map Showing Location of the venue of the AGM of Rama Petrochemicals Limited**  
**Venue : The Babasaheb Dahanukar Hall, Orion House, Maharashtra Chamber of Commerce Path,**  
**Fort, Mumbai - 400001**





**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**

1. Mr. H. D. Ramsinghani retires by rotation at the forthcoming Annual General Meeting and is eligible for reappointment.

Mr. H. D. Ramsinghani has done his Post Graduation in Management from U S A and has over 32 years of rich and varied experience in the field of Textiles, Petrochemicals and Fertilizers.

Mr. H. D. Ramsinghani was a Director of the Company from incorporation till 16/08/1993 and thereafter he was the Managing Director from 11/03/1996 to 19/06/2002 and is a Director since 2005.

He is the Chairman and Managing Director of Rainbow Denim Limited and Rainbow Agri Industries Limited. He is also a Director of Rama Phosphates Ltd., Rama Industries Ltd. and Nova Gelicon Pvt. Ltd. He is a Committee Member / Chairman in the following Companies :

<b>Name of the Company</b>	<b>Name of the Committee</b>	<b>Designation</b>
Rainbow Denim Ltd.	Stakeholders Committee	Member
Rama Phosphates Ltd.	Stakeholders Committee Audit Committee	Member Member
Rama Industries Ltd.	Audit Committee	Member

2. Mr. D. N. Singh is a Chemical Engineer from Banaras Hindu University and has over 50 years 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. D. N. Singh holds 10,898 Equity Shares of the Company

He is a Director of the following companies :

- (1) Rama Phosphates Limited      (2) Rainbow Denim Limited
- (3) Rama Industries Limited

He is a Committee Member / Chairman in the following companies:

<b>Rama Phosphates Limited</b> Audit Committee - Member Stakeholders Relationship Committee - Chairman	<b>Rainbow Denim Limited</b> Audit Committee - Member Stakeholders Relationship Committee - Chairman
<b>Rama Industries Limited</b> Audit Committee - Chairman	

**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 Rainbow Denim Limited. He is a Member of Audit Committee and Stakeholders Relationship Committee of Rainbow Denim Limited.

## DIRECTOR'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have pleasure in presenting the Thirtieth Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2016.

### FINANCIAL RESULTS

	<b>Year Ended</b>	<b>(₹ in lacs)</b>
	<b>31.03.2016</b>	Year Ended
		31.03.2015
Profit/(Loss) before Depreciation	<b>(382.46)</b>	(3113.04)
Depreciation	<b>3.64</b>	3.66
Profit/(Loss) before tax and extraordinary items	<b>(386.10)</b>	(3116.70)
Extraordinary Items	<b>Nil</b>	Nil
Profit/(Loss) ) for the year after Tax and extraordinary items	<b>(386.10)</b>	(3116.70)

### DIVIDEND

Your Directors regret their inability to recommend any dividend for the year under review.

### FINANCIAL PERFORMANCE

There was no production or sale of Methanol during the year under review. The manufacturing operations of the Company continued to be suspended during the entire year under review. The Company is a sick company as defined under Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 and a Draft Rehabilitation Scheme is under consideration of the Hon'ble BIFR. The segment wise details as required by Accounting Standard – 17 are given in the notes forming part of the Accounts.

### INDUSTRY STRUCTURE AND DEVELOPMENTS

Due to non availability of natural gas at viable price few methanol plants remain closed and those who are operating are for their captive requirements only.

### REVIEW OF COMPANY OPERATIONS

The Methanol Plant of the Company continued to be closed during the entire year under review since the operation of the Plant by using Naphtha as feed stock continues to be economically unviable.

### FUTURE PROSPECTS

Methanol demand in the country is very good and it is mostly met by import as there is shortfall . Due to non availability of natural gas at viable price all the plants are not operating. It is expected that there would be increase in domestic production of gas and would be made available at viable price. This would help in restarting the closed units

### CORPORATE GOVERNANCE

A Report on Corporate Governance along with the Auditor's Certificate regarding Compliance of the conditions of Corporate Governance pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015 is annexed hereto.

Your Directors refer to the observations made by the Auditors in their Report on compliance with conditions of Corporate Governance and wish to state that the Company is taking steps to comply with requirement of minimum number of independent directors and appointment of KMP.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) of the Companies Act, 2013 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. Appropriate policies have been selected and applied consistently and have 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 as at March 31, 2016 and the loss of the Company for the year ended March 31, 2016;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis;
5. Internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
6. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

## **AUDIT COMMITTEE**

The Company has constituted an Audit Committee comprising of the following Directors viz., Mr. Mahendra Lodha - Chairman (up to 15.06.2016), Mr. D. N. Singh, Mr. R. G. Kulkarni - Chairman (w.e.f. 11.08.2016) and Mr. N. R. Joshi. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board. There were no instances when the recommendations of the Audit Committee were not accepted by the Board during the year under review.

## **OTHER COMMITTEES**

The Stakeholders Relationship Committee which presently consists of Mr. H. D. Ramsinghani - Chairman, Mr. D. N. Singh, Mr. R. G. Kulkarni and Mr. N. R. Joshi.

The Risk Management Committee which presently consists of Mr. H. D. Ramsinghani - Chairman, Mr. D. N. Singh and Mr. R. G. Kulkarni. The Board has formulated a Risk Management Policy covering various risks associated with the business of the Company.

The Nomination and Remuneration Committee comprising of Mr. Mahendra Lodha - Chairman ( up to 15.06.2016), Mr. H. D. Ramsinghani, Mr. R. G. Kulkarni - Chairman (w.e.f. 11.08.2016) and Mr. N. R. Joshi.

The Company has not constituted a Corporate Social Responsibility Committee as the Company does not fulfill the prescribed criteria.

## **DISCLOSURES**

Information relating to the conservation of energy, technology absorption, foreign exchange earnings and outgo to the extent applicable, is annexed hereto as Annexure A and forms a part of this Report.

No remuneration was paid to the Whole Time Director during the year under review and no remuneration was paid to non executive Directors other than sitting fees for attending meetings of the Board or committees thereof. The Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as Annexure B and forms a part of the Report. The details pertaining to remuneration as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as Annexure C and forms a part of the Report.

Details of loans, guarantees and investments, if any, are given under the Notes to Financial Statements.

All transactions entered in to with Related Parties during the year under review were in the ordinary course of business and at an arms length at prevailing market rates. There were no material related party transactions with the Promoters, Directors or the Key Managerial Personnel or their relatives during the year under review.

There were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

The Company has formulated a Whistle Blower Policy under which all personnel have access to the Audit Committee to report genuine concerns or grievances relating to the business activities of the Company in general.

The Company has an adequate system of internal controls that ensures that all assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

## **DIRECTORS**

During the year under review, four Board Meetings were held on May 29, 2015, August 8, 2015, November 6, 2015 and February 12, 2016.

Mr. Mahendra Lodha, an Independent Director, has resigned from the Board of Directors with effect from June 15, 2016 due to his other professional commitments. The Board places on record its sincere appreciation of the valuable contribution made by Mr. Lodha during his long association with the Company.

Mr. H. D. Ramsinghani retires from the Board of Directors by rotation and is eligible for re-appointment.

Mr. D. N. Singh has been reappointed as the Whole Time Director designated as “Technical Director” for a further period of three years with effect from May 1, 2016 and the terms and conditions of his reappointment have been placed before the Members for their approval at the forthcoming Annual General Meeting.

The Board of Directors, at the meeting held on May 30, 2016, have appointed Mr. N. R. Joshi as an Additional Director who will hold office of a Director up to the date of the forthcoming Annual General Meeting. The Company has received a notice from a member signifying the intention to propose the name of Mr. N. R. Joshi as a Director of the Company. It is therefore proposed that Mr. N. R. Joshi be appointed as an Independent Director for a term of five years up to May 30, 2021.

All Independent directors have given declarations that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations, 2015.

The Board of Directors have framed a policy in relation to remuneration of directors, Key Managerial Personnel and senior Management and it lays down criteria for selection and appointment of Board Members.

The performance evaluation of the Chairman and the non executive Directors was carried out by the Independent Directors of the Company in their meeting held on February 12, 2016.

## **STATUTORY AUDITORS REPORT**

The Report submitted by the Statutory Auditors does not contain any Audit qualification for the year under review.

## **AUDITORS**

M/s. Dayal & Lohia, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. The Company has received a certificate from them certifying that their appointment, if made, would be in compliance with all the applicable provisions of the Companies Act, 2013.

## **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made there under, the Company has appointed Sanjay Dholakia & Associates to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed hereto as Annexure D and forms a part of this Report.

Your Directors refer to the observations made by the Secretarial Auditor in the Secretarial Audit Report and wish to state that the Company is taking steps to comply with requirement of minimum number of independent directors and appointment of KMP.

#### **COST AUDIT**

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended till date, the Company was not required to undertake an audit of the cost records for the year under review.

#### **EXTRACT OF ANNUAL RETURN**

The extract of the Annual Return in Form MGT 9 pursuant to the provisions of Section 92 of the Companies Act, 2013 is annexed hereto as Annexure E and forms a part of this Report.

#### **SUBSIDIARY COMPANY**

Rama Capital and Fiscal Services Pvt. Ltd. is a wholly owned subsidiary of the Company which is engaged in the business of providing financial services. The turnover of the subsidiary during the year under review was ₹ 35,161/- and the loss after tax was ₹ 1,77,176/-. There were no other entities which became or ceased to be subsidiaries, associates or joint ventures during the year under review.

#### **FIXED DEPOSITS**

The Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

#### **SAFETY, ENVIRONMENTAL CONTROL & PROTECTION**

The Company has taken all the necessary steps for safety and environmental control and protection.

#### **INDUSTRIAL RELATIONS**

The Industrial Relations remained cordial during the year under review.

#### **ACKNOWLEDGEMENT**

Your Directors sincerely record their appreciation with gratitude for the continued support and assistance extended to the Company by the Banks and various Government Departments and Agencies.

For and on behalf of the Board

Place : Mumbai  
Date : August 11, 2016

**H. D. RAMSINGHANI**  
**CHAIRMAN**  
**DIN : 00035416**

**ANNEXURE A**

**PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND ADAPTATION AND FOREIGN EXCHANGE EARNING AND OUTGO**

**I. CONSERVATION OF ENERGY :**

- A. Energy conservation measures taken :
- B. Additional investment proposals, if any, being implemented for reduction of consumption of energy :
- C. Impact of measures at (A) and (B) above for reduction of Energy Consumption and consequent impact on the cost of production of goods :

Not Applicable as the Plant was closed during the entire year under review.

- D. Particulars with respect to energy consumption per unit of production:

<b>I) POWER AND FUEL CONSUMPTION</b>	<b>2015- 2016 (12 months)</b>	<b>2014-2015 (12 months)</b>
<b>1) ELECTRICITY :</b>		
a) Purchased (MSEB)		
Units (in Thousand)	<b>70.634</b>	80.140
Total cost (₹ in lacs)	<b>6.27</b>	6.72
Rate per Unit (₹)	<b>8.87</b>	8.38
b) Own Generation :		
i) Through Diesel Generation		
Units (in Thousand)	<b>NIL</b>	NIL
Units/KL of Diesel	<b>NIL</b>	NIL
Cost/Unit (₹)	<b>N.A</b>	N.A
ii) Through Steam Turbine/Generator		
Units (in Thousand)	<b>NIL</b>	NIL
Units/Lt Of Fuel Oil, Gas	<b>NIL</b>	NIL
Cost/Unit (₹)	<b>N.A</b>	N.A
<b>2) COAL</b>	<b>NIL</b>	NIL
<b>3) FURNACE OIL</b>	<b>NIL</b>	NIL
<b>II) CONSUMPTION PER UNIT OF PRODUCTION</b>		
Consumption/ton of Methanol	<b>N.A</b>	N.A
Electricity (KWH)	<b>N.A</b>	N.A
Furnace Oil	<b>N.A</b>	N.A
Coal	<b>N.A</b>	N.A
Other – Diesel Oil (KL)	<b>N.A</b>	N.A

**II. TECHNOLOGY ABSORPTION :**

**A. RESEARCH AND DEVELOPMENT (R & D)**

- a) Specific areas in which R & D is carried out by the Company :
- b) Benefits derived as a result of R & D :
- c) Future Plan of Action :  
Not Applicable as the Plant was closed during the entire year under review.
- d) Expenditure on R & D

(₹ in lacs)

i) Capital	NIL
ii) Recurring	NIL
iii) Total	NIL
iv) Total R & D expenditure as a percentage of total turnover	N.A.

**B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :**

- a) Efforts in brief made towards technology absorption, adaptation and innovation :
- b) Benefits derived as a result of above efforts :  
Not Applicable as the Plant was closed during the entire year under review.
- c) Information of Imported Technology :  
Technology Imported: Low pressure technology for manufacture of Methanol from M/s. Lurgi GmbH, Germany.  
Year of Import: 1987 – 88  
Whether the technology has been fully absorbed.  
In terms of the scope of agreement with the technical collaborator, the technology has been fully absorbed.

**III. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

(₹ in lacs)

Foreign Exchange used	NIL
Foreign Exchange earned	NIL

For and on behalf of the Board

Place : Mumbai  
Date : August 11, 2016

**H. D. RAMSINGHANI**  
**CHAIRMAN**  
**DIN : 00035416**

**ANNEXURE 'B' TO BOARD REPORT**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED  
UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013  
READ WITH RULE 5(1) OF THE COMPANIES**

**(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	Not applicable as no remuneration was paid to Directors other than sitting fees for attending meetings of the Board or Committees thereof.
(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	Not applicable as no remuneration was paid to Directors, Chief Financial Officer, Chief Executive Officer, or Manager, if any, in the financial year.
(iii) The percentage increase in the median remuneration of employees in the financial year.	The percentage increase in the median remuneration of other employees in the financial year was 4.51%.
(iv) The number of permanent employees on the rolls of company;	9
(v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Not applicable as no remuneration was paid to Directors, Chief Financial Officer, Chief Executive Officer, or Manager, if any, in the financial year.
(vi) Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration is as per the remuneration policy of the company.

**ANNEXURE 'C' TO BOARD REPORT**

**PARTICULARS OF REMUNERATION AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- A. Employed for the entire year under review and were in receipt of Remuneration of not less than ₹ 1,02,00,000/-**  
Nil
- B. Employed for a part of the year under review and were in receipt of Remuneration of not less than ₹ 8,50,000/- p. m.**  
Nil
- C. Details of Top 10 employees in terms of remuneration drawn as on 31.03.2016 will be provided on request.**



**ANNEXURE 'D' TO BOARD REPORT**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies

(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**RAMA PETROCHEMICALS LIMITED**  
Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RAMA PETROCHEMICALS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The manufacturing operations of the Company are suspended from the year 1999 and the Company is a Sick Company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 and registered with Board for Industrial and Financial Reconstruction (BIFR).

A. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; The same is not applicable as there were no transactions during the year under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto May 14, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective May 15, 2015);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; There were no further issue of securities during the year under review
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective October 28, 2014); There were no ESOPS issued during the year under review.

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; There were no debts were raised during the year under review
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There were no proposals for delisting of its Equity shares during the year under review. and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There were no Buy Back of its Equity shares during the year under review
- (vi) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

B. We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (effective July 1, 2015)
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s), where the securities of the Company is Listed and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective December 1, 2015):- The Company has complied with the various applicable provisions of Listing Agreement/ Listing Regulations except ***that the composition of the Board is not in accordance with clause 49(II)(A)(2) of the Listing Agreement and Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above ***except that the Company has not appointed a Company Secretary and a Chief Financial Officer As per section 203(1)(ii) & (iii) of the Companies Act, 2013.***

I further report that

Subject to our observation in para B (ii), the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as Annexure II and forms an integral part of this Report.

