

FORM DPT-1
**CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT
INVITING DEPOSITS**

[Pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014]

1. GENERAL INFORMATION
a. Name, address, website and other contact details of the company

Name : SHREE RAJASTHAN SYNTEX LIMITED
Address : "SRSL HOUSE ", PULLA BHUWANA ROAD, N.H. NO. 8 UDAIPUR-(RAJ)-313004
Website : www.srsl.in
Other Contact details : Land line No. : 0294-2440335,
 Fax No. : 0294-2440632;

b. Date of incorporation of the company

: 15th November, 1979;

c. Business carried on by the company and its subsidiaries with the details of branches or units, if any:

The Company is engaged in the man-made fibre spun yarn, cotton yarn and polypropylene Multifilament Yarn. It has its factories at Dungarpur in Rajasthan. Its Regd. Office is situated at Udaipur (Raj.). It has establishments at Mumbai, Delhi, Bhilwara, Ludhiana and Jaipur. The Company has no subsidiary;

d. Brief particulars of the management of the Company :

The Company is managed by Shri Vinod Kumar Ladia, Chairman and Shri Vikas Ladia, Managing Director, under the supervision, direction and control of the Board of Directors;

e. Names, addresses, DIN and occupations of the directors;

S. No.	Name	Address	DIN	Occupation
01	Shri Vinod Kumar Ladia	"Shyam Kunj", Modern Complex, Bhuwana N.H. No. 8, Udaipur-313 004	00168257	Industrialist
02	Shri Vikas Ladia	A/2 SRSL Staff Colony, Dungarpur, Rajasthan-314001	00256289	Service
03	Shri Anubhav Ladia	"Shyam Kunj", Modern Complex, Bhuwana N.H. No. 8, Udaipur-313 004	00168312	Service
04	Shri Raj Singh Nirwan	C-32, Lal Kothi Scheme, Near SMS Stadium Jaipur- 302 015	00313799	Professional
05	Shri N.N. Agrawala	B-303 Padmawati Apartment, New Navratan Complex Bhuwana Udaipur(Raj)-313004	00168211	Professional
06	Shri Ravinder Narain	55, Sunder Nagar New Delhi-110 003	00059197	Solicitor
07	Shri R. L. Kunawat	65, Panchseel Marg, Near Town Hall, Udaipur-313 004 (Raj.)	00196938	Professional
08	Shri Susheel Jain	B-54, New Grain Mandi Kota (Raj.)	00378678	Professional
09	Shri Sunil Goyal	S.R. Goyal & Co. Chartered Accountants SRG House, 2 MI Road, Opp. Ganpati Plaza, Jaipur-302001	00110601	Professional
10	Smt Neelima Khetan	2 B, Sukhdevi Nagar, Opp. St. James School, Bedla, Udaipur-313001 (Raj.)	05113000	Professional

f. Management's perception of risk factors:

Shree Rajasthan Syntex Limited is a well established company since 1979 having adequate surplus for timely repayment of fixed deposits. The Company operates under a highly competitive textile market having very low margins and is vulnerable to the volatilities in the selling markets. The Credit Rating is 'CARE BB- (FD)' for FD's repayable within one to three years from the date of issuance.

Further in order to make repayment of maturing unsecured deposits, the company has deposited 15% Liquid amount of deposits maturing during the year 2018 & 2019 in a separate Deposit repayment reserve account in the Bank which ensure less risk factors;

g. Details of default, including the amount involved, duration of default and present status, in repayment of -

I. Statutory dues	NIL
II. Debentures and interest thereon	N.A.
III. Loan from any bank or financial institution and interest thereon.	NIL

2. PARTICULARS OF THE DEPOSIT SCHEME

- a. Date of passing of board resolution : 30th May, 2017
- b. Date of passing of resolution in the general meeting authorizing the invitation of such deposits : 29th September, 2015
- c. Type of deposits, i.e., whether secured or unsecured : Unsecured Deposits
- d. Amount which the company can raise by way of deposits as per the Act and the rules made thereunder from members, : Rs.1,099.81 Lakhs
 The aggregate of deposits actually held on 31.03.2017 : Rs. 589.00 Lakhs
 The aggregate of deposits on the date of issue of the Circular or advertisement : Rs. 586.39 Lakhs
 Amount of unsecured deposit proposed to be raised : Rs. 510.81 Lakhs
 Amount of deposit repayable within the next twelve months : Rs. 21.18 Lakhs
- e. Terms of raising of unsecured deposits : Duration, Rate of interest, mode of payment and repayment (As per the details mentioned here-under)

1. UNSECURED FIXED DEPOSIT SCHEME
SCHEME 'A' – NON CUMULATIVE SCHEME

(Interest payable quarterly/monthly)*

Period	Rate of interest
One year	: 8.5 % P.A.
Three years	: 9.5 % P.A.

SCHEME 'B' – CUMULATIVE SCHEME

(Interest payable on maturity)*		
Period	Rate of interest	Amount payable on maturity on amount deposited for every Rs. 10,000.00/-
One year	: 8.5 % P.A.	Rs. 10,880.00/-
Three years	: 9.5 % P.A.	Rs. 13,250.00/-

Interest is compounded quarterly.

