

20th

Annual Report

2013-14

RADIX INDUSTRIES (INDIA) LIMITED

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CORPORATE INFORMATION

BOARD OF DIRECTORS

· Sri. G. Raghu Rama Raju	:	Managing Director
· Smt. G. Parvathi	:	Director
· Sri. G. Gangapathy Rama Prabakara Raju	:	Director
· Sri V. Viswanada Raju	:	Independent Director
· Sri G. Ramalakshmi Narayana Rao	:	Independent Director
· Sri M. Kiran Phani Varma	:	Independent Director

AUDITORS : **M/s Chevuturi Associates** Chartered Accountants Vijayawada.

CIN : L37200AP1993PLC016785

REGISTERED OFFICE : Door No. 4-243
Chivatam, Near NH-5 Road
Tanuku – 534211
West Godavari Dist, Andhra Pradesh,
India

CORPORATE OFFICE : Plot No. 21, Aswini Heights,
Road No.7, Jubilee Hills,
Hyderabad – 500 033

BANKERS : **State Bank of India**, Tanuku
Axis Bank, Tanuku

LISTED AT : The BSE Limited, Mumbai
Madras Stock Exchange Limited, Chennai

REGISTRARS & SHARE TRANSFER AGENTS : **M/s Bigshare Services Pvt. Ltd.**
306, RightWing Amrutha Ville
Opp Yashoda Hospital
Rajbhavan Road Somajiguda,
Hyderabad – 500 082

Corporate Consultants : **M/s. P.S. Rao & Associates**
Company Secretaries
Flat No. 10, 4th Floor, D. No. 6-3-347/22/2
Ishwarya Nilayam, Opp. Sai Baba Temple,
Dwarakapuri Colony, Punjagutta,
Hyderabad - 500 082, T.S., India

NOTICE

Notice is hereby given that the **Twentieth Annual General Meeting** of the members of the Company will be held on Saturday, the 20th September 2014 at 11.00 A.M. at the registered office of the company at 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211 West Godavari District, Andhra Pradesh to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and the Statement of Profit and Loss Account and cash flow statement for the financial year ended on that date along with the Report of Directors and the Auditors thereon.
2. To appoint a Director in the place of Sri. G. Gangapathy Rama Prabakara Raju, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED THAT Pursuant to the provisions of Sections 139 of the Companies Act, 2013, ("Act") and other applicable provisions of the Act, if any and the Rules framed there under, as amended from time to time M/s Chevaturi Associates, Chartered Accountants, Vijayawada (ICAI Firm Registration No 000632S) the retiring auditor be and is hereby re-appointed as the statutory Auditors of the company to hold the office from the Conclusion of this Meeting to hold office for a period of 5 years i.e from the conclusion of this AGM till the conclusion of 25th AGM subject to ratification of their appointment by the members at every Annual General Meeting, on such remuneration as may be fixed by the Board of Directors and mutually agreed by the Auditors."

SPECIAL BUSINESS

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

Appointment of Shri V. Viswanada Raju as an Independent Director of the Company

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, Shri V. Viswanada Raju (DIN 03094927), Independent Director, whose term of office is liable to determination by retirement of directors by rotation as per the provisions of Companies Act, 1956 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act 2013 proposing his candidature for the office of Director of the Company be and is hereby appointed as Independent Director of the Company, whose period of office shall not be liable to retire by rotation, to hold office for five consecutive years with effect from 20th September 2014 upto 19th September 2019."

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

Appointment of Shri G. Ramalakshmi Narayana Rao as an Independent Director of the Company

“RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, Shri. G. Ramalakshmi Narayana Rao (DIN 02784846), Independent Director, whose term of office is liable to determination by retirement of directors by rotation as per the provisions of Companies Act, 1956 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act 2013 proposing his candidature for the office of Director of the Company be and is hereby appointed as Independent Director of the Company, whose period of office shall not be liable to retire by rotation, to hold office for five consecutive years with effect from 20th September 2014 upto 19th September 2019.”

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

Appointment of Shri M. Kiran Phani Varma as an Independent Director of the Company

“RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, M. Kiran Phani Varma (DIN 03177698), Independent Director whose term of office is liable to determination by retirement of directors by rotation as per the provisions of Companies Act, 1956 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act 2013 proposing his candidature for the office of Director of the Company be and is hereby appointed as Independent Director of the Company, whose period of office shall not be liable to retire by rotation, to hold office for five consecutive years with effect from 20th September 2014 upto 19th September 2019.”

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

To consider and reconfirm the authority to Board of Directors borrow in excess of the Paid up capital and Free Reserves:

“RESOLVED that in supersession of the resolution passed by the shareholders through Postal Ballot on 28th August 2012 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys from time to time, any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding, that the money or monies to be borrowed by the Company (apart from the Temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the money already borrowed, may exceed the aggregate of the Paid-up share Capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose(s), provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed Rs. 100 Crores (Rupees One Hundred Crores only)”.