**For SANJAY DHOLAKIA & ASSOCIATES  
(SANJAY R DHOLAKIA)**

**Practising Company Secretary  
Proprietor**

**Membership No. 2655 / CP No. 1798**

Date : August 11, 2016

Place : Mumbai

**Annexure I**

**List of applicable laws to the Company**

**Under the Major Groups and Heads are as follows:-**

1. Sick Industrial Companies (Special Provisions) Act, 1985;
2. Factories Act, 1948;
3. Industries (Development & Regulation) Act, 1951;
4. The Petroleum Act, 1934
5. Indian Explosives Act, 1984
6. Bombay Village Panchayat Act, 1958
7. Labour Laws and other incidental laws related to labour and employees appointed by the company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
8. Acts prescribed under prevention and control of pollution;
9. Acts prescribed under Environmental protection;
10. Acts as prescribed under Direct Tax and Indirect Tax;
11. Land Revenue laws of respective States;
12. Labour Welfare Act to respective States;
13. Trade Marks Act 1999 & Copy Right Act 1957;
14. The Legal Metrology Act, 2009;
15. Acts as prescribed under Shop and Establishment Act of various local authorities.
16. Local Laws as applicable to various offices and plants;
17. The Competition Act, 2002;
18. Boiler Act, 1923.

**For SANJAY DHOLAKIA & ASSOCIATES  
(SANJAY R DHOLAKIA)  
Practising Company Secretary  
Proprietor  
Membership No. 2655 / CP No. 1798**

Date : August 11, 2016

Place : Mumbai

**Annexure II**

To,  
The Members,  
**RAMA PETROCHEMICALS LIMITED**  
Mumbai

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have reported, in my audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in my opinion, are material and having major bearing on financials of the Company.

**For SANJAY DHOLAKIA & ASSOCIATES**  
**(SANJAY R DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**  
**Membership No. 2655 / CP No. 1798**

Date : August 11, 2016  
Place : Mumbai

**ANNEXURE E  
FORM MGT – 9**

**EXTRACT OF ANNUAL RETURN AS ON MARCH 31, 2016**

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN:	L23200MH1985PLC035187
ii)	Registration Date [DDMMYY]	28/01/1985
iii)	Name of the Company	Rama Petrochemicals Limited
iv)	Category/ Sub Category of the Company	Public Company limited by shares
v)	Address of Registered office and contact details	51-52, Free Press House, Nariman Point, Mumbai-400021, Maharashtra Tel: 022 – 22834123, Fax: 022 - 22049946
vi)	Whether shares listed on recognized Stock Exchange(s)	Yes
vii)	Name, Address and contact details of Registrar & Transfer Agent, if any	Link Intime India Private Limited C-13 Pannalal Silk Mills Compound, L.B.S Marg, Bhandup West, Mumbai 400078. Tel: 022-25963838, Fax: 022 - 25946969

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Methanol	24116	100*

\* Presently, there is no sale of Methanol as the Plant is closed.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]**

SR. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
1	RAMA CAPITAL AND FISCAL SERVICES PVT. LTD. 51-52, Free Press House, Nariman Point, Mumbai 400021.	U67120MH1993PTC072255	Wholly owned Subsidiary

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
a) Individual/ HUF	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Central Govt	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
c) State Govt(s)	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
d) Bodies Corp.	2350171	Nil	2350171	22.45	2350171	Nil	2350171	22.45	Nil
e) Banks / FI	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
f) Any other (Directors & Relatives)	142408	Nil	142408	1.36	142408	Nil	142408	1.36	Nil
<b>Sub-total (A)(1):-</b>	<b>2492579</b>	<b>Nil</b>	<b>2492579</b>	<b>23.81</b>	<b>2492579</b>	<b>Nil</b>	<b>2492579</b>	<b>23.81</b>	<b>Nil</b>
(2) Foreign									
a) NRI-Individuals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
b) Other-Individuals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
c) Bodies Corp.	3040000	Nil	3040000	29.04	3040000	Nil	3040000	29.04	Nil
d) Banks/FI									
e) Any Other (Directors & relatives)	41045	Nil	41045	0.39	41045	Nil	41045	0.39	Nil
<b>Sub-total (A)(2):-</b>	<b>3081045</b>	<b>Nil</b>	<b>3081045</b>	<b>29.43</b>	<b>3081045</b>	<b>Nil</b>	<b>3081045</b>	<b>29.43</b>	<b>Nil</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>5573624</b>	<b>Nil</b>	<b>5573624</b>	<b>53.24</b>	<b>5573624</b>	<b>Nil</b>	<b>5573624</b>	<b>53.24</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
<b>I. Institutions</b>									
a) Mutual Funds	Nil	7100	7100	0.07	Nil	7100	7100	0.07	Nil
b) Banks / FI	5700	4900	10600	0.10	5700	4900	10600	0.10	Nil
c) Central Govt	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
d) State Govt(s)	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
e) Venture Capital Funds	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
f) Insurance Companies	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
g) FII's	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
h) Foreign Venture Capital Funds	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
i) Others (specify)	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
<b>Sub-total (B)(1):-</b>	<b>5700</b>	<b>12000</b>	<b>17700</b>	<b>0.17</b>	<b>5700</b>	<b>12000</b>	<b>17700</b>	<b>0.17</b>	<b>Nil</b>

**30<sup>th</sup> Annual Report 2015-2016**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2015]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.	126623	41300	167923	1.59	109882	41300	151182	1.44	(0.15)
i) Indian	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
ii) Overseas	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
b) Individuals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1898497	1502170	3400667	32.49	1888822	1487670	3376492	32.25	(0.24)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1209739	Nil	1209739	11.55	1248939	Nil	1248939	11.92	0.37
c) Others (specify)									
Non Resident Indians	67490	27000	94490	0.90	70182	27000	97182	0.93	0.03
Overseas Corporate Bodies	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
Foreign Nationals	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
Clearing Members	5257	Nil	5257	0.05	4181	Nil	4181	0.04	(0.01)
Trusts	Nil	Nil	Nil	N A	100	Nil	100	0.00	0.00
Foreign Bodies - D R	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
<b>Sub-total (B)(2):-</b>	<b>3307606</b>	<b>1570470</b>	<b>4878076</b>	<b>46.58</b>	<b>3322106</b>	<b>1555970</b>	<b>4878076</b>	<b>46.59</b>	<b>Nil</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>3313306</b>	<b>1582470</b>	<b>4895776</b>	<b>46.75</b>	<b>3327806</b>	<b>1567970</b>	<b>4895776</b>	<b>46.76</b>	<b>Nil</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	Nil	Nil	Nil	N A	Nil	Nil	Nil	N A	N A
<b>Grand Total (A+B+C)</b>	<b>8886930</b>	<b>1582470</b>	<b>10469400</b>	<b>100</b>	<b>8901430</b>	<b>1567970</b>	<b>10469400</b>	<b>100</b>	<b>Nil</b>

**ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Blue Lagoon Investments Pvt. Ltd.	1655	0.02	Nil	1655	0.02	Nil	Nil
2	D. N. Singh	10898	0.10	Nil	10898	0.10	Nil	Nil
3	H. D. Ramsinghani	131510	1.26	Nil	131510	1.26	Nil	Nil
4	Indo Us Investments Inc	3000000	28.67	Nil	3000000	28.67	Nil	Nil
5	Indus Investments Inc	40000	0.38	Nil	40000	0.38	Nil	Nil
6	Jupiter Corporate Services Pvt. Ltd.	593280	5.67	Nil	593280	5.67	Nil	Nil
7	Libra Mercantile Pvt. Ltd.	1404401	13.41	12.98	1404401	13.41	12.98	Nil
8	Prarabdha Trading Co. Pvt. Ltd.	41335	0.39	Nil	41335	0.39	Nil	Nil
9	Lajwanti D. Ramsinghani	41045	0.39	Nil	41045	0.39	Nil	Nil
10	Rama Capital & Fiscal Services Pvt. Ltd.	100	0.00	Nil	100	0.00	Nil	Nil
11	Rainbow Agri Inds. Ltd.	2100	0.02	Nil	2100	0.02	Nil	Nil
12	Rama Phosphates Ltd.	307100	2.93	Nil	307100	2.93	Nil	Nil
13	Trishul Mercantile Pvt. Ltd.	200	0.00	Nil	200	0.00	Nil	Nil
	<b>Total</b>	<b>5573624</b>	<b>53.24</b>	<b>12.98</b>	<b>5573624</b>	<b>53.24</b>	<b>12.98</b>	<b>Nil</b>

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN		Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5573624	53.24	5573624	53.24
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change in the aggregate holding during the year			
	At the end of the year	5573624	53.24	5573624	53.24



**iv) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	Shareholding		Date of transaction	Increase/ Decrease in share-holding	Reason	Cumulative shareholding during the year (01/04/2015 to 31/03/2016)	
		No. of shares at the beginning (01/04/2015)/ end of the year 31/03/2016	% of total shares of the Company				No. of shares	% of total shares of the company
1	R. F. Dadabhoy	2,10,000	2.01		No Change		2,10,000	2.01
		2,10,000	2.01					
2	Madhavi Arora	1,89,552	1.81		No Change		1,89,552	1.81
		1,89,552	1.81					
3	Arora Satinderjit	1,01,465	0.97		No Change		1,01,465	0.97
		1,01,465	0.97					
4	Mohankumar B. B.	92,295	0.88		No Change		92,295	0.88
		92,295	0.88					
5	K. Mohan	57,280	0.55	24/04/2015	Decrease	Sale	56,380	0.54
		56,380	0.54					
6	Sheetal Ramsinghani	53,776	0.51		No Change		53,776	0.51
		53,776	0.51					
7	Prakash M. Bhansali	48,022	0.45	01/05/2015	Increase	Purchase	48,032	0.45
		48,000	0.45					
				15/05/2015	Increase	Purchase	48,052	0.45
				22/05/2015	Increase	Purchase	48,057	0.45
				05/06/2015	Increase	Purchase	48,060	0.45
				07/08/2015	Decrease	Sale	48,000	0.45
8	Rajendra Sagarmal Jain	40,810	0.38		No Change		40,810	0.38
		40,810	0.38					
9	Deam Consulting Pvt. Ltd.	27,454	0.26		No Change		27,454	0.26
		27,454	0.26					
10	Sajjan Daga	25,500	0.24		No Change		25,500	0.24
		25,500	0.24					

**v) Shareholding of Directors and Key Managerial Personnel :**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding					Cumulative Shareholding during the year	
		No. of shares at the beginning (01-04-2015)/ end of the year (31-03-2016)	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	No. of shares	% of total shares of the company
1.	D.N. Singh – Whole Time Director	10898	0.10	NA	NA	NA	10898	0.10
		10898	0.10					
2.	H. D. Ramsinghani	131510	1.26	NA	NA	NA	131510	1.26
		131510	1.26					

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lakh)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2015)</b>				
i) Principal Amount	Nil	1320.49	Nil	1320.49
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>1320.49</b>	<b>Nil</b>	<b>1320.49</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	Nil	1825.75	Nil	1825.75
Reduction	Nil	1597.24	Nil	1597.24
<b>Net Change</b>	<b>Nil</b>	<b>228.51</b>	<b>Nil</b>	<b>228.51</b>
<b>Indebtedness at the end of the financial year (31.03.2016)</b>				
i) Principal Amount	Nil	1549.00	Nil	1549.00
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>1549.00</b>	<b>Nil</b>	<b>1549.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		WTD		
		D. N. Singh		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil		Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil		Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil		Nil
2	Stock Option	Nil		Nil
3	Sweat Equity	Nil		Nil
4	Commission - as % of profit - others, specify...	Nil		Nil
5	Others, please specify	Nil		Nil
	Total (A)	Nil		Nil
	Ceiling as per the Act	N A		N A

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		H. D. Ramsinghani	Mahendra Lodha	R. G. Kulkarni	N. H. Ramsinghani	
1	Independent Directors					
	Fee for attending board/committee meetings	Nil	20,000/-	22,000/-	Nil	42,000/-
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	Nil	20,000/-	22,000/-	Nil	42,000/-
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	10,000/-	Nil	Nil	2,000/-	12,000/-
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	10,000/-	Nil	Nil	2,000/-	12,000/-
	Total Managerial Remuneration <b>Total (B)=(1+2)</b>	10,000/-	20,000/-	22,000/-	2,000/-	54,000/-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

## **REPORT ON CORPORATE GOVERNANCE**

### **1. Company's Philosophy on Corporate Governance**

As required by the Listing Regulations, the Company has implemented the Code of Corporate Governance and it is committed to the philosophy of good Corporate Governance in letter and in spirit.

### **2. Board of Directors**

- a. As on the date of this Report, the Board consists of Five Directors (One Executive Director and four Non executive Directors out of whom one is a Woman Director and two are Independent Directors)
- b. The attendance at Board Meetings and last Annual General Meeting of each of the Directors during the financial year was as under

Name of Director	Category Executive, Non-executive/ Independent	Attendance at		Membership of other Board (excluding alternate Director-ships and Private Companies)	Membership/ Chairmanship of other Board Committees		Share- holding (No. of Shares)
		Board Meeting	Last Annual General Meeting		Chairman	Member	
Mr. H. D. Ramsinghani (Chairman)	Promoter Non Executive	Three	Yes	Five	Four	One	131510
Mr. D. N. Singh (Whole Time Director)	Executive	Four	Yes	Three	Three	Four	10898
Mr. Mahendra Lodha (up to 15.06.2016)	Non Executive Independent	Four	Yes	Eight	Four	Three	Nil
Mr. R. G. Kulkarni	Non Executive Independent	Four	Yes	Five	Nil	Two	Nil
Mr. N. R. Joshi (W e f 30.05.2016)	Non Executive Independent	N A	N A	Three	Nil	Two	Nil
Mrs. N. H. Ramsinghani	Promoter Non Executive	One	No	Three	Nil	Nil	Nil

Except for Mr. H. D. Ramsinghani and Mrs. N. H. Ramsinghani, none of the other Directors are related to each other.

- c. During the year four Board Meetings were held on the following dates :  
May 29, 2015, August 4, 2015, November 6, 2015 and February 12, 2016.
- d. During the year one meeting of the Independent Directors was held on February 12, 2016.

### **3. Governance Codes**

The Company has formulated a Code of Conduct for the members of the Board of Directors and Senior Management personnel of the company. The declaration by the Chairman regarding compliance by the members of the Board and the Senior Management personnel with the said code of conduct is annexed hereto.

As required by SEBI (LODR) Regulations, 2015 and the various provisions of the Companies Act, 2013, the Company has also formulated the Risk Management Policy, Whistle Blower Policy, Policy on Related Party Transactions, Nomination and Remuneration Policy, Policy on Material subsidiaries and the Code of practices and procedures for fair disclosure of unpublished price sensitive information and the code of conduct to regulate, monitor and report trading by employees and other connected persons.

### **4. Committees of the Board**

#### **(a) Audit Committee**

Role of the Audit Committee and its terms of reference include reviewing the financial statements, overseeing the Company's Annual Report process and discussions with Auditors.

The Committee presently comprises of Mr. D. N. Singh, Mr. R. G. Kulkarni - Chairman (w.e.f. 11.08.2016) and Mr. N. R. Joshi.

Four meetings of the Audit Committee were held during the year on May 29, 2015, August 4, 2015, November 6, 2015 and February 12, 2016. The attendance at the Audit Committee meetings of each of the Directors is as under:

<b>Name of the Director</b>	<b>Attendance at Audit Committee meetings</b>
Mr. Mahendra Lodha ( up to 15.06.2016)	Four
Mr. D. N. Singh	Four
Mr. R. G. Kulkarni	Four
Mr. N. R. Joshi ( w e f 30.05.2016)	N A

**(b) Share Transfer Committee**

The Board has delegated the power of share transfers to a Committee of Directors comprising of Mr. D. N. Singh (Chairman) and Mr. H. D. Ramsinghani as also to the Registrars and Transfer Agent of the Company who attend to the Share Transfer formalities, transmission of shares, issue of duplicate certificates, issue of certificates on split/consolidation/renewal and demat/remat of Share certificates etc.

Barring certain cases pending in Courts relating to disputes over the title of shares in which the Company has been made a party, no investor complaint is pending for a period exceeding one month.

**(c) Nomination & Remuneration Committee**

The Nomination & Remuneration Committee determines the managerial remuneration and other employment conditions of the Managing / Whole Time Directors and Senior Management personnel (one level below the Board) and makes recommendations to the Board of Directors.

The Committee presently comprises of Mr. H. D. Ramsinghani, Mr. R. G. Kulkarni - Chairman (w.e.f. 11.08.2016) and Mr. N. R. Joshi.

One meeting of the Nomination & Remuneration Committee was held during the year on February 12, 2016.