* Additional interest of 0.5% shall be given per annum to the senior citizens above the age of 60 years.

2. MODE OF PAYMENT AND REPAYMENT :-

by Cheque/DD/NEFT/RTGS

3. TERMS OF DEPOSIT:

Unsecured fixed deposits will be accepted in multiples of Rs.1000/- with a minimum of Rs.10,000/- (except in case of renewal of deposit where the minimum deposit acceptable shall be Rs.5,000/-) and maximum of Rs. 10,00,000/- by cheque payable at Udaipur. Depositors residing outside Udaipur can send demand draft payable at Udaipur at the registered office of the company after deducting usual bank commission.

The Company reserves the right to alter or amend without notice, any or all of the terms and conditions governing fixed deposits, subject to the provisions of the Companies (Acceptance of Deposits) Rules, 2014 and any amendment thereof from time to time. The acceptance/renewal of deposits is subject to the rules and regulations contained in the application form.

4. OTHER DETAILS

Deduction of Income Tax at source wherever applicable.

- f. Proposed time schedule mentioning the date of opening of the Scheme and the time Period for which the Circular or Advertisement is valid; : The fixed deposit scheme shall commence as and when this advertisement is issued and shall be valid till 30th September, 2018 or the date of the Company's Annual General Meeting to be held in the year 2018, whichever is earlier.
- g. Reasons or objects of raising the deposits : For maintaining Liquidity & for expansion of the business.
- h. Credit rating obtained : YES
Name of the Credit Rating Agencies : Credit Rating Analysis & Research Ltd
Rating obtained : 'CARE BB- (FD)' [Double B Minus (Fixed Deposit)]
Meaning of the rating obtained : Instruments with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations
- Date on which rating was obtained : 30th September, 2016

- i. Extent of deposit insurance : No Product is available.
Name of the Insurance Company, Terms of the insurance coverage, Duration of coverage Extent of coverage, Procedure for claim in case of default etc. : Further, MCA vide its notification 454(E) dated 11th May, 2017 has provided that "companies may accept deposits without deposit insurance contract till the 31st March, 2018 or till the availability of deposit insurance product, whichever is earlier."
- j. Short particulars of the charge created or to be created such deposits, if any : N.A. as Fixed Deposits are unsecured.
- k. Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons : None of the Directors, promoters, Key Managerial Personnel & their relatives are concerned or interested except to the extent of deposit, held by them in the Company

3. DETAILS OF ANY OUTSTANDING DEPOSITS

- a. Amount Outstanding : Rs. 5,86,39,000/- as on 30.05.2017
- b. Date of acceptance : Accepted on different dates
- c. Total amount accepted (01.04.2014 - 30.05.2017) : Rs. 8,75,26,000/-
- d. Rate of interest
One year : 8.5 % P.A.
Three year : 9.5 % P.A.
- e. Total number of depositors : 14 DEPOSITORS
- f. Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved : NO
- g. Any waiver by the depositors, of interest accrued on deposits : NO

4. FINANCIAL POSITION OF THE COMPANY

- a. Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of circular or advertisement;

(Amount in Rs.)

Particulars	31 st March, 2017	31 st March, 2016	31 st March, 2015
Profit/Loss before tax	(86,11,294.36)	(2,72,82,592.03)	(3,16,48,194.81)
Profit/Loss after tax	(6071,222.36)	(2,09,83,102.03)	(1,41,77,256.81)

- b. Dividends declared by the Company in respect of the said three financial years:

Dividends	For the accounting year ended		
	31 st March, 2017	31 st March, 2016	31 st March, 2015
On equity shares	NIL	NIL	NIL
On preference shares	N/A	N/A	N/A

Interest coverage ratio for last three years (Cash profit after tax plus interest paid)

Interest coverage ratio	For 31 st March, 2017	For 31 st March, 2016	For 31 st March, 2015
		1.27	1.18

- c. A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement;

(Amount in Rs.)