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

Authorization To The Board Of Directors Of The Company To Borrow Moneys By Way Of Creating Charge On The Assets Of The Company.

"RESOLVED THAT subject to the provisions of Section 180 (1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, the consent of the company be and is hereby accorded to the Board of Directors of the company to mortgage / to create charge in such form and manner with such ranking and at such time and on such terms and conditions as the Board may determine, on any of the movable and immovable properties of the company, both present and future and / or the whole or any part of the undertakings of the company together with the power to take over the management of the business and concern of the company in sustained events of defaults, in favour of any Bank / Financial Institution, or any lender(s), trustee(s) for securing the borrowings of the company to be availed by way of loans / Working Capital limits / Bank Guarantee or any other form and other debt instruments issued by the company from time to time together with the interest at the respective agreed rates and in case of default all other applicable charges payable by the company, as specified in the trust deeds / agreement etc or any other document entered into between the company and the lender(s) and containing such terms and conditions and comments in respect of enforcement of security as may be stipulated in that behalf and agreed between the Board of Directors / Committee thereof and the lenders or their trustees."

BY ORDER OF THE BOARD
For Radix Industries (India) Limited

Place: Tanuku
Date: 23.07.2014

Sd/-
G.Raghu Rama Raju
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. A person cannot act as proxy for more than 50 members and holding in aggregate not more than 10% of the total share capital of the Company.
2. The Register of Members and the Share Transfer Books will remain closed from 16th September, 2014 to 19th September, 2014 (both days inclusive).
3. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
4. Members are requested to quote their Registered Folio No or Demat Account No and Depository Participant Identification Number (DPID No) on all correspondence with the Company.
5. Members are requested to send all communication relating to shares to the Company's RTA, M/s Bigshare Services Pvt. Ltd. 306, Right Wing Amrutha Ville Opp Yashoda Hospital Rajbhavan Road Somajiguda, Hyderabad – 500 082
6. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notice/documents including annual report can be sent by e-mail to its members. We fully support the Ministry's green initiative. Accordingly, the members are requested to inform their e-mail addresses to RTA - M/s Bigshare Services Pvt. Ltd. 306, Right Wing Amrutha Ville Opp Yashoda Hospital Rajbhavan Road Somajiguda, Hyderabad – 500 082
7. The information pursuant to Clause 49 of the Listing Agreement with respect to the details of the Directors seeking appointment / re-appointment in this Annual General Meeting is annexed.
8. All the documents referred to in the Notice and explanatory statement will be available to the members at the Registered of the company between 10.30 A.M to 12.30 P.M on all working days from the date hereof up to the date of the Meeting.
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, Which sets out details relating to Special Business at the meeting, is annexed hereto.
10. Shareholder Instructions For E-voting

Pursuant to provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 20th Annual General Meeting to be held on 20th September 2014. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the E-Voting facility.

The E-Voting facility is available at the link :

Even (e-voting Event Number	Commencement Of E-voting	End Of E-voting
140827037	11.09.2014	13.09.2014

These details and instructions form an integral part of the notice for the Annual General Meeting to be held on 20th September 2014.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins from 10.00 AM on Thursday the 11th day of September 2014 and ends at 5.00 PM on Saturday the 13th day of September 2014. 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) 22nd August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio/client id number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.
DOB	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio</p> <ul style="list-style-type: none"> • 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 number of shares in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of < RADIX INDUSTRIES (INDIA) LIMITED > on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non- Individual Shareholders and Custodian
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.co.in and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for scrutinizer to verify the

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) You are advised to cast your vote only through E-voting or through Poll at the AGM. In case you cast your votes through both the modes, votes cast through e-voting shall only be considered and votes cast at the meeting through Poll would be rejected.
- (xxi) **GENERAL INSTRUCTIONS**
- a. The e-voting period commences on 11th September 2014 (10.00 AM) and ends on 13th September 2014 (5.00PM) During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd August 2014, may cast their votes electronically. The E-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the Shareholder shall not be allowed to change it subsequently.
 - b. Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (22nd August 2014) they not casting their vote electronically, may only cast their vote at the Annual General Meeting.
 - c. Mrs. N. Vanitha, Practicing Company Secretary, Hyderabad (Membership No.26859), has been appointed as the Scrutinizer to scrutinize the E-Voting process in a fair and transparent manner
 - d. The Scrutinizer shall, within a period of not exceeding three days from the conclusion of the E-Voting period, unlock the votes in the presence of at least two witnesses, not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
 - e. The voting rights of the shareholders shall be in proportion to the shares held by them, of the paid-up equity share capital of the company as on the cut-off date of 22nd August 2014.
 - f. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.radixindustries.com and on the website of CDSL within two days of passing of the resolutions at the 20th Annual General Meeting of the Company on 20th September 2014 and shall be communicated to BSE Ltd., and Madras Stock Exchange Limited.

All documents referred to in the accompanying Notice and Statement pursuant to Schedule IV and Section 102(1) of the Companies Act 2013 will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of declaration of the results of the 20th Annual General Meeting of the Company.