**(d) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee specifically looks into the redressing of Shareholder's and Investor's complaints relating to Share transfers, Non receipt of Balance Sheet and demat/remat of Share Certificates etc. In terms of SEBI (LODR) Regulations, 2015, the Company has appointed Mr. R. D. Jog as the Compliance Officer and the investors are requested to register their complaints, if any, on the exclusive email ID : rdjog@ramagroup.co.in

The committee presently comprises of Mr. H. D. Ramsinghani – Chairman, Mr. D. N. Singh, Mr. R. G. Kulkarni and Mr. N. R. Joshi.

A summary of complaints received and resolved by the Company during the year under review is given below:

	<b>Received</b>	<b>Resolved</b>
Non-Receipt of Share Certificates duly transferred	NIL	NIL
Non-Receipt of Dividend Warrants.	3	3
Non-Receipt of Annual Report	NIL	NIL
Non-Receipt of Bonus Certificate	1	1
Letters from Stock Exchanges, SEBI and Ministry of Corporate Affairs	NIL	NIL

**5. Remuneration of Directors**

**(a) Executive Director**

No remuneration was paid to the Whole Time Director (Technical Director) during the year under review.

**(b) Non-Executive Directors:**

The Non-Executive Directors are not paid any remuneration except sitting fees for attending meetings of the Board or committees thereof. Details of Sitting Fees paid to the Non-Executive Directors are as follows :

<b>Name of the Director</b>	<b>Sitting Fees (₹)</b>
Mr. H. D. Ramsinghani	10,000/-
Mr. Mahendra Lodha (up to 15.06.2016)	20,000/-
Mr. R. G. Kulkarni	22,000/-
Mrs. N. H. Ramsinghani	2,000/-
Mr. N. R. Joshi (w. e. f. 30.05.2016)	N A
<b>TOTAL</b>	<b>54,000/-</b>

**6. General Body Meetings**

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Location</b>
2012-2013	20/09/2013	10.00 A.M.	Babasaheb Dahanukar Hall, Fort, Mumbai 400001
2013-2014	23/09/2014	10.00 A.M.	Babasaheb Dahanukar Hall, Fort, Mumbai 400001
2014-2015	30/09/2015	10.00 A.M.	Babasaheb Dahanukar Hall, Fort, Mumbai 400001

**7. Postal Ballot**

No Resolutions were required to be approved through Postal Ballot at the last Annual General Meeting or during the year under review nor is any resolution proposed for passing through Postal Ballot at the ensuing Annual General Meeting.

The details of Special Resolutions passed in the previous Three Annual General Meetings are as under :

<b>Date</b>	<b>Particulars</b>
20/09/2013	Reappointment of Mr. D. N. Singh as Whole Time Director designated as ‘Technical Director’ for a further period of Three Years from May 01, 2013
23/09/2014	Appointment of Mr. R. G. Kulkarni (DIN 03028670) as an Independent Director
	Appointment of Mr. Mahendra Lodha (DIN 00012920) as an Independent Director
	To authorize the Board to borrow money upto ₹ 300 Crores as per Section 180 (1)(c) of the Companies Act, 2013
	To authorize the Board to create charge on the assets of the Company to secure the borrowings as per section 180 (1)(a) of the Companies Act, 2013
30/09/2015	Approval of Related Party transactions

**8. Disclosures**

- The Company is in compliance with all mandatory requirements of the Listing Regulations except that as on the date of this Report one half of the Board does not consist of Independent Directors as required by the proviso to Regulation 17(b) of SEBI (LODR) Regulations, 2015.
- All transactions entered in to with Related Parties, as defined under the Companies Act, 2013 and the Listing Regulations, during the financial year were in the ordinary course of business and on arms length basis.
- There were no transactions of material nature with the Directors or the Key Managerial Personnel or their relatives during the financial year which could have potential conflict with the interests of the Company at large. Transactions with related parties as per requirements of Accounting Standard – 18 are disclosed elsewhere in the Annual Report. None of these transactions have potential conflict with interest of the Company at large.
- No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to the capital markets during the last three years.
- The Company has formulated a Whistle Blower Policy under which all personnel have access to the Audit Committee and no personnel has been denied access to the audit Committee during the year under review.
- In the preparation of the financial statements, the Company has followed Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant Accounting policies which are consistently applied are set out in the Notes to the financial statements.
- Adoption of non mandatory requirements of the Listing Regulations is reviewed by the Board from time to time.

## 9. Means of communication

- a) The Company has not made any presentation to the institutional investors or analysts.
- b) The unaudited quarterly results are announced within forty five days from the close of the quarter and the Audited results are announced within sixty days from the close of the financial year. The financial results are immediately sent to the Stock Exchanges and published in an English language newspaper and a local language newspaper and also uploaded on the website of the Company.

## 10. General Shareholder Information:

Financial Year	:	31 <sup>st</sup> March, 2016
Annual General Meeting	:	September 30, 2016 at 10.00 a.m. At Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber Of Commerce Path, Fort, Mumbai 400001.
Dates of Book Closure	:	September 21, 2016 to September 30, 2016 (both days inclusive)
Dividend payment date	:	Not Applicable
Listing on Stock Exchange	:	Bombay Stock Exchange Ltd.
Stock Code	:	500358
ISIN	:	INE 783A01013

The Company has paid listing fees to the Bombay Stock Exchange for the period up to March 31, 2017.

## 11. Market Price Data (High / Low in ₹ during each month):

Month	High	Low
April 2015	7.98	7.22
May 2015	8.69	8.10
June 2015	-	-
July 2015	8.99	8.36
August 2015	9.48	9.00
September 2015	9.01	9.01
October 2015	8.56	8.56
November 2015	8.79	8.79
December 2015	10.50	9.00
January 2016	10.44	9.98
February 2016	9.95	9.49
March 2016	9.46	9.46

As the equity shares are not frequently traded on the Bombay Stock Exchange, the stock performance viz a viz the Index has not been given.

## 12. Registrars & Transfer Agent

Link Intime India Private Limited  
C - 13, Pannalal Silk Mills Compound,  
L. B. S Marg, Bhandup (West), Mumbai 400078.  
Tel : 25963838; Fax : 25946969;  
Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website : [www.linkintime.com](http://www.linkintime.com)



**13. Share Transfer System**

The Share Transfers which are received in the Physical Form are processed well within prescribed statutory period from time to time, subject to the documents being valid and complete. The Transfers etc. approved by the Share Transfer Committee are also noted at every meeting of the Board of Directors.

**14. Distribution of Equity Shareholding as of March 31, 2016 :**

<b>Number of Equity Share Holdings</b>	<b>Number of Shareholders</b>	<b>Percentage of Shareholders</b>	<b>Number of Shares</b>	<b>Percentage of Shareholding</b>
<b>1 – 500</b>	13996	93.75	21,74,265	20.77
<b>501 – 1000</b>	535	3.58	4,47,083	4.27
<b>1001 – 2000</b>	191	1.28	2,92,056	2.79
<b>2001 – 3000</b>	64	0.43	1,60,353	1.53
<b>3001 – 4000</b>	31	0.21	1,10,597	1.06
<b>4001 – 5000</b>	23	0.15	1,09,248	1.04
<b>5001 – 10000</b>	41	0.27	2,74,541	2.62
<b>10001 &amp; above</b>	49	0.33	69,01,257	65.92
<b>Total</b>	<b>14930</b>	<b>100</b>	<b>1,04,69,400</b>	<b>100</b>

**15. Shareholders' Profile as on March 31, 2016 :**

<b>Category of Shareholders</b>	<b>No. of Shares held</b>	<b>% to Total Capital</b>
Promoters	55,73,624	53.24
Foreign Collaborators	Nil	N A
Banks	10,000	0.09
Financial Institutions	600	0.01
Foreign Institutional Investors	Nil	N A
Mutual Funds	7100	0.07
Domestic Companies	1,51,182	1.44
Non - Domestic Companies	Nil	N A
Non - Resident Indians	97,182	0.93
General Public	46,29,712	44.22
<b>Total</b>	<b>1,04,69,400</b>	<b>100.00</b>

**16. Dematerialization of shares as on March 31, 2016 :**

84.99% of the Company's total equity share capital representing 88,98,430 shares are held in dematerialised form.

**17. Plant Location :**

Village Vashivalli, Savroli Kharpada Road,  
Patalganga, Dist. Raigad, Maharashtra

**18. Address for Correspondence:**

Shareholders should address all correspondence to the Company at its Registered Office at 51/52, Free Press House, Nariman Point, Mumbai 400 021 or to the Registrars and Transfer Agent – Link Intime India Private Limited at C – 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400 078.

**19. Other Matters :**

- a) An office for the use of the non-executive Chairman is made available whenever required.
- b) Half yearly financial results including summary of significant events in the past six months are presently not being sent to the Shareholders.
- c) There is no formal policy at present for training of the Board members as all the Board members are eminent and experienced professionals.

**20. Appointment/Reappointment of Directors:**

Mr. H. D. Ramsinghani is proposed to be reappointed at the forthcoming Annual General Meeting and Mr. N. R. Joshi is proposed to be appointed as an Independent Director and Mr. D. N. Singh as Whole Time Director at the forthcoming Annual General Meeting. The relevant information about the said Directors is given in the Notice convening the Annual General Meeting.

For and on behalf of the Board

Place : Mumbai

Dated : August 11, 2016

**H. D. RAMSINGHANI**  
**CHAIRMAN**

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**DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT**

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company.

As required under Regulation 26(3) of SEBI (LODR) Regulations, 2015 the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the said Code for the year ended March 31, 2016.

Place : Mumbai

Dated : August 11, 2016

**H. D. RAMSINGHANI**  
**CHAIRMAN**

**AUDITORS' CERTIFICATE FOR CORPORATE GOVERNANCE**

To

The Members of  
**RAMA PETROCHEMICALS LIMITED**

We have examined the compliance of conditions of corporate governance by **Rama Petrochemicals Limited** for the year ended on 31<sup>st</sup> March 2016, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges in India and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be applicable.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreement and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be applicable except that:

- (i) proviso to clause 49(II)(A)(2) of Listing Agreement which requires 50% of the directors on the board to be independent directors, has not been complied with.*
- (ii) in the absence of the Chief Financial Officer (CFO), the financial statements submitted to the Board are certified by the Whole Time Director only.*
- (iii) in the absence of the Company Secretary, the Compliance Officer acts as the Secretary to the Audit Committee.*

Based on the representation received from Company's Share Transfer Agents, we state that complaint letters received from shareholders during the period 01/04/2015 to 31/03/2016 have been attended.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Dayal and Lohia**  
Chartered Accountants  
Firm Reg. No. 102200W

**(Rinkit K. Uchat)**  
Partner  
Membership No: 165557

Place : Mumbai  
Date : August 11, 2016

## INDEPENDENT AUDITOR'S REPORT

To the members of,

**Rama Petrochemicals Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Rama Petrochemicals Limited** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matters**

We draw attention to the following matters in the Notes to the standalone financial statements:

- a) Without qualifying the report we like to bring to your attention that the company's net worth has been completely eroded and it has been declared as a Sick Industrial Company by BIFR vide order dated 01.07.2002. As explained in Note 27, the management is of the view that the Company can be revived and made viable and accordingly the company's accounts have been prepared on Going Concern assumption. The revival of the Company's operations depends upon the Company being able to obtain the alternative main feed stock. In absence of any other information indicating to the contrary, we have accepted this view and accordingly the accounts have been prepared on the basis of "Going Concern Concept".

Our opinion is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in Note no. 26 of the standalone financial statements.
    - ii) The Company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to Investor Education & Protection Fund by the Company.

**For Dayal and Lohia**  
Chartered Accountants  
Firm's Regn. No. 102200W

**Rinkit K. Uchat**  
Partner  
Membership No.165557

Place : Mumbai  
Date : 30<sup>th</sup> May, 2016

## **Annexure A to Independent Auditors' Report**

The Annexure referred to in our report to the members of **Rama Petrochemicals Limited** ('the Company') for the year Ended on 31<sup>st</sup> March, 2016.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Management of the Company has physically verified the fixed assets in accordance with its policy of physical verification at reasonable intervals. The discrepancies, if any noticed during such verification have been suitably adjusted in the books of account.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) a) According to the information and explanations given to us, the management has conducted physical verification of the inventories at reasonable intervals.
- b) In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of the business.
- c) No material discrepancies have been noticed on physical verification of the stocks as compared to book records in so far as it appears from our examination of the books.
- iii) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of clauses 3(iii)(a), (b) and (c) of the said Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and guaranty and security provided.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) According to the information and explanation given to us, the government has prescribed maintenance of cost records pursuant to Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act. Since, there is no turnover of manufacturing goods in the preceding financial year, the same is not applicable.
- vii) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employee's State Insurance, Sales Tax, Income Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date it became payable except:

<b>Name of the statute</b>	<b>Nature of the dues</b>	<b>Amount ₹</b>	<b>Period to which the amount relates</b>	<b>Due Date</b>
The Customs Act, 1962	Custom Duty on import of Catalyst	59,32,740/-	1998-1999	21.02.1998
Sales Tax Act	Deferral Sales Tax Liability	31,03,44,140/-	1988-1997	30.04.2014

- b) According to the records of the Company and information and explanations given to us the following are the dues of Income Tax on account of disputes:

<b>Name of the statute</b>	<b>Amount involved ₹</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax	34,53,167	AY 1997-98	High Court
Income Tax	1,19,98,802	AY 1998-99	High Court

According to the information and explanations given to us and the records of the Company examined by us there are no dues of Service Tax, Sales Tax, Excise Duty, Custom Duty or Value Added Tax which have not been deposited on account of any dispute.

- viii) On the basis of our examination of the books and according to the information and explanations given to us, there are no borrowings from financial institutions, banks or debenture holders.
- ix) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raise any money by way of initial public offer or further public offer (including debt instruments). Term loans raised during the year is applied for the purpose for which it is obtained.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) The Company has not paid/provided for any managerial remuneration during the year. Hence, the compliance of provisions of section 197 read with Schedule V to the Act, are not applicable.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Dayal and Lohia**  
Chartered Accountants  
Firm's Regn. No. 102200W

**Rinkit K. Uchat**  
Partner  
Membership No.165557

Place : Mumbai  
Date : 30<sup>th</sup> May, 2016

**ANNEXURE – ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RAMA PETROCHEMICALS LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)**

We have audited the internal financial controls over financial reporting of **Rama Petrochemicals Limited** (“the Company”) as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Dayal and Lohia**  
Chartered Accountants  
Firm's Regn. No. 102200W

**Rinkit K. Uchat**  
Partner  
Membership No. 165557

Place : Mumbai  
Date : 30<sup>th</sup> May, 2016

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

(Amount in ₹)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>EQUITY AND LIABILITIES :</b>			
<b>Shareholders' Fund :</b>			
Share Capital	2	104,694,000	104,694,000
Reserves and Surplus	3	(691,795,688)	(653,185,674)
		<b>(587,101,688)</b>	<b>(548,491,674)</b>
<b>Share Application Money :</b>	4	<b>149,775,000</b>	149,775,000
<b>Non Current Liabilities :</b>			
Other Long Term Liabilities	5	310,344,140	310,344,140
Long Term Provisions	6	1,061,185	974,539
		<b>311,405,325</b>	<b>311,318,679</b>
<b>Current Liabilities :</b>			
Short Term Borrowings	7	154,900,000	132,049,344
Trade Payables	8	1,932,028	3,933,663
Other Current Liabilities	9	44,572,845	45,511,124
Short Term Provisions	10	1,515,247	1,692,678
		<b>202,920,120</b>	<b>183,186,809</b>
<b>TOTAL</b>		<b>76,998,757</b>	<b>95,788,814</b>
<b>ASSETS :</b>			
<b>Non - Current Assets :</b>			
Fixed Assets :	11		
Tangible Assets		10,073,193	10,437,344
Capital work in progress		24,120,371	24,120,371
Non-Current Investment	12	-	-
Long Term Loans and Advances	13	2,109,375	2,101,975
		<b>36,302,939</b>	<b>36,659,690</b>
<b>Current Assets :</b>			
Inventories	14	30,743,202	30,863,339
Trade Receivables	15	-	39,642
Cash and Bank Balances	16	1,586,846	1,636,382
Short Term Loans and Advances	17	8,167,819	7,647,247
Other Current Assets	18	197,951	18,942,514
		<b>40,695,818</b>	<b>59,129,124</b>
<b>TOTAL</b>		<b>76,998,757</b>	<b>95,788,814</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes 1 to 33 are an integral part of the Financial Statement