S.No.	Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 31 st March, 2015
I	EQUITY AND LIABILITIES			
(1)	Shareholder's Funds			
a	Share capital	13,05,23,010.00	12,40,23,010.00	12,40,23,010.00
b	Reserve & Surplus	19,29,37,871.79	19,90,09,094.15	21,99,92,196.18
c	Money received against share warrants	16,25,000.00	-	-
(2)	Share application money pending allotment	-	-	-
(3)	Non-Current Liabilities			
a	Long term borrowings	35,06,11,878.40	45,00,17,878.40	59,23,04,878.40
b	Deferred tax liabilities (Net)	2,72,91,311.00	3,19,47,693.00	3,82,49,070.00
c	Other long term liabilities	1,53,91,584.00	1,51,17,063.92	1,27,91,999.60
d	Long term provisions	2,98,22,676.00	2,88,60,482.00	2,90,11,321.00
(4)	Current Liabilities			
a	Short term borrowings	53,79,63,108.03	44,41,59,859.82	45,06,42,526.70
b	Trade payable	51,63,09,760.56	47,71,85,775.85	41,58,22,372.87
c	Other current liabilities	20,61,07,798.30	20,59,30,081.09	16,09,36,451.31
d	Short term provisions	1,96,01,918.00	1,87,50,520.00	1,43,22,009.00
	Total :	202,81,85,916.00	199,50,01,458.24	205,80,95,835.06
II	ASSETS			
(1)	Non current assets			
a	Fixed Assets			
(i)	Tangible assets	87,74,88,408.26	93,75,38,129.04	1,02,32,69,030.37
(ii)	Intangible assets	1650.01	1,650.01	12,424.41
(iii)	Capital work in progress	0.00	0.00	2,88,028.05
b	Non current investments	14,575.00	14,575.00	40,14,575.00
c	Long term loans and advances	2,39,47,885.00	2,63,64,712.00	2,31,08,353.00
(2)	Current Assets			
a	Inventories	55,11,26,196.37	45,10,88,646.42	45,10,22,063.00
b	Trade receivables	7,28,40,863.24	11,26,31,411.96	14,43,51,779.58
c	Cash and cash equivalents	89,78,573.23	1,09,34,711.91	1,78,47,320.07
d	Short term loans and advances	4,03,06,859.85	3,80,57,728.05	3,65,34,269.87
e	Other current assets	45,34,80,905.12	41,83,69,893.85	35,76,47,991.71
	Total :	202,81,85,916.08	199,50,01,458.24	205,80,95,835.06

- d. Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement;

(Amount in Lacs)

S. No.	Particulars	2016-17	2015-16	2014-15
A	Cash flow from Operating Activities			
	Net Profit before tax and extraordinary items	(86.11)	(272.82)	(316.48)
	Adjustment for			
	Depreciation	492.61	531.34	780.46
	Provision for leave encashment / Gratuity	16.04	7.74	6.50
	Loss on sale of Assets/Investments (Net)	(52.01)	(125.90)	(323.85)
	Interest income	(65.11)	(164.06)	(81.51)
	Interest expenses	1,598.28	1535.08	1635.90
	Exchange fluctuation	0.02	70.94	38.01
	Operating Profit before Working Capital Changes	1,903.72	1582.32	1739.03
	Adjustments for			
	Trade and other Receivables	2.14	(348.90)	(99.02)
	Inventories	(1,000.38)	(0.67)	70.04
	Trade and other payable	507.05	751.33	665.37
	Cash generation from operation	1,412.53	1984.08	2375.42
	Less: Taxes paid (Net of Refunds)	(19.92)	(5.38)	(9.90)
	Net cash from Operating Activities	1,432.45	1989.46	2385.3
B	Cash Flow from Investing Activities			
	Purchase of Fixed Assets/Capital Expenditure	(32.31)	(10.75)	(190.23)
	Sale of Fixed Assets	192.21	457.50	428.01
	Sale of Investment	-	48.10	-
	Cash used in Investing Activities	159.90	494.85	237.78
C	Cash flow from Financing Activities			
	Proceeds from issuance of share warrants	81.25	-	-
	Proceeds from Term Borrowings	-	-	163.76
	Repayment of Loans	(1,513.00)	(1182.76)	(1541.26)
	Proceeds of Fixed Deposit / ICD	409.75	130.42	(6.61)
	Inter Corporate and other Loans	5.25	5.70	6.60
	Change in Short Term Borrowings	938.03	(64.83)	368.97
	Interest expenses	(1,598.28)	(1535.08)	(1635.90)
	Interest income	65.11	164.06	81.51
	Foreign Exchange Fluctuation	(0.02)	(70.94)	(38.01)
	Dividends (Including Corporate Dividend Tax)	-	-	-
	Net cash realised from Financing Activities	(1,611.91)	(2553.43)	(2600.94)
	Add: Cash and cash equivalent as at 31.03.2016	109.35	178.47	156.31
	Cash and Cash Equivalent as at 31.03.2017	89.79	109.35	178.47

- e. Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company: NO CHANGE (Pls. Refer Note to Accounts to the Financial Statements)

5. DIRECTORS HEREBY DECLARE THAT :

- the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest there on;
- the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;

- c. the company has complied with the provisions of the Act and the rules made there under;
- d. the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- e. the deposits accepted by the company before the commencement of the Act have been repaid.
- f. In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
- g. the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;
- h. the deposits accepted by the company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the company.

Date : 30th May, 2017

Place: Udaipur

**By and on behalf of the Board of Director
For : SHREE RAJASTHAN SYNTEX LTD.**

Sd/-
(Mr. V.K. Ladia)

Sd/-
(Mr. Vikas Ladia)

Sd/-
(Mr. Anubhav Ladia)

Sd/-
(Mr. R.S. Nirwan)

Sd/-
(Mr. N.N. Agrawala)

Sd/-
(Mr. R.L. Kunawat)

Sd/-
(Mrs. Neelima Khetan)

Sd/-
(Mr. Sunil Goyal)