BY ORDER OF THE BOARD
For Radix Industries (India) Limited

Sd/-
G.Raghu Rama Raju
Managing Director

Place: Tanuku
Date: 23.07.2014

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the business mentioned at Item Nos. 4 to 8 of the accompanying Notice dated 23.07.2014.

Item No 4 to 6 :

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Sri V. Viswanada Raju, Sri G. Ramalakshmi Narayana Rao, Sri M. Kiran Phani Varma as Independent Directors at various times, in compliance with the requirements of the said clause.

As per the provisions of Section 149(4) which has come into force with effect from 1st April, 2014, every listed company is required to have at least one-third of the total number of Directors as Independent Directors. Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement which would be effective from October 1, 2014 inter alia stipulates the conditions for the appointment of Independent Directors by a listed company.

The Nomination & Remuneration Committee has recommended the appointments of these Directors as Independent Directors to hold office for five consecutive years for a term with effect 20th September 2014 upto 19th September 2019.

The above Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, the above Independent Directors fulfill the conditions specified in the Act and the Rules made there under for appointment as Independent Directors and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of the above Directors as Independent Directors is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office of the Company on all working days except Saturdays, during business hours upto the date of the Meeting.

The Board commends the Ordinary Resolutions set out at Items Nos. 4 to 6 of the Notice for approval by the Members.

The above Independent Directors are interested in the Resolutions mentioned at Item Nos. 4 to 6 of the Notice with regard to their respective appointments. Other than the above Independent Directors, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolutions mentioned at Items Nos. 4 to 6 of the Notice.

Item No. 7 & 8

The members of the Company through Postal Ballot results of which were declared on 28th August, 2012 approved by way of an Ordinary Resolution under Section 293(1)(d) & 293 (1) (a) of the Companies Act, 1956 borrowings power to the Board, over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 90 Crores (Rupees Ninety Crores) and power to the board to create charges / mortgage assets of the Company in favor of lenders respectively.

Section 180(1) (c) & (a) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business and create charges / mortgage assets of the Company in favor of lenders respectively, except with the consent of the company accorded by way of a special resolution.

Further the Ministry of Corporate Affairs ("MCA") has vide its General Circular No 4/2014 dated March 25,2014 clarified that Ordinary Resolutions passed under Sections 293(1)(a) and 293 (1)(d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act till September 11,2014 only.

It is, therefore, necessary to obtain the consent of the members by passing Special Resolution under Section 180(1)(c) and 180 (1) (a) to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company upto the amounts and as proposed in the resolution and to create charges / mortgage assets of the Company in favor of lenders respectively.

The Directors commend the Resolutions at Item Nos. 7 and 8 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item Nos.7 and 8, except to the extent of their shareholding in the Company.

ADDITIONAL INFORMATION
(Pursuant to Clause 49 IV (G) of the Listing Agreement)

Name of the Director	G. Gangapathy Rama Prabakara Raju	G. Ramalakshmi Narayana Rao	M. Kiran Phani Varma	V Viswanada Raju
Date of Birth	09.08.1963	19.05.1953	07.11.1979	15.06.1947
Date of Appointment on the Board	29.12.2011	29.12.2011	29.12.2011	15.09.2010
Qualification, Experience & Expertise	He holds a Diploma in civil Engineering, with more than two decades of experience in different Industries including hairs. His forte his Interpersonal and problem solving skills.	He is a qualified Bachelor of Commerce with more than three decades of experience in different industries.	He holds a Bachelor's degree in Engineering. He brings with him young and fresh perspective in all aspects of decision making.	He is qualified Bachelor of Commerce with more than three decades of experience in different industries. His practical approach to business Issues and problems coupled with interpersonal skills, has been his strengths.
Directorship in other public companies (Excluding foreign companies and section 25 Companies)	He is not a Director in any other Company	He is also Director in M/s. Arqube industries (India) Limited	He is not a Director in any other Company	He neither holds any directorship nor membership of any committee, other than that of the Company.
Shareholding	5000	NIL	195570	NIL

BY ORDER OF THE BOARD
For Radix Industries (India) Limited

Sd/-
G. Raghu Rama Raju
Managing Director

Place : Tanuku
Date : 23.07.2014

DIRECTORS' REPORT

Your Directors hereby present the **Twentieth Annual Report** together with the Audited Accounts of the company for the financial year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS:

The financial highlights for the current year in comparison to the previous year are as under:

(RS. In Lacs)

Particulars	Current Year (2013-14) (12 months)	Previous Year (2012-13) (12 months)
Total Revenue	2354.43	796.54
Total Expenditure (before Financial Charges, Depreciation and Taxation)	2109.59	700.11
Profit before Financial Charges, Depreciation and Taxation	244.84	96.43
Less: Depreciation	8.93	6.31
Less: Financial Charges	16.08	8.64
Profit Before Tax	219.83	81.48
Less: Provision for Tax (MAT) & Deferred Tax