As per our report of even date

**For DAYAL AND LOHIA**

**Chartered Accountants**

**(Firm Registration No. 102200W)**

**RINKIT UCHAT**

**Partner**

**M. No. 165557**

Place : Mumbai

Date : May 30, 2016

For and on behalf of the Board of Directors

**D. N. SINGH**

**Technical Director**

**DIN : 00021741**

Place : Mumbai

Date : May 30, 2016

**H. D. RAMSINGHANI**

**Chairman**

**DIN : 00035416**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

(Amount in ₹)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>REVENUE</b>			
<b>Revenue from Operations</b>			
Sales	19	7,088,338	22,800,625
Less : Excise Duty		-	-
<b>Net Sales</b>		<u>7,088,338</u>	<u>22,800,625</u>
<b>Net Revenue from Operations</b>		7,088,338	22,800,625
Other Income	20	982,014	38,537,220
<b>TOTAL REVENUE</b>		<u>8,070,352</u>	<u>61,337,845</u>
<b>EXPENSES</b>			
Purchase of Stock in Trade	21	3,800,321	11,862,120
(Increase) / Decrease in Stock in Trade		70,381	(70,381)
Employee Benefits Expense	22	5,932,315	6,865,458
Finance Cost	23	9,047,769	12,205,816
Depreciation	11	364,151	366,341
Other Expenses	24	27,465,429	341,778,679
<b>TOTAL EXPENSES</b>		<u>46,680,366</u>	<u>373,008,033</u>
<b>Profit / (Loss) before tax</b>		<b>(38,610,014)</b>	(311,670,188)
<b>Tax Expenses</b>		-	-
<b>Profit / (Loss) for the Year</b>		<u><b>(38,610,014)</b></u>	<u>(311,670,188)</u>
<b>Earnings per Equity Share of Face Value of ₹ 10/- each</b>	25		
<b>Before Extraordinary Items :</b>			
Basic		(3.69)	(29.77)
Diluted		(1.52)	(12.25)
<b>After Extraordinary Items :</b>			
Basic		(3.69)	(29.77)
Diluted		(1.52)	(12.25)

**Significant Accounting Policies** 1

**The accompanying notes 1 to 33 are an integral part of the Financial Statement**

As per our report of even date  
**For DAYAL AND LOHIA**  
 Chartered Accountants  
 (Firm Registration No. 102200W)

For and on behalf of the Board of Directors

**RINKIT UCHAT**  
 Partner  
 M. No. 165557

**D. N. SINGH**  
 Technical Director  
 DIN : 00021741

**H. D. RAMSINGHANI**  
 Chairman  
 DIN : 00035416

Place : Mumbai  
 Date : May 30, 2016

Place : Mumbai  
 Date : May 30, 2016

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

(Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>A. CASHFLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Before Tax	(38,610,014)	(311,670,188)
<b>Adjustment for :</b>		
Depreciation	364,151	366,341
Interest Paid	9,047,769	12,205,816
Doubtful Advances	-	308,644,140
Doubtful Claims	18,771,179	-
Interest Income	(247,346)	(243,439)
Dividend Income	(2,250)	(5,250)
Excess Provision written back	(229,336)	(145,761)
Sundry balances written back	(70)	(38,087,455)
	<u>27,704,097</u>	<u>282,734,392</u>
Operating Profit before Working Capital Changes	(10,905,917)	(28,935,796)
Adjustment for :		
(Increase)/Decrease in Trade & Other receivables	(514,946)	544,118
Increase/(Decrease) in Trade Payables & Other Liabilities	(2,801,293)	65,229,944
(Increase)/Decrease in Inventories	120,137	33,371
	<u>(3,196,102)</u>	<u>65,807,433</u>
	<u>(14,102,019)</u>	<u>36,871,637</u>
<b>Net Cash From / (Used in) Operative Activities (A)</b>	<u>(14,102,019)</u>	<u>36,871,637</u>
<b>B. CASHFLOW FROM INVESTING ACTIVITIES</b>		
Dividend Income	2,250	5,250
Interest Income	247,346	243,439
	<u>249,596</u>	<u>248,689</u>
<b>Net Cash From / (Used in) Investing Activities (B)</b>	<u>249,596</u>	<u>248,689</u>
<b>C. CASHFLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Short Term Borrowing (Net)	22,850,656	(25,863,179)
Interest Paid	(9,047,769)	(12,205,816)
	<u>13,802,887</u>	<u>(38,068,995)</u>
<b>Net Cash From / (Used in) Financial Activities (C)</b>	<u>13,802,887</u>	<u>(38,068,995)</u>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<u>(49,536)</u>	<u>(948,669)</u>
<b>Cash &amp; Cash Equivalents (Opening Balance)</b>	<u>1,636,382</u>	<u>2,585,051</u>
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<u>1,586,846</u>	<u>1,636,382</u>

As per our report of even date  
For **DAYAL AND LOHIA**  
Chartered Accountants  
(Firm Registration No. 102200W)

For and on behalf of the Board of Directors

**RINKIT UCHAT**  
Partner  
M. No. 165557

**D. N. SINGH**  
Technical Director  
DIN : 00021741

**H. D. RAMSINGHANI**  
Chairman  
DIN : 00035416

Place : Mumbai  
Date : May 30, 2016

Place : Mumbai  
Date : May 30, 2016

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**NOTE 1**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Accounting :**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis.

Use of Estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**2. Accounting for Construction Division :**

Revenue from sale of properties under construction is recognized on the basis of actual bookings done (provided the significant risk and rewards have been transferred to the buyer and there is reasonable certainty of realization of proceeds) proportionate to the percentage of physical completion of construction / development work certified by the Architect.

**3. Revenue Recognition :**

- a. Revenue is recognized when the substantial risks and rewards of ownership is transferred to the buyer on dispatch of goods.
- b. Interest income is recognized on time proportionate basis.
- c. Dividend income from investments is recognized when the right to receive the dividend is established.
- d. Claims and damages are accounted as and when they are finalized.

**4. Fixed Assets :**

All Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment losses if any. The cost of fixed assets includes taxes and duties (other than those subsequently recoverable from respective authorities), freight and other incidental expenses related to acquisition and installation of respective assets.

**5. Depreciation :**

- a. Depreciation on Fixed Assets is provided on straight line method based on the useful lives of the assets as prescribed in Schedule II of the Companies Act, 2013.
- b. Depreciation on addition / deletion is provided pro-rata basis with reference to the date of addition / deletion as the case may be.
- c. Individual assets acquired for less than ₹ 5,000/- are depreciated fully in the year of acquisition.
- d. The details of estimated life for each category of assets are as under :
  - i) Buildings – 5 to 60 years
  - ii) Plant and Machinery – 15 to 20 years
  - iii) Furniture and Fixture – 10 years
  - iv) Office Equipments – 5 years
  - v) Vehicles – 8 years
  - vi) Free hold land is not depreciated.
  - vii) Lease hold land is amortised over the life of the lease.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**6. Impairment of Assets :**

- a. The carrying amounts of assets are reviewed by the management at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is greater of asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- b. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending upon changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**7. Excise Duty :**

Excise duty, if applicable, has been accounted on the basis of payment made in respect of finished goods cleared.

**8. Cash Flow Statements :**

Cash flow statement is prepared in accordance with the indirect method prescribed under Accounting Standard (AS) 3 "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

**9. Foreign Currency Transactions :**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. The gain or loss arising out of settlement / translation of the assets and the liabilities at the closing rates due to exchange fluctuations is recognized as income / expenditure in the statement of profit and loss.

**10. Investments :**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

**11. Valuation of Inventories :**

- a. Raw Material and Stores & Spares are valued at cost (on "first in first out basis") or market value whichever is lower.
- b. Stocks in transit are valued at cost or market value whichever is lower.
- c. Finished goods are valued at cost or net realizable value, whichever is lower.
- d. Inventories of traded goods are valued at cost or net realizable value, whichever is lower.

**12. Employee's Benefits :**

**Short Term Employee Benefits :**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

**Long Term Employee Benefits :**

- a. Defined Contribution Plan :

The company has Defined Contribution plans for post employment benefits namely Provident Fund. Under the provident Fund Plan, the company contributes to a Government administered provident fund on behalf of its employees.

The Company's contributions to the above funds are charged to revenue every year.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

b. Defined Benefit Plans :

The Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at the balance sheet date. Actuarial gains / losses are recognized immediately in the profit and loss account. Long term compensated absences are provided for based on actuarial valuations.

**13. Borrowing Cost :**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**14. Segment Reporting :**

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses.

**15. Earning per Share (EPS) :**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year .

**16. Provision for Current and Deferred Tax :**

- a. Provision for the current tax is made after taking into considering benefits admissible under the provisions of the Income Tax Act, 1961.
- b. Deferred Tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. Deferred tax assets are reviewed at each balance sheet date and is written down or written up to reflect the amount that is reasonably or virtually certain, as the case may be, to be realized.

**17. Provisions :**

A provision is recognized when the company has a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**18. Contingent Liabilities :**

Contingent liabilities, if any are disclosed in the notes on accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the board of directors and which have material effect on the position stated in the balance sheet.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
-------------	---------------------------------------	---------------------------------------

**NOTE 2**

**Share Capital :**

**Authorised :**

5,00,00,000 (Previous Year 5,00,00,000)

Equity Shares of ₹ 10/- each

500,000,000

500,000,000

**Issued, Subscribed and Paid - up :**

1,04,69,400 (Previous Year 1,04,69,400)

Equity Shares of ₹ 10/- each

104,694,000

104,694,000

Total

104,694,000

104,694,000

**Details of rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.**

**Equity Shares :** The company has issued only one class of Equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. Dividend is payable in the proportion to the Capital Paid Up. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**The details of Shareholders holding more than 5% shares**

Indo Us Investment Inc.	Nos.	<b>3,000,000</b>	3,000,000
	%	<b>28.65%</b>	28.65%
Libra Mercantile Pvt. Ltd.	Nos.	<b>1,404,401</b>	1,404,401
	%	<b>13.41%</b>	13.41%
Jupiter Corporate Services Pvt. Ltd.	Nos.	<b>593,280</b>	593,280
	%	<b>5.67%</b>	5.67%

**NOTE 3**

**Reserves and Surplus :**

**Capital Reserve**

As Per Last Balance Sheet

**6,030,000**

6,030,000

**Profit and Loss Account**

As Per Last Balance Sheet

**(659,215,674)**

(342,261,212)

Add : Profit/(Loss) for the year

**(38,610,014)**

(311,670,188)

Adjustment relating to Depreciation

-

(5,284,274)

**(697,825,688)**

(659,215,674)

Total

**(691,795,688)**

(653,185,674)



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>NOTE 4</b>		
<b>Share Application Money :</b>	<b><u>149,775,000</u></b>	<u>149,775,000</u>
Total	<b><u>149,775,000</u></b>	<u>149,775,000</u>

- 4.1 Share Application money is received from a promoter's group company in accordance with the revival Scheme submitted to the B.I.F.R. and the allotment of shares pursuant thereto is subject to and shall be in accordance with the directions of the B.I.F.R.

**NON CURRENT LIABILITIES :**

**NOTE 5**

**Other Long Term Liabilities**

Sales Tax Deferral	<b><u>310,344,140</u></b>	<u>310,344,140</u>
Total	<b><u>310,344,140</u></b>	<u>310,344,140</u>

- 5.1 The Company had a liability of ₹ 312,333,405/- payable from 30th April 2001 to 30th April 2014 to Sales Tax Department of Government of Maharashtra in respect of sales tax deferral scheme. The company had paid ₹ 1,989,265/- against the same.

**NOTE 6**

**Long Term Provisions**

for Employee Benefits	<b><u>1,061,185</u></b>	<u>974,539</u>
Total	<b><u>1,061,185</u></b>	<u>974,539</u>

- 6.1 Consequent to the adoption of Accounting Standard 15 on Employee Benefits issued by the Institute of Chartered Accountants of India, the following disclosures have been made as required by the standards :

**A Defined Contribution Plan**

Provident Fund : The Company has recognised the following amount in the profit and loss account for the year

Employer's contribution to Provident Fund	<b>280,313</b>	304,015
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**B Defined Benefit Plan**

The Company has defined benefit plans for gratuity and leave encashment. The disclosure for employee benefits are as under :

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
<b>a The Principal assumption</b>				
Discount Rate	7.48%	7.90%	7.48%	7.90%
Salary Escalation	5.00%	5.00%	5.00%	5.00%
Mortality	<b>Indian Assured Lives (2006-08) Ultimate</b>	Indian Assured Lives (2006-08) Ultimate	<b>Indian Assured Lives (2006-08) Ultimate</b>	Indian Assured Lives (2006-08) Ultimate
Type of Plan	<b>Unfunded</b>	Unfunded	<b>Unfunded</b>	Unfunded
<b>b Changes in present value of Defined benefit obligation</b>				
Present Value of Opening benefit obligation	<b>1,910,089</b>	1,814,399	<b>757,128</b>	750,511
Interest Cost	<b>150,897</b>	163,840	<b>59,813</b>	67,771
Current Service Cost	<b>54,296</b>	48,359	<b>38,853</b>	71,207
Benefits Paid	<b>150,289</b>	115,385	<b>260,575</b>	157,845
Actuarial (gain) / Loss on obligation	<b>(78,779)</b>	(1,124)	<b>94,999</b>	25,484
Present Value of Closing benefit obligation	<b>1,886,214</b>	1,910,089	<b>690,218</b>	757,128
<b>c Changes in the fair value of Plan Assets</b>				
Opening fair value of Plan Assets	-	-	-	-
Expected Return	-	-	-	-
Contribution by employer	-	-	-	-
Benefits Paid	<b>150,289</b>	115,385	<b>260,575</b>	157,845
Actuarial (gains) / losses	<b>(78,779)</b>	(1,124)	<b>94,999</b>	25,484
Closing fair value of Plan Assets	-	-	-	-
<b>d Liability recognised in the Balance Sheet</b>				
Defined benefit obligation	<b>(1,886,214)</b>	(1,910,089)	<b>(690,218)</b>	(757,128)
Fair value of Plan Assets	-	-	-	-
Liability recognised in the Balance Sheet	<b>(1,886,214)</b>	(1,910,089)	<b>(690,218)</b>	(757,128)
<b>e Expenses recognised in Statement of Profit and Loss</b>				
Current Service Cost	<b>54,296</b>	48,359	<b>38,853</b>	71,207
Interest Cost on benefit obligation	<b>150,897</b>	163,840	<b>59,813</b>	67,771
Net Actuarial (gain) / loss recognised in the year	<b>(78,779)</b>	(1,124)	<b>94,999</b>	25,484
Total Expenses recognised in the Statement of Profit and Loss	<b>126,414</b>	211,075	<b>193,665</b>	164,462
<b>f Movement in the liability recognised in the Balance Sheet</b>				
Liability	<b>1,910,089</b>	1,814,399	<b>757,128</b>	750,511
Expenses as above	<b>126,414</b>	211,075	<b>193,665</b>	164,462
Contribution Paid	<b>(150,289)</b>	(115,385)	<b>(260,575)</b>	(157,845)
Liability	<b>1,886,214</b>	1,910,089	<b>690,218</b>	757,128

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>CURRENT LIABILITIES :</b>		
<b>NOTE 7</b>		
<b>Short Term Borrowings :</b>		
<b>(Unsecured)</b>		
<b>Loans and Advances</b>		
from Related Parties	154,900,000	6,850,000
from Others	-	125,199,344
Total	<u>154,900,000</u>	<u>132,049,344</u>
<b>NOTE 8</b>		
<b>Trade Payables :</b>		
Due to Others	1,932,028	3,933,663
Total	<u>1,932,028</u>	<u>3,933,663</u>
8.1 Based on the information available with the company, none of the parties are identified as MSME as defined under “Micro, Small and Medium Enterprises Development Act, 2006”.		
<b>NOTE 9</b>		
<b>Other Current Liabilities :</b>		
Advance from Customers	-	1,028,365
Statutory Liabilities	11,096,542	12,017,828
Other Liabilities	33,476,303	32,464,931
Total	<u>44,572,845</u>	<u>45,511,124</u>
9.1 Based on the information available with the company, one party has been identified as MSME as defined under “Micro, Small and Medium Enterprises Development Act, 2006” which has claimed ₹ 14,33,622/- (Previous Year ₹ 14,33,622/-) towards supply. This liability has been disputed by the company. The party has filed a complaint against the Company, with Micro and Small Enterprises Facilitation Council. Under these circumstances interest, if any, will be accounted as and when becomes payable.		
<b>NOTE 10</b>		
<b>Short Term Provisions :</b>		
for Employee Benefits (Refer Note 6)	1,515,247	1,692,678
Total	<u>1,515,247</u>	<u>1,692,678</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**  
**NOTE 11**

**Fixed Assets (At Cost)**

(Amount in ₹)

Description	Gross Block		Depreciation		Net Block	
	As At 01.04.15	As At 31.03.16	As At 01.04.15	As At 31.03.16	As At 31.03.16	As At 31.03.15
<b>Tangible Assets</b>						
Free Hold Land	3,610,057	3,610,057	-	-	3,610,057	3,610,057
Lease Hold Land	255,600	255,600	2,691	79,151	176,449	179,140
Buildings	26,049,991	26,049,991	278,461	19,859,680	6,190,311	6,468,772
Plant and Machinery	345,173,435	345,173,435	82,999	345,077,214	96,221	179,220
Furniture and Fixture	3,492,038	3,492,038	-	3,491,948	90	90
Office Equipments	4,448,251	4,448,251	-	4,448,191	60	60
Vehicles	1,093,271	1,093,271	-	1,093,266	5	5
<b>Total</b>	<b>384,122,643</b>	<b>384,122,643</b>	<b>364,151</b>	<b>374,049,450</b>	<b>10,073,193</b>	<b>10,437,344</b>
<b>Previous Year</b>	<b>384,122,643</b>	<b>384,122,643</b>	<b>366,341</b>	<b>373,685,299</b>	<b>10,437,344</b>	<b>16,087,959</b>
<b>Capital work in progress</b>					<b>24,120,371</b>	<b>24,120,371</b>

11.1 Lease hold land is taken on lease for the period of 95 years and cost of the same is amortised over the period of lease.

11.2 Immovable properties of the Company are also mortgaged on first pari-passu charge basis in favour of Financial Institution and Banks to secure Term Loan sanctioned to denim division of the company. In the year 1999 - 2001, denim division of the company was demerged as Rainbow Denim Ltd.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>NOTE 12</b>		
<b>Non Current Investments (At Cost) :</b>		
<b>Unquoted (Other than Trade)</b>		
<b>Investment in Subsidiary Company</b>		
5,00,300 (Previous Year 5,00,300) Equity Shares of ₹ 10/- each in Rama Capital & Fiscal Services Pvt. Ltd. fully paid up.	5,021,735	5,021,735
25,00,000 (Previous Year 25,00,000) 9% Cumulative Convertible Preference Shares of ₹ 10/- each in Rama Capital & Fiscal Services Pvt. Ltd. fully paid-up	25,000,000	25,000,000
Less : Provision for diminution in the value of Investment	30,021,735	30,021,735
Total	<u>-</u>	<u>-</u>
<b>Aggregate Value of Unquoted Investments :</b>	<b>NIL</b>	<b>NIL</b>
<b>NOTE 13</b>		
<b>Long Term Loans and Advances :</b>		
<b>(Unsecured)</b>		
<b>Security Deposits</b>		
Considered Good	2,109,375	2,101,975
Considered doubtful	206,600	206,600
	<u>2,315,975</u>	<u>2,308,575</u>
Less : Provision for doubtful deposits	206,600	206,600
Total	<u>2,109,375</u>	<u>2,101,975</u>
<b>CURRENT ASSETS</b>		
<b>NOTE 14</b>		
<b>Inventories (At Cost) :</b>		
Stores and Spares	30,743,202	30,792,958
Stock in Trade	-	70,381
Total	<u>30,743,202</u>	<u>30,863,339</u>
14.1 For mode of valuation Refer Note 1 (11)		
<b>NOTE 15</b>		
<b>Trade Receivables ( Unsecured ) :</b>		
Due more than six months		
considered good	-	-
considered doubtful	384,116	384,116
	<u>384,116</u>	<u>384,116</u>
Due within six months		
considered good	-	39,642
	<u>384,116</u>	<u>423,758</u>
Less : Provision for Doubtful Debts	384,116	384,116
Total	<u>-</u>	<u>39,642</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>NOTE 16</b>		
<b>Cash and Bank Balances :</b>		
Cash on hand	288,204	543,692
Balances with Scheduled Banks		
Current Accounts	469,292	328,025
Fixed Deposits	829,350	764,665
	<u>1,298,642</u>	<u>1,092,690</u>
Total	<u>1,586,846</u>	<u>1,636,382</u>
<b>NOTE 17</b>		
<b>Short Term Loans and Advances :</b>		
<b>(Unsecured, considered good)</b>		
Advances recoverable in cash or in kind or for value to be received	363,142	283,607
Advances Income Tax / TDS	101,050	153,842
Balance with Central Excise	7,311,639	6,730,303
Other Advances		
considered good	391,988	479,495
considered doubtful	22,824,570	22,824,570
	<u>23,216,558</u>	<u>23,304,065</u>
Less : Provision for Doubtful Advances	22,824,570	22,824,570
	<u>391,988</u>	<u>479,495</u>
Total	<u>8,167,819</u>	<u>7,647,247</u>
<b>NOTE 18</b>		
<b>Other Current Assets :</b>		
Interest Accrued but not due	155,451	171,335
Claims Receivable (Refer Note 18.1)	18,771,179	18,771,179
Less : Provision for Doubtful claims receivable	18,771,179	-
	-	18,771,179
Dues from Subsidiary Company	308,644,140	308,644,140
Less : Provision for Doubtful Dues	308,644,140	308,644,140
	-	-
Other Receivable	42,500	-
Total	<u>197,951</u>	<u>18,942,514</u>

18.1 During the year 1998-99, company had imported some material and could not pay the custom duty due to financial crisis. The material was stored in Central Warehousing Corporation bonded warehouse. During the year 2012-13, the company came to know that the material was auctioned by the Custom Authority for non-payment of duty. The Company is taking appropriate legal remedies for claiming the value of these materials. Since the matter is pending with High Court, claims for the same is provided in the books of accounts.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2016	For The Year Ended 31 <sup>st</sup> March, 2015
<b>Revenue from Operations :</b>		
<b>NOTE 19</b>		
<b>Sales :</b>		
Sales Traded Goods	7,088,338	22,800,625
Less : Excise Duty	-	-
Total	<u>7,088,338</u>	<u>22,800,625</u>
19.1 Particulars of Sales - Traded Goods		
Sulphuric Acid	7,088,338	22,800,625
<b>NOTE 20</b>		
<b>Other Income :</b>		
Interest Income	247,346	243,439
Dividend Income	2,250	5,250
Rent Income	164,562	-
Sundry Balances Written Back	70	38,087,455
Prior Period Income	-	55,315
Miscellaneous Income	567,786	145,761
Total	<u>982,014</u>	<u>38,537,220</u>
<b>NOTE 21</b>		
<b>Purchase of Stock in Trade :</b>		
Traded Goods		
Purchases	3,800,321	11,862,120
Total	<u>3,800,321</u>	<u>11,862,120</u>
21.1 Particulars of Cost - Traded Goods		
Sulphuric Acid	3,800,321	11,862,120
<b>NOTE 22</b>		
<b>Employee Benefits Expenses :</b>		
Salaries, Wages and Allowances	5,263,858	6,020,236
Contribution to P.F./F.P.F. and other Funds	406,799	515,162
Welfare & Other Amenities	261,658	330,060
Total	<u>5,932,315</u>	<u>6,865,458</u>
22.1 No remuneration is paid to Directors during the year hence computation of net profit u/s 198 of the Companies Act, 2013 is not required.		

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2016	For The Year Ended 31 <sup>st</sup> March, 2015
<b>NOTE 23</b>		
<b>Finance Cost :</b>		
Interest	9,047,769	12,205,816
Total	<u>9,047,769</u>	<u>12,205,816</u>
<b>NOTE 24</b>		
<b>Other Expenses :</b>		
Power and Fuel	643,352	675,975
Consumption of Stores and Spares	228,823	266,344
<b>Repairs to :</b>		
Building	34,672	21,300
Plant and Machinery	510,377	364,175
Others	460,118	303,975
	<u>1,005,167</u>	<u>689,450</u>
Insurance	331,751	328,778
Rates, Taxes and Duties	574,735	597,224
Director's Sitting Fees	54,130	44,000
<b>Auditor's Remuneration</b>		
Audit Fees	100,000	100,000
Tax Audit Fees	-	25,000
Other Capacity	60,152	77,500
Reimbursement of Expenses	531	1,609
	<u>160,683</u>	<u>204,109</u>
Security Charges	2,568,811	2,180,684
Conveyance	701,274	686,073
Postage and Telegram	392,496	474,391
Legal and Professional Charges	815,077	625,605
Share Department Expenses	394,353	437,344
Selling Expenses	-	164,646
Prior Period Expenses	-	24,735,495
Provision for Doubtful Advances	-	308,644,140
Provision for Doubtful Claims	18,771,179	-
Miscellaneous Expenses	823,598	1,024,421
Total	<u>27,465,429</u>	<u>341,778,679</u>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**Note 25**

**Earning Per Share (EPS)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2016</b>	<b>For the year ended 31<sup>st</sup> March, 2015</b>
i	Net Profit / (Loss) after Tax as per statement of profit and loss attributable to Equity Shareholders (Before Extraordinary items) (Amount in ₹)	<b>(38,610,014)</b>	(311,670,188)
ii	Net Profit / (Loss) after Tax as per statement of profit and loss attributable to Equity Shareholders (After Extraordinary items) (Amount in ₹)	<b>(38,610,014)</b>	(311,670,188)
iii	Weighted Average number of Equity Shares outstanding	<b>10,469,400</b>	10,469,400
iv	Weighted Average number of Equity Shares including diluted potential equity shares outstanding during the year	<b>25,446,900</b>	25,446,900
v	Face Value of Equity Shares in ₹	<b>10.00</b>	10.00
vi	Basic Earning per Equity Share (Before Extraordinary item)	<b>(3.69)</b>	(29.77)
vii	Diluted Earning per Equity Share (Before Extraordinary item)	<b>(1.52)</b>	(12.25)
viii	Basic Earning per Equity Share (After Extraordinary item)	<b>(3.69)</b>	(29.77)
ix	Diluted Earning per Equity Share (After Extraordinary item)	<b>(1.52)</b>	(12.25)

**Note 26**

**Contingent Liabilities :**

a. Claims against the company not acknowledged are as follows : (Amount in ₹)

<b>Name of the Statute</b>	<b>2015 - 16</b>	<b>2014 - 15</b>
Income Tax	<b>18,895,265</b>	285,497,280
Gujarat Sales Tax	<b>NIL</b>	3,606,085
Irrigation Department	<b>259,205,087</b>	259,205,087
<b>Total</b>	<b>278,100,352</b>	548,308,452

The Company is in appeal for these claims.

b. Guarantees / Counter Guarantees given to Banks, Financial Institutions and other Body Corporate ₹ 909,600,000/- (Previous Year ₹ 909,600,000/-)

**Note 27**

The operation of company's methanol division has been unviable and in turn forced the company to suspend its production activities since Sept.'1999. However, the company is making efforts to obtain alternative main feed stock for its methanol plant to make the operation viable. Considering the fact that laying of pipeline for supply of gas by Gas Authority of India Ltd. is completed, the company is hopeful to restart its plant soon. Accordingly the company continues to prepare accounts on the basis of "Going Concern Concept".

**Note 28**

As mentioned above the company had suspended its production activities since Sept.'1999, as a result of this the company has transferred some of the employees to other Division /Group Companies w.e.f. 30<sup>th</sup> October,1999. None of the transferred employees has reported to their duties and they have approached the Industrial Court. However, Company does not expect any financial liability, apart from their service benefit, which has been provided in the books of account.

**Note 29**

The company has obtained a valuation report from registered valuer in respect of its methanol division. On considering the same, the management is of the opinion that there is no loss on account of impairment of assets as per AS – 28 "Impairment of Assets" as issued by ICAI pertaining to this division.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**Note 30**

**Segment Reporting :**

The company has the following primary segments during the year :

- 1 Methanol
- 2 Trading Goods

Information about Primary Business Segment :

(Amount in ₹)

Particulars	Methanol		Trading		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Revenue	-	-	<b>7,088,338</b>	22,800,625	<b>7,088,338</b>	22,800,625
Segment Results before interest, exceptional / extraordinary items and tax	<b>(29,298,159)</b>	(306,756,338)	<b>3,288,017</b>	10,773,859	<b>(26,010,142)</b>	(295,982,479)
Net Unallocable (Income)/Expenses					<b>3,552,103</b>	3,481,893
Finance Cost					<b>9,047,769</b>	12,205,816
Profit/(Loss) before Tax					<b>(38,610,014)</b>	(311,670,188)

Other Information

(Amount in ₹)

Particulars	Methanol		Trading		Unallocable		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Assets	<b>76,897,707</b>	95,524,949	-	110,023	<b>101,050</b>	153,842	<b>76,998,757</b>	95,788,814
Segment Liabilities	<b>662,731,715</b>	639,863,738	<b>1,368,730</b>	4,416,750	-	-	<b>664,100,445</b>	644,280,488
Depreciation	<b>364,151</b>	366,341	-	-	-	-	<b>364,151</b>	366,341
Non cash expenses other than depreciation	-	-	-	-	-	-	-	-

**Note 31**

**Related Party Disclosure under Accounting Standard 18 (AS 18) :**

A) List of related parties as identified by the management with whom transactions are taken place during the year are as under :

Sr. No.	Relationship	Related Parties
I	Enterprises that directly or indirectly control (through subsidiaries) or are controlled by or are under common control with the reporting enterprise	Rama Capital and Fiscal Services Pvt. Ltd. – 100% subsidiary company
II	Associates, Joint Ventures of the reporting entity, investing party or venture in respect of which reporting enterprise is an associate or a joint venture	Indo Us Investment Inc
III	Individual owing, directly or indirectly an interest in voting power of reporting enterprise that gives them control or significant influence over the enterprise and relative of any such individual	None

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

Sr. No.	Relationship	Related Parties
IV	Key Management Personnel (KMP) and their relatives	Mr. H. D. Ramsinghani – Chairman Mr. D. N. Singh – Technical Director Relatives of Chairman Mr. D. J. Ramsinghani Mrs. L. D. Ramsinghani
V	Enterprises over which any person described in III and IV above is able to exercise significant influence	Rainbow Denim Ltd. Rama Phosphates Ltd. Rama Industries Ltd. Rainbow Agri Industries Ltd. Bluelagoon Investment Pvt. Ltd. Rama Enterprises

B) The following transaction were carried out with the related parties :

(Amount in ₹)

Sr. No	Nature of Transaction	Enterprises that directly / indirectly control by the reporting enterprise		Key management personnel and their relatives		Enterprises over which KMP, with their relatives, is able to exercise significant influence	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Sale of Goods	-	-	-	-	<b>7,068,491</b>	22,667,941
2	Loans / Advances Taken	-	16,800,000	-	-	<b>171,000,000</b>	16,850,000
3	Loans / Advances Repaid	-	30,500,000	-	-	<b>22,950,000</b>	26,900,000
4	Sales tax Deferral Liability Reversed	-	310,344,140	-	-	-	-
5	Doubtful advances provided	-	308,644,140	-	-	-	-
6	Sitting Fees to KMP	-	-	<b>10,000</b>	8,000	-	-
7	Balance Outstanding						
	Loans / Advances Payable	-	-	-	-	<b>154,900,000</b>	6,850,000
	Loans / Advances Receivable*	<b>308,644,140</b>	308,644,140	-	-	-	-
	Advance from Customers	-	-	-	-	-	1,028,365
8	Sharing of infrastructure and resources	-	-	-	-	<b>This transaction is of non monetary consideration</b>	This transaction is of non monetary consideration
9	Guarantees Outstanding	-	-	-	-	<b>909,500,000</b>	909,500,000

\* This is fully provided as doubtful.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**C) Disclosure in respect of Related Party Transactions :**

(Amount in ₹)

Sr. No.	Nature of Transaction	2015 - 2016	2014 - 2015
1	<b>Sale of Goods</b> Rama Phosphates Ltd.	7,068,491	22,667,941
2	<b>Loans / Advances taken</b> Rama Capital & Fiscal Services Pvt. Ltd. Bluelagoon Investment Pvt. Ltd. Rainbow Agri Industries Ltd.	- 104,000,000 67,000,000	16,800,000 16,850,000 -
3	<b>Loans / Advances Repaid</b> Rama Capital & Fiscal Services Pvt. Ltd. Bluelagoon Investment Pvt. Ltd. Rainbow Agri Industries Ltd.	- 22,450,000 500,000	30,500,000 26,900,000 -
4	<b>Sales Tax Liability reversed</b> Rama Capital & Fiscal Services Pvt. Ltd.	-	310,344,140
5	<b>Doubtful advances provided</b> Rama Capital & Fiscal Services Pvt. Ltd.	-	308,644,140
6	<b>Balances Outstanding</b> <b>Loans / Advances Payable</b> Bluelagoon Investment Pvt. Ltd. Rainbow Agri Industries Ltd. <b>Loans / Advances Receivable</b> Rama Capital & Fiscal Services Pvt. Ltd. Advance from Customers Rama Phosphates Ltd.	88,400,000 66,500,000 308,644,140 -	6,850,000 - 308,644,140 1,028,365
7	<b>Sharing of Infrastructure &amp; Resources</b> Rama Enterprises	<b>This transaction is of non monetary consideration</b>	This transaction is of non monetary consideration

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**Note 32**

**Deferred Tax Liability**

In accordance with the provisions of Accounting Standard (AS22) issued by The Institute of Chartered Accountants of India pertaining to accounting of taxes on income, in view of the company not expecting any taxable profits in near future, no deferred tax asset is recognized. The details of the same are as under :

(Amount in ₹)

Particulars	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
Deferred Tax Liability on account of :		
Difference between WDV of Fixed Assets	1,334,487	1,382,649
Deferred Tax Assets on account of :		
Disallowances u/s 43B	4,761,113	1,532,850
Other Provisions	13,035,617	7,235,323
Carried forward Losses as per Income Tax	31,568,444	25,562,237
Total Deferred Tax Asset	49,365,174	34,330,410
Net Deferred Tax Asset/ (Liability)	48,030,687	32,947,761

**Note 33**

Previous year figures have been regrouped / rearranged wherever necessary to make them comparable.

As per our report of even date

**For DAYAL AND LOHIA**

**Chartered Accountants**

**(Firm Registration No. 102200W)**

For and on behalf of the Board of Directors

**RINKIT UCHAT**

**Partner**

**M. No. 165557**

**D. N. SINGH**

**Technical Director**

**DIN : 00021741**

**H.D.RAMSINGHANI**

**Chairman**

**DIN : 00035416**

Place : Mumbai

Date : May 30, 2016

Place : Mumbai

Date : May 30, 2016

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# **CONSOLIDATED FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT**

To the members of,

**Rama Petrochemicals Limited**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Rama Petrochemicals Limited** (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

**Management’s Responsibility for the Consolidated Financial Statements**

The Holding Company’s Board of Directors, are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting the frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company’s preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company’s Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2016;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the Consolidated Loss for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to the following matters in the Notes to the consolidated financial statements:

Without qualifying the report we like to bring to your attention that the Holding Company's net worth has been completely eroded and has been declared as sick industrial company by BIFR vide order dated 01.07.2002. As explained in Note no. 28, the management is of the view that the methanol division of Holding Company can be revived and made viable and accordingly the Holding company's accounts have been prepared on going concern assumption. The revival of the Holding Company's operations depends upon the its being able to obtain the alternative main feed stock. In absence of any other information indicating to the contrary, we have accepted this view and accordingly the accounts have been prepared on the basis of "Going Concern Concept".

Our opinion is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) According to the explanations given to us, the Group does not have any branch office.
  - (d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (e) In our opinion the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of its subsidiary companies incorporated in India, none of the other directors of the Group's companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in Note 27 to the consolidated financial statements.
- ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For **Dayal and Lohia**  
Chartered Accountants  
Firm's Regn. No. 102200W

**Rinkit K. Uchat**  
Partner  
Membership No. 165557

Place : Mumbai  
Date : 30<sup>th</sup> May, 2016

**ANNEXURE – ‘A’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE  
CONSOLIDATED FINANCIAL STATEMENTS OF RAMA PETROCHEMICALS LIMITED  
AND ITS SUBSIDIARY COMPANY**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)**

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31<sup>st</sup> March 2016, we have audited the internal financial controls over financial reporting of **Rama Petrochemicals Limited** (hereinafter referred to as “the Holding Company”) and its subsidiary (the Holding Company and its subsidiaries together referred to as “the Group”), as of that date.

**Management’s Responsibility for Internal Financial Controls**

The Holding Company’s Board of Directors, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to group’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding company and its subsidiary company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Group, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Dayal and Lohia**  
Chartered Accountants  
Firm's Regn. No. 102200W

**Rinkit K. Uchat**  
Partner  
Membership No. 165557

Place : Mumbai  
Date : 30<sup>th</sup> May, 2016

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016**

(Amount in ₹)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>EQUITY AND LIABILITIES :</b>			
<b>Shareholders' Fund :</b>			
Share Capital	2	104,694,000	104,694,000
Reserves and Surplus	3	<u>(618,849,250)</u>	<u>(580,062,060)</u>
		(514,155,250)	(475,368,060)
<b>Share Application Money :</b>	4	149,775,000	149,775,000
<b>Non Current Liabilities :</b>			
Other Long Term Liabilities	5	310,344,140	310,344,140
Long Term Provisions	6	<u>1,061,185</u>	<u>974,539</u>
		311,405,325	311,318,679
<b>Current Liabilities :</b>			
Short Term Borrowings	7	185,427,063	162,576,407
Trade Payables	8	1,932,028	3,939,281
Other Current Liabilities	9	44,608,267	45,555,522
Short Term Provisions	10	<u>1,515,247</u>	<u>1,692,678</u>
		233,482,605	213,763,888
<b>TOTAL</b>		<u><b>180,507,680</b></u>	<u><b>199,489,507</b></u>
<b>ASSETS :</b>			
<b>Non - Current Assets :</b>			
Fixed Assets :	11		
Tangible Assets		10,815,913	11,198,712
Capital work in progress		24,120,371	24,120,371
Non-Current Investment	12	102,500,000	102,500,000
Long Term Loans and Advances	13	<u>2,110,056</u>	<u>2,102,656</u>
		139,546,340	139,921,739
<b>Current Assets :</b>			
Inventories	14	30,749,407	30,869,614
Trade Receivables	15	-	39,642
Cash and Bank Balances	16	1,840,838	2,066,409
Short Term Loans and Advances	17	8,173,144	7,649,589
Other Current Assets	18	<u>197,951</u>	<u>18,942,514</u>
		40,961,340	59,567,768
<b>TOTAL</b>		<u><b>180,507,680</b></u>	<u><b>199,489,507</b></u>

**Significant Accounting Policies**

1

**The accompanying notes 1 to 36 are an integral part of the Financial Statement**

As per our report of even date  
For DAYAL AND LOHIA  
Chartered Accountants  
(Firm Registration No. 102200W)

For and on behalf of the Board of Directors

**RINKIT UCHAT**  
Partner  
M. No. 165557

**D. N. SINGH**  
Technical Director  
DIN : 00021741

**H.D.RAMSINGHANI**  
Chairman  
DIN : 00035416

Place : Mumbai  
Date : May 30, 2016

Place : Mumbai  
Date : May 30, 2016

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

(Amount in ₹)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>REVENUE</b>			
<b>Revenue from Operations</b>			
Sales	19	7,111,116	22,922,495
Less : Excise Duty		-	-
Net Sales		<u>7,111,116</u>	<u>22,922,495</u>
<b>Net revenue from Operations</b>		<b>7,111,116</b>	<b>22,922,495</b>
Other Income	20	<u>994,397</u>	<u>38,540,534</u>
<b>TOTAL REVENUE</b>		<b>8,105,513</b>	<b>61,463,029</b>
<b>EXPENSES</b>			
Purchase of Stock in Trade	21	3,820,803	11,973,544
Change in inventories of stock in trade	22	70,451	(70,381)
Employee Benefits Expense	23	5,932,315	6,865,458
Finance Cost	24	9,047,769	12,235,351
Depreciation	11	382,799	384,989
Other Expenses	25	<u>27,638,566</u>	<u>33,304,977</u>
<b>TOTAL EXPENSES</b>		<b>46,892,703</b>	<b>64,693,938</b>
<b>Profit / (Loss) before tax</b>		<b>(38,787,190)</b>	<b>(3,230,909)</b>
<b>Tax Expenses</b>		-	-
<b>Profit / (Loss) for the Year</b>		<u><b>(38,787,190)</b></u>	<u><b>(3,230,909)</b></u>
<b>Earnings per Equity Share of Face Value of ₹ 10/- each</b>	26		
<b>Before Extraordinary Items :</b>			
Basic		(3.70)	(0.31)
Diluted		(1.52)	(0.13)
<b>After Extraordinary Items :</b>			
Basic		(3.70)	(0.31)
Diluted		(1.52)	(0.13)

**Significant Accounting Policies**

1

**The accompanying notes 1 to 36 are an integral part of the Financial Statement**

As per our report of even date

For and on behalf of the Board of Directors

**For DAYAL AND LOHIA**

**Chartered Accountants**

**(Firm Registration No. 102200W)**

**RINKIT UCHAT**

**Partner**

**M. No. 165557**

**D. N. SINGH**

**Technical Director**

**DIN : 00021741**

**H.D.RAMSINGHANI**

**Chairman**

**DIN : 00035416**

Place : Mumbai

Date : May 30, 2016

Place : Mumbai

Date : May 30, 2016

**CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
<b>A. CASHFLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) Before Tax	(38,787,190)	(3,230,909)
<b>Adjustment for :</b>		
Depreciation	382,799	384,989
Interest Paid	9,047,769	12,235,351
Doubtful Claims	18,771,179	-
Interest Income	(247,399)	(243,470)
Dividend Income	(5,592)	(8,533)
Excess Provision written back	(238,324)	(145,761)
Sundry balances written back	(70)	(38,087,455)
	<u>27,710,362</u>	<u>(25,864,879)</u>
Operating Profit before Working Capital Changes	<u>(11,076,828)</u>	<u>(29,095,788)</u>
Adjustment for :		
(Increase)/Decrease in Trade & Other receivables	(517,929)	545,450
Increase/(Decrease) in Trade Payables & Other Liabilities	(2,806,899)	63,565,236
(Increase)/Decrease in Inventories	120,207	33,371
	<u>(3,204,621)</u>	<u>64,144,057</u>
<b>Net Cash From / (Used in) Operative Activities (A)</b>	<u>(14,281,449)</u>	<u>35,048,269</u>
	<u>(14,281,449)</u>	<u>35,048,269</u>
<b>B. CASHFLOW FROM INVESTING ACTIVITIES</b>		
Dividend Income	5,592	8,533
Interest Income	247,399	243,470
	<u>252,991</u>	<u>252,003</u>
<b>Net Cash From / (Used in ) Investing Activities (B)</b>	<u>252,991</u>	<u>252,003</u>
<b>C. CASHFLOW FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Short Term Borrowings (Net)	22,850,656	(23,693,179)
Interest Paid	(9,047,769)	(12,235,351)
	<u>13,802,887</u>	<u>(35,928,530)</u>
<b>Net Cash From / (Used in ) Financial Activities (C)</b>	<u>13,802,887</u>	<u>(35,928,530)</u>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<u>(225,571)</u>	<u>(628,258)</u>
<b>Cash &amp; Cash Equivalents (Opening Balance)</b>	<u>2,066,409</u>	<u>2,694,667</u>
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<u>1,840,838</u>	<u>2,066,409</u>

As per our report of even date

**For DAYAL AND LOHIA**

**Chartered Accountants**

**(Firm Registration No. 102200W)**

**RINKIT UCHAT**

**Partner**

**M. No. 165557**

Place : Mumbai

Date : May 30, 2016

For and on behalf of the Board of Directors

**D. N. SINGH**

**Technical Director**

**DIN : 00021741**

Place : Mumbai

Date : May 30, 2016

**H.D.RAMSINGHANI**

**Chairman**

**DIN : 00035416**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**SIGNIFICANT ACCOUNTING POLICIES**

**A. PRINCIPLES OF CONSOLIDATION :**

The Consolidated Financial Statement relate to Rama Petrochemicals Ltd. ( the company) and Rama Capital & Fiscal Services Pvt. Ltd., ( the Subsidiary ). The Consolidated Financial Statements have been prepared on the following basis :

The financial statements of the Company and its subsidiary Company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.

The financial statements of the subsidiary used in the consolidation are drawn upto the same reporting date as that of the parent company i.e. 31<sup>st</sup> March, 2016.

The excess of cost to the Company's of its investment in the subsidiary company over the company's position of the equity of the subsidiary is recognized in the financial statement as Goodwill.

As the Company hold 100% equity in a subsidiary company, question of minority interest does not arise. Subsidiary company is incorporated in India.

**B. SIGNIFICANT ACCOUNTING POLICIES :**

**1. Basis of Accounting :**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis.

Use of Estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**2. Accounting for Construction Division :**

Revenue from sale of properties under construction is recognized on the basis of actual bookings done (provided the significant risk and rewards have been transferred to the buyer and there is reasonable certainty of realization of proceeds) proportionate to the percentage of physical completion of construction / development work certified by the Architect.

**3. Revenue Recognition :**

- a. Revenue is recognized when the substantial risks and rewards of ownership is transferred to the buyer on dispatch of goods.
- b. Interest income is recognized on time proportionate basis.
- c. Dividend income from investments is recognized when the right to receive the dividend is established.
- d. Claims and damages are accounted as and when they are finalized.

**4. Fixed Assets :**

All Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment losses if any. The cost of fixed assets includes taxes and duties (other than those subsequently recoverable from respective authorities), freight and other incidental expenses related to acquisition and installation of respective assets.

**5. Depreciation :**

- a. Depreciation on Fixed Assets is provided on Straight Line Method based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.
- b. Depreciation on addition / deletion is provided pro-rate basis with reference to the date of addition / deletion as the case may be.
- c. Individual assets acquired for less than ₹ 5,000/- are depreciated fully in the year of acquisition.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

d. The details of estimated life for each category of assets are as under :

- i) Buildings – 5 to 60 years
- ii) Plant and Machinery – 15 to 20 years
- iii) Furniture and Fixture – 10 years
- iv) Office Equipments – 5 years
- v) Vehicles – 8 years
- vi) Free hold land is not depreciated.
- vii) Lease hold land is amortised over the life of the lease.

**6. Impairment of Assets :**

- a. The carrying amounts of assets are reviewed by the management at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is greater of asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- b. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending upon changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**7. Excise Duty :**

Excise duty, if applicable, has been accounted on the basis of payment made in respect of finished goods cleared.

**8. Cash Flow Statements :**

Cash flow statement is prepared in accordance with the indirect method prescribed under Accounting Standard (AS) 3 "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

**9. Foreign Currency Transactions :**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

The gain or loss arising out of settlement / translation of the assets and the liabilities at the closing rates due to exchange fluctuations is recognized as income / expenditure in the statement of profit and loss.

**10. Investments :**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

**11. Valuation of Inventories :**

- a. Raw Material and Stores & Spares are valued at cost ( on "first in first out basis" ) or market value whichever is lower.
- b. Stocks in transit are valued at cost or market value whichever is lower.
- c. Finished goods are valued at cost or net realizable value, whichever is lower.
- d. Inventories of traded goods are valued at cost or net realizable value, whichever is lower.
- e. In case of subsidiary company inventories of shares and debentures are valued at cost or market value whichever is lower on basket valuation method.

**12. Employee's Benefits :**

**Short Term Employee Benefits :**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**Long Term Employee Benefits :**

a. Defined Contribution Plan :

The company has Defined Contribution plans for post employment benefits namely Provident Fund. Under the provident Fund Plan, the company contributes to a Government administered provident fund on behalf of its employees.

The Company's contributions to the above funds are charged to revenue every year.

b. Defined Benefit Plans :

The Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method as at the balance sheet date. Actuarial gains / losses are recognized immediately in the profit and loss account. Long term compensated absences are provided for based on actuarial valuations.

c. In case of subsidiary company provision for leave encashment and gratuity are made on the basis of actuarial liability based on the period of service.

**13. Borrowing Cost :**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**14. Segment Reporting :**

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses

**15. Earning per Share (EPS) :**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

**16. Provision for Current and Deferred Tax :**

a. Provision for the current tax is made after taking into considering benefits admissible under the provisions of the Income Tax Act, 1961.

b. Deferred Tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. Deferred tax assets are reviewed at each balance sheet date and is written down or written up to reflect the amount that is reasonably or virtually certain, as the case may be, to be realized.

**17. Provisions :**

A provision is recognized when the company has a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**18. Contingent Liabilities :**

Contingent liabilities, if any are disclosed in the notes on accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the board of directors and which have material effect on the position stated in the balance sheet.

**19. Assigned Liability :**

In case of subsidiary company, the value of assigned liability is determined on the basis of present value of the liability at the end of the year. The difference between the present value in the beginning of the year and at the year end is treated as finance charges for the year.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>NOTE 2</b>		
<b>Share Capital :</b>		
<b>Authorised :</b>		
5,00,00,000 (Previous Year 5,00,00,000)		
Equity Shares of ₹ 10/- each	<b>500,000,000</b>	500,000,000
<b>Issued, Subscribed and Paid - up :</b>		
1,04,69,400 (Previous Year 1,04,69,400)		
Equity Shares of ₹ 10/- each	<b>104,694,000</b>	104,694,000
Total	<b><u>104,694,000</u></b>	<u>104,694,000</u>

**Details of rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.**

**Equity Shares :** The company has only one class of Equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. Dividend is payable in the proportion to the Capital Paid Up. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**The details of Shareholders holding more than 5% shares**

Indo Us Investment Inc.	Nos.	<b>3,000,000</b>	3,000,000
	%	<b>28.65%</b>	28.65%
Libra Mercantile Pvt. Ltd.	Nos.	<b>1,404,401</b>	1,404,401
	%	<b>13.41%</b>	13.41%
Jupiter Corporate Services Pvt Ltd.	Nos.	<b>593,280</b>	593,280
	%	<b>5.67%</b>	5.67%

**NOTE 3**

**Reserves and Surplus :**

**Capital Reserve**

As per last Balance Sheet **6,030,000** 6,030,000

**Profit and Loss Account**

As per last Balance Sheet **(586,092,060)** (577,531,680)

Add : Profit / (Loss) for the year **(38,787,190)** (3,230,909)

Adjustment relating to Depreciation - (5,329,471)

**(624,879,250)** (586,092,060)

**Total** **(618,849,250)** (580,062,060)

**NOTE 4**

**Share Application Money :**

**149,775,000** 149,775,000

**Total** **149,775,000** 149,775,000

4.1 Share Application money is received from a promoter's group company in accordance with the revival Scheme submitted to the B.I.F.R. and the allotment of shares pursuant thereto is subject to and shall be in accordance with the directions of the B.I.F.R.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>NON CURRENT LIABILITIES :</b>		
<b>NOTE 5</b>		
<b>Other Long Term Liabilities</b>		
<b>Sales Tax Deferral</b>	<b>310,344,140</b>	310,344,140
Total	<b>310,344,140</b>	310,344,140

5.1 The Company had a liability of ₹ 312,333,405/- payable from 30th April 2001 to 30th April 2014 to Sales Tax Department of Government of Maharashtra in respect of sales tax deferral scheme. The company had paid ₹1,989,265/- against the same.

**NOTE 6**

**Long Term Provisions**

for Employee Benefits	<b>1,061,185</b>	974,539
Total	<b>1,061,185</b>	974,539

6.1 Consequent to the adoption of Accounting Standard 15 on Employee Benefits issued by the Institute of Chartered Accountants of India, the following disclosures have been made as required by the standards :

**A Defined Contribution Plan**

Provident Fund : The Company has recognised the following amount in the profit and loss account for the year

Employer's contribution to Provident Fund	<b>280,313</b>	304,015
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**B Defined Benefit Plan**

The Company has defined benefit plans for gratuity and leave encashment. The disclosure for employee benefits are as under :

Particulars	Gratuity		Leave Encashment	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
<b>a The Principal assumption</b>				
Discount Rate	<b>7.48%</b>	7.90%	<b>7.48%</b>	7.90%
Salary Escalation	<b>5.00%</b>	5.00%	<b>5.00%</b>	5.00%
Mortality	<b>Indian Assured Lives (2006-08) Ultimate</b>	Indian Assured Lives (2006-08) Ultimate	<b>Indian Assured Lives (2006-08) Ultimate</b>	Indian Assured Lives (2006-08) Ultimate
Type of Plan	<b>Unfunded</b>	Unfunded	<b>Unfunded</b>	Unfunded
<b>b Changes in present value of Defined benefit obligation</b>				
Present Value of Opening benefit obligation	<b>1,910,089</b>	1,814,399	<b>757,128</b>	750,511
Interest Cost	<b>150,897</b>	163,840	<b>59,813</b>	67,771
Current Service Cost	<b>54,296</b>	48,359	<b>38,853</b>	71,207
Benefits Paid	<b>150,289</b>	115,385	<b>260,575</b>	157,845
Actuarial (gain) / Loss on obligation	<b>(78,779)</b>	(1,124)	<b>94,999</b>	25,484
Present Value of Closing benefit obligation	<b>1,886,214</b>	1,910,089	<b>690,218</b>	757,128

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
<b>c Changes in the fair value of Plan Assets</b>				
Opening fair value of Plan Assets	-	-	-	-
Expected Return	-	-	-	-
Contribution by employer	-	-	-	-
Benefits Paid	<b>150,289</b>	115,385	<b>260,575</b>	157,845
Actuarial (gains) / losses	<b>(78,779)</b>	(1,124)	<b>94,999</b>	25,484
Closing fair value of Plan Assets	-	-	-	-
<b>d Liability recognised in the Balance Sheet</b>				
Defined benefit obligation	<b>(1,886,214)</b>	(1,910,089)	<b>(690,218)</b>	(757,128)
Fair value of Plan Assets	-	-	-	-
Liability recognised in the Balance Sheet	<b>(1,886,214)</b>	(1,910,089)	<b>(690,218)</b>	(757,128)
<b>e Expenses recognised in Statement of Profit and Loss</b>				
Current Service Cost	<b>54,296</b>	48,359	<b>38,853</b>	71,207
Interest Cost on benefit obligation	<b>150,897</b>	163,840	<b>59,813</b>	67,771
Net Actuarial (gain) / loss recognised in the year	<b>(78,779)</b>	(1,124)	<b>94,999</b>	25,484
Total Expenses recognised in the Statement of Profit and Loss	<b>126,414</b>	211,075	<b>193,665</b>	164,462
<b>f Movement in the liability recognised in the Balance Sheet</b>				
Liability	<b>1,910,089</b>	1,814,399	<b>757,128</b>	750,511
Expenses as above	<b>126,414</b>	211,075	<b>193,665</b>	164,462
Contribution Paid	<b>(150,289)</b>	(115,385)	<b>(260,575)</b>	(157,845)
Liability	<b>1,886,214</b>	1,910,089	<b>690,218</b>	757,128

6.2 In case of subsidiary company, provision for leave encashment and gratuity is not required as the company does not have any employee as on 31st March, 2016.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>CURRENT LIABILITIES</b>		
<b>NOTE 7</b>		
<b>Short Term Borrowings :</b>		
<b>(Unsecured)</b>		
<b>Loans and Advances</b>		
from Related Parties	185,427,063	37,377,063
from Others	-	125,199,344
Total	<u>185,427,063</u>	<u>162,576,407</u>
<b>NOTE 8</b>		
<b>Trade Payables :</b>		
Due to others	1,932,028	3,939,281
Total	<u>1,932,028</u>	<u>3,939,281</u>
<b>NOTE 9</b>		
<b>Other Current Liabilities :</b>		
Advance from Customers	-	1,028,365
Statutory Liabilities	11,099,484	12,021,251
Other Liabilities	33,508,783	32,505,906
Total	<u>44,608,267</u>	<u>45,555,522</u>
9.1	Based on the information available with the company, one party has been identified as MSME as defined under "Micro, Small and Medium Enterprises Development Act, 2006" which has claimed ₹ 14,33,622/- (Previous Year ₹ 14,33,622/-) towards supply. This liability has been disputed by the company. The party has filed a complaint against the Company, with Micro and Small Enterprises Facilitation Council. Under these circumstances interest, if any, will be accounted as and when becomes payable.	
<b>NOTE 10</b>		
<b>Short Term Provisions</b>		
for Employee Benefits (Refer Note 6)	1,515,247	1,692,678
Total	<u>1,515,247</u>	<u>1,692,678</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**NOTE 11**

**Fixed Assets (At Cost)**

(Amount in ₹)

Description	Gross Block		As At 31.03.16	As At 01.04.15	For the Year	Depreciation		Net Block	
	As At 01.04.15	Addition				Deduction	As At 31.03.16	Deductions/ Adjustments	As At 31.03.16
<b>Tangible Assets</b>									
Free Hold Land	3,610,057	-	-	-	-	-	-	3,610,057	3,610,057
Lease Hold Land	255,600	-	-	76,460	2,691	-	79,151	176,449	179,140
Buildings	27,174,316	-	-	19,944,182	297,109	-	20,241,291	6,933,025	7,230,134
Plant and Machinery	345,173,435	-	-	344,994,215	82,999	-	345,077,214	96,221	179,220
Furniture and Fixture	4,370,665	-	-	4,370,574	-	-	4,370,574	91	91
Office Equipments	4,797,521	-	-	4,797,456	-	-	4,797,456	65	65
Vehicles	1,093,271	-	-	1,093,266	-	-	1,093,266	5	5
<b>Total</b>	386,474,865	-	-	375,276,153	382,799	-	375,658,952	10,815,913	11,198,712
<b>Previous Year</b>	386,474,865	-	-	369,561,693	384,989	5,329,471	375,276,153	11,198,712	16,913,172
<b>Capital work in progress</b>								<b>24,120,371</b>	<b>24,120,371</b>

11.1 Lease hold land is taken on lease for the period of 95 years and cost of the same is amortised over the period of lease.

11.2 Immovable properties of the holding company are mortgaged on first pari-passu charge basis in favour of Financial Institution and Banks to secure Term Loan sanctioned to denim division of the holding company. In the year 1999 - 2001, the said denim division of the holding company was demerged as Rainbow Denim Limited.

11.3 Premises of subsidiary company is mortgaged with banks for loans taken by a related party.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2016</b>	<b>As at 31<sup>st</sup> March, 2015</b>
<b>NOTE 12</b>		
<b>Non Current Investments (At Cost) :</b>		
<b>Unquoted (Other than Trade)</b>		
92,760 (Previous Year 92,760) Equity Shares of ₹ 10/- each in Elate Investments & Holdings Pvt. Ltd. fully paid up.	<b>46,380,000</b>	46,380,000
14,030 (Previous Year 14,030) Equity Shares of ₹ 10/- each in Optical Disc Marketing (India) Pvt. Ltd. fully paid up.	<b>56,120,000</b>	56,120,000
Total	<b>102,500,000</b>	102,500,000
<b>Aggregate Value of Unquoted Investments :</b>		
At Cost Price	<b>102,500,000</b>	102,500,000

**NOTE 13**

**Long Term Loans and Advances :**

**(Unsecured)**

Security Deposits		
Considered Good	<b>2,110,056</b>	2,102,656
Considered doubtful	<b>206,600</b>	206,600
	<b>2,316,656</b>	2,309,256
Less : Provision for doubtful deposits	<b>206,600</b>	206,600
Total	<b>2,110,056</b>	2,102,656

**CURRENT ASSETS**

**NOTE 14**

**Inventories (At Cost) :**

Stores and Spares	<b>30,743,202</b>	30,792,958
Stock in Trade - Shares	<b>6,205</b>	6,275
Stock in Trade - Traded Goods	<b>-</b>	70,381
Total	<b>30,749,407</b>	30,869,614

Details of inventories - Shares

Aarvee Denim Ltd.	<b>770</b>	770
C J Gelatine Ltd.	<b>348</b>	348
K G Denim Ltd.	<b>700</b>	700
Madalsa International Ltd.	<b>200</b>	200
Maheshwari Protein Ltd.	<b>100</b>	100
Modern Suiting Ltd.	<b>50</b>	50
Rainbow Agri Industries Ltd.	<b>1,000</b>	1,000
Rama Phosphates Ltd.	<b>2,940</b>	3,010
Reliance Capital Ltd.	<b>97</b>	97

Details of inventories - Traded Goods

Spent Sulphuric Acid	<b>-</b>	70,381
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14.1 For mode of valuation Refer Note 1 (B-11)

14.2 The company has pledged 200 shares of Rainbow Agri Industries Ltd. with lender for loan granted to a related party.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>NOTE 15</b>		
<b>Trade Receivables (Unsecured) :</b>		
Due more than six months		
considered good	-	-
considered doubtful	<u>384,116</u>	<u>384,116</u>
	<b>384,116</b>	<b>384,116</b>
Due within six months		
considered good	-	39,642
	<u>384,116</u>	<u>423,758</u>
Less : Provision for Doubtful Debts	<u>384,116</u>	<u>384,116</u>
Total	<u>-</u>	<u>39,642</u>
<b>NOTE 16</b>		
<b>Cash and Bank Balances :</b>		
Cash on hand	313,521	551,234
Balances with Scheduled Banks		
Current Accounts	697,967	750,510
Fixed Deposits	<u>829,350</u>	<u>764,665</u>
	<u>1,527,317</u>	<u>1,515,175</u>
Total	<u>1,840,838</u>	<u>2,066,409</u>
<b>NOTE 17</b>		
<b>Short Term Loans and Advances :</b>		
<b>(Unsecured, considered good)</b>		
Advances recoverable in cash or in kind or for value to be received	368,467	285,949
Advances Income Tax / TDS	101,050	153,842
Balance with Central Excise	7,311,639	6,730,303
Other Advances		
considered good	391,988	479,495
considered doubtful	<u>22,824,570</u>	<u>22,824,570</u>
	<u>23,216,558</u>	<u>23,304,065</u>
Less : Provision for Doubtful Advances	<u>22,824,570</u>	<u>22,824,570</u>
	<u>391,988</u>	<u>479,495</u>
Total	<u>8,173,144</u>	<u>7,649,589</u>
<b>NOTE 18</b>		
<b>Other Current Assets :</b>		
Interest Accrued but not due	155,451	171,335
Claims receivable (Refer Note 18.1)	18,771,179	18,771,179
Less : Provision for doubtful claims receivable	<u>18,771,179</u>	-
	-	18,771,179
Other Receivable	<u>42,500</u>	-
Total	<u>197,951</u>	<u>18,942,514</u>



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

18.1 During the year 1998 - 99, company had imported some material and could not pay the custom duty due to financial crisis. The material stored in Central Warehousing Corporation bonded warehouse. During the year 2012 - 13, the company came to know that the material was auctioned by the Custom Authority for non-payment of duty. The Company is taking appropriate legal remedies for claiming the value of these materials. Since the matter is pending with High Court, claims for the same is provided in the books of accounts.

(Amount in ₹)

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2016</b>	For the year ended 31 <sup>st</sup> March, 2015
<b>Revenue from Operations :</b>		
<b>NOTE 19</b>		
<b>Sales :</b>		
Sales - Traded Goods	7,109,656	22,922,495
Less : Excise duty	-	-
Sales - Others	1,460	-
Total	7,111,116	22,922,495
19.1 Particulars of Sales - Traded Goods		
Sulphuric Acid	7,109,656	22,922,495
Shares	1,460	-
<b>NOTE 20</b>		
<b>Other Income :</b>		
Interest Income	247,399	243,470
Dividend Income	5,592	8,533
Rent Income	164,562	-
Prior Period Income	-	55,315
Miscellaneous Income	576,774	145,761
Sundry Balances Written Back	70	38,087,455
Total	994,397	38,540,534
<b>NOTE 21</b>		
<b>Purchases of Stock in Trade :</b>		
Traded Goods		
Purchases	3,820,803	11,973,544
Total	3,820,803	11,973,544
21.1 Particulars of Cost - Traded Goods		
Sulphuric Acid	3,820,803	11,973,544

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
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**NOTE 22**

**Changes in Inventories of Stock in Trade :**

Opening Stock	76,656	6,275
Add : Transfer / Adjustments	-	-
Less : Closing Stock	<u>6,205</u>	<u>76,656</u>
Total	<u><u>70,451</u></u>	<u><u>(70,381)</u></u>

**NOTE 23**

**Employee Benefits Expenses :**

Salaries, Wages and Allowances	5,263,858	6,020,236
Contribution to P.F./F.P.F. and other Funds	406,799	515,162
Welfare & Other Amenities	<u>261,658</u>	<u>330,060</u>
Total	<u><u>5,932,315</u></u>	<u><u>6,865,458</u></u>

23.1 No remuneration is paid to Directors during the year hence computation of net profit u/s 198 of the Companies Act, 2013 is not required.

**NOTE 24**

**Finance Cost :**

Interest	<u>9,047,769</u>	<u>12,235,351</u>
Total	<u><u>9,047,769</u></u>	<u><u>12,235,351</u></u>

**NOTE 25**

**Other Expenses :**

Power and Fuel	658,401	690,264
Consumption of Stores and Spares	228,823	266,344

**Repairs to :**

Building	34,672	21,300
Plant and Machinery	510,377	364,175
Others	<u>460,118</u>	<u>303,975</u>
	1,005,167	689,450
Insurance	332,464	329,435
Rates, Taxes and Duties	645,064	655,753
Director's Sitting Fees	54,130	44,000

**Auditor's Remuneration**

Audit Fees	128,235	132,585
Tax Audit Fees	-	25,000
Other Capacity	100,087	94,830
Reimbursement of Expenses	<u>557</u>	<u>1,839</u>
	<u><u>228,879</u></u>	<u><u>254,254</u></u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in ₹)

Particulars	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
<b>NOTE 25 (Contt.)</b>		
Security Charges	2,568,811	2,180,684
Conveyance	701,274	686,073
Postage and Telegram	392,496	474,391
Legal and Professional Charges	817,367	633,394
Share Department Expenses	394,353	437,344
Selling Expenses	-	164,646
Prior Period Expenses	-	24,735,495
Provision for Doubtful Claims	18,771,179	-
Miscellaneous Expenses	840,158	1,063,450
Total	<u>27,638,566</u>	<u>33,304,977</u>

**NOTE 26**

**Earning Per Share (EPS)**

Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
i	Net Profit / (Loss) after Tax as per statement of profit and loss attributable to Equity Shareholders (Before Extraordinary items) (Amount in ₹)	(38,787,190)	(3,230,909)
ii	Net Profit / (Loss) after Tax as per statement of profit and loss attributable to Equity Shareholders (After Extraordinary items) (Amount in ₹)	(38,787,190)	(3,230,909)
iii	Weighted Average number Equity Shares outstanding	10,469,400	10,469,400
iv	Weighted Average number of Equity Shares including diluted potential equity shares outstanding during the year	25,446,900	25,446,900
v	Face Value of Equity Shares in ₹	10.00	10.00
vi	Basic Earning per Equity Share (Before Extraordinary item)	(3.70)	(0.31)
vii	Diluted Earning per Equity Share (Before Extraordinary item)	(1.52)	(0.13)
viii	Basic Earning per Equity Share (After Extraordinary item)	(3.70)	(0.31)
ix	Diluted Earning per Equity Share (After Extraordinary item)	(1.52)	(0.13)

**NOTE 27**

**Contingent Liabilities**

a. Claims against the company not acknowledge are as :

(Amount in ₹)

Name of the Statute	2015 - 16	2014 - 15
Income Tax	24,491,973	291,093,988
Gujarat Sales Tax	NIL	3,606,085
Irrigation Department	259,205,087	259,205,087
<b>Total</b>	<b>283,697,060</b>	553,905,160

**The Company is in appeal for these claims.**

b. Guarantees / Counter Guarantees given to Banks, Financial Institutions and other Body Corporate ₹ 909,600,000/- (Previous Year ₹ 909,600,000/-)

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**NOTE 28**

The operation of company's methanol division has been unviable and in turn forced the company to suspend its production activities since Sept.'1999. However, the company is making efforts to obtain alternative main feed stock for its methanol plant to make the operation viable. Considering the fact that laying of pipeline for supply of gas by Gas Authority of India Ltd. is completed, the company is hopeful to restart its plant soon. Accordingly the company continues to prepare accounts on the basis of "Going Concern Concept".

**NOTE 29**

As mentioned above the company had suspended its production activities since Sept'1999, as a result of this the company has transferred some of the employees to other Division/Group Companies w.e.f. 30<sup>th</sup> October, 1999. None of the transferred employees has reported to their duties and they have approached the Industrial Court. However, Company does not expect any financial liability, apart from their service benefit, which has been provided in the books of account.

**NOTE 30**

The company has obtained a valuation report from registered valuer in respect of its methanol division. On considering the same, the management is of the opinion that there is no loss on account of impairment of assets as per AS – 28 "Impairment of Assets" as issued by ICAI pertaining to this division.

**NOTE 31**

**Segment Reporting :**

The company has the primary segments during the year :

- 1 Methanol
- 2 Trading Goods

Information about Primary Business Segments :

(Amount in ₹)

Particulars	Methanol		Trading Goods		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Revenue	-	-	<b>7,111,116</b>	22,922,495	<b>7,111,116</b>	22,922,495
Segment Results before interest, exceptional / extraordinary items and tax	<b>(29,298,159)</b>	1,887,802	<b>3,290,243</b>	10,598,533	<b>(26,007,916)</b>	12,486,335
Net Unallocable ( Income) / Expenses					<b>3,731,505</b>	3,481,893
Finance Cost					<b>9,047,769</b>	12,235,351
Profit / (Loss) before Tax					<b>(38,787,190)</b>	(3,230,909)

Other Information

(Amount in ₹)

Particulars	Methanol		Trading		Unallocable		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Segment Assets	<b>76,897,707</b>	95,524,949	-	110,023	<b>103,609,973</b>	103,854,535	<b>180,507,680</b>	199,489,507
Segment Liabilities	<b>662,731,715</b>	639,863,738	<b>1,368,730</b>	4,416,750	<b>30,562,485</b>	30,577,079	<b>694,662,930</b>	674,857,567
Depreciation	<b>364,151</b>	366,341	-	-	<b>18,648</b>	18,648	<b>382,799</b>	384,989
Non cash expenses other than depreciation	-	-	-	-	-	-	-	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**Note 32**

**Related Party Disclosure under Accounting Standard 18 (AS 18) :**

A) List of related parties as identified by the management with whom transactions are taken place during the year are as under :

Sr. No.	Relationship	Related Parties
I	Enterprises that directly or indirectly control (through subsidiaries) or are controlled by or are under common control with the reporting enterprise	None
II	Associates, Joint Ventures of the reporting entity, investing party or venture in respect of which reporting enterprise is an associate or a joint venture	Indo Us Investment Inc
III	Individual owing, directly or indirectly an interest in voting power of reporting enterprise that gives them control or significant influence over the enterprise and relative of any such individual	None
IV	Key Management Personnel (KMP) and their relatives	Mr. H. D. Ramsinghani – Chairman Mr. D. N. Singh – Technical Director Mr. V.G.Sharma – Director Mr. R.G.Kulkarni - Director Relatives of Chairman Mr. D. J. Ramsinghani Mrs. L. D. Ramsinghani
V	Enterprises over which any person described in III and IV above is able to exercise significant influence	Rainbow Denim Ltd. Rama Phosphates Ltd. Rama Industries Ltd. Rainbow Agri Industries Ltd. Bluelagoon Investment Pvt. Ltd. Nova Gelicon Pvt. Ltd. Rama Enterprises

B) The following transaction were carried out with the related parties : (Amount in ₹)

Sr. No	Nature of Transaction	Key management personnel and their relatives		Enterprises over which KMP, with their relatives, is able to exercise significant influence	
		2015-16	2014-15	2015-16	2014-15
1	Sale of Goods	-	-	7,068,491	22,789,811
2	Loans/ Advances Taken	-	-	171,000,000	33,550,000
3	Loans/Advances Repaid	-	-	22,950,000	56,830,000
4	Sitting Fees to KMP	10,000	8,000	-	-
5	Balance Outstanding				
	Advance from customers	-	-	-	1,028,365
	Loans/Advances Payable	-	-	185,427,063	37,377,063
6	Sharing of infrastructure and resources	-	-	<b>This transaction is of non monetary consideration</b>	This transaction is of non monetary consideration
7	Securities pledged for loan taken by others	-	-	<b>This transaction is of non monetary consideration</b>	This transaction is of non monetary consideration
8	Guarantees Outstanding	-	-	909,500,000	909,500,000

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

C) Disclosure in respect of Related Party Transactions :

(Amount in ₹)

Sr. No.	Nature of Transaction	2015 - 2016	2014 - 2015
1	Sale of Goods Rama Phosphates Ltd.	7,068,491	22,789,811
2	Loans / Advances taken Bluelagoon Investment Pvt. Ltd. Rainbow Agri Industries Ltd.	104,000,000 67,000,000	33,550,000 -
3	Loans / Advances Repaid Bluelagoon Investment Pvt. Ltd. Rainbow Agri Industries Ltd.	22,450,000 500,000	56,830,000 -
4	Balances Outstanding Advance from Customers Rama Phosphates Ltd. Loans / Advances Payable Rama Phosphates Ltd. Bluelagoon Investment Pvt. Ltd. Rainbow Agri Industries Ltd.	-  30,527,063 88,400,000 66,500,000	1,028,365  30,527,063 6,850,000 -
5	Sharing of Infrastructure & Resources Rama Enterprises	<b>This transaction is of non monetary consideration</b>	This transaction is of non monetary consideration
6	Securities Pledged for loan taken Nova Gelicon Pvt. Ltd.	<b>This transaction is of non monetary consideration</b>	This transaction is of non monetary consideration

**NOTE 33**

a) Enterprises consolidated as subsidiary in accordance with Accounting Standard 21 – Consolidated Financial Statements

Name of the Enterprises	Country of Incorporation	Proportion of ownership interest
Rama Capital & Fiscal Services Pvt. Ltd.	India	100.00%

b) Additional information, as required under Schedule III of the Companies Act, 2013 of enterprise consolidated as subsidiary

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in ₹
<b>Parent</b> Rama Petrochemicals Ltd.	114.19	(587,101,688)	99.54	(38,610,014)
<b>Subsidiary -</b> Rama Capital & Fiscal Services Pvt. Ltd.	45.84	(235,697,702)	0.46	(177,176)
<b>Subtotal</b>		(822,799,390)		(38,787,190)
Intercompany elimination and consolidation adjustment	(60.03)	308,644,140	Nil	Nil
<b>Grand Total</b>	<b>100.00</b>	<b>(514,155,250)</b>	<b>100.00</b>	<b>(38,787,190)</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**c) Salient Features of Financial Statement of Subsidiary pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014**

Name of the Subsidiary	:	Rama Capital & Fiscal Services Pvt. Ltd.
Reporting period for the subsidiary concerned	:	31.03.2016
Reporting currency	:	₹
Share Capital	:	₹ 30,003,000
Reserves and Surplus	:	₹ (265,700,703)
Total Assets	:	₹ 103,508,923
Total Liabilities	:	₹ 339,206,626
Investments	:	₹ 102,500,000
Turnover	:	₹ 35,161
Profit/(Loss) before taxation	:	₹ (177,176)
Provision for taxation	:	Nil
Profit/(Loss) after taxation	:	₹ (177,176)
Proposed dividend	:	Nil
% of share holding	:	100%

**NOTE 34**

**Deferred Tax Liability**

In accordance with the provisions of Accounting Standard (AS22) issued by The Institute of Chartered Accountants of India pertaining to accounting of taxes on income, in view of the company not expecting any taxable profits in near future, no deferred tax asset is recognized. The details of the same are as under :

a) In case of Holding Company : (Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Deferred Tax Liability on account of :</b>		
Difference between WDV of Fixed Assets	<b>1,334,487</b>	1,382,649
<b>Deferred Tax Assets on account of :</b>		
Disallowances u/s 43B	<b>4,761,113</b>	1,532,850
Other Provisions	<b>13,035,617</b>	7,235,323
Carried forward Losses as per Income Tax	<b>31,568,444</b>	25,562,237
<b>Total Deferred Tax Asset</b>	<b>49,365,174</b>	34,330,410
<b>Net Deferred Tax Asset/ (Liability)</b>	<b>48,030,687</b>	32,947,761

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

b) In case of subsidiary company :

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Deferred Tax Liability on account of :</b>		
Difference between WDV of Fixed Assets	149,543	146,346
<b>Deferred Tax Assets on account of :</b>		
Carried Forward Losses as per Income Tax	9,330,067	8,835,409
<b>Net Deferred Tax Asset / (Liability)</b>	<b>9,180,524</b>	8,689,063

**NOTE 35**

Previous year figures have been regrouped / rearranged wherever necessary to make them comparable.

**NOTE 36**

Figures pertaining to the subsidiary company have been reclassified wherever necessary to bring them in line with the parent company's financial statement.

As per our report of even date  
**For DAYAL AND LOHIA**  
**Chartered Accountants**  
**(Firm Registration No. 102200W)**

For and on behalf of the Board of Directors

**RINKIT UCHAT**  
**Partner**  
**M. No. 165557**

**D. N. SINGH**  
**Technical Director**  
**DIN : 00021741**

**H.D.RAMSINGHANI**  
**Chairman**  
**DIN : 00035416**

Place : Mumbai  
Date : May 30, 2016

Place : Mumbai  
Date : May 30, 2016



## RAMA PETROCHEMICALS LIMITED

Corporate Identification Number (CIN) : L23200MH1985PLC035187

Regd. Office : 51/52, Free Press House, Nariman Point, Mumbai 400 021. Tel.No. (91-22) 2283 3355 / 2283 4182 ; Fax : (91-22) 2204 9946

Email :rama@ramagroup.co.in Website : www.ramapetrochemicals.com

### ATTENDANCE SLIP

DP ID		REGD. FOLIO NO.	
CLIENT ID		NO. OF SHARES HELD	

I certify that I am a Member/Proxy for the Member of the Company

I hereby record my presence at the Thirtieth Annual General Meeting of the Company held on Friday, September 30, 2016 at 10.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001.

\_\_\_\_\_  
Name of the Member / Proxy

(in BLOCK letters)

\_\_\_\_\_  
Signature of the Member/Proxy

Applicable for Members holding shares in an electronic form

## RAMA PETROCHEMICALS LIMITED

Corporate Identification Number (CIN) : L23200MH1985PLC035187

Regd. Office : 51/52, Free Press House, Nariman Point, Mumbai 400 021. Tel.No. (91-22) 2283 3355 / 2283 4182 ; Fax : (91-22) 2204 9946

Email :rama@ramagroup.co.in Website : www.ramapetrochemicals.com

### Form No. MGT-11

### PROXY FORM

[pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s) : \_\_\_\_\_ Registered address \_\_\_\_\_  
\_\_\_\_\_ Folio No/Client Id\*

\_\_\_\_\_ DP ID\* \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Applicable for Members holding shares in electronic form

I/We, being the Member(s) of \_\_\_\_\_ shares of above named company hereby appoint :

1. Name : \_\_\_\_\_ Address : \_\_\_\_\_

\_\_\_\_\_ E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

2. Name : \_\_\_\_\_ Address : \_\_\_\_\_

\_\_\_\_\_ E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

3. Name : \_\_\_\_\_ Address : \_\_\_\_\_

\_\_\_\_\_ E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

as my/our proxy to attend and vote (on a poll) for me / us and on my/our behalf at the Thirtieth Annual General Meeting of the Company, to be held on Friday , September 30, 2016 at 10.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as indicated below :

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Affix  
0.15 paise  
Revenue  
Stamp

Signature of Member

Signature of Proxy Holder(s)

**Note :This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**

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Resolution No.	Resolutions	For	Against
<b>Ordinary Business</b>			
1.	Adoption of Statement of Profit & Loss, Balance Sheet, Report of Directors and Auditors for the year ended March 31, 2016		
2.	Reappointment of Mr. H. D. Ramsinghani (DIN 00035416) Director who retires by rotation.		
3.	Appointment of Statutory Auditors M/s. Dayal & Lohia		
<b>Special Business</b>			
4.	Appointment of Mr. N. R. Joshi (DIN 03574604) as an Independent Director		
5.	Reappointment of Mr. D. N. Singh (DIN 00021741) as a Whole Time Director		



**If undelivered please return to :**  
**Link Intime India Private Limited**  
**Unit : Rama Petrochemicals Limited**  
C-13, Pannalal Silk Mills Compound,  
L.B. S. Marg, Bhandup (W),  
Mumbai 400 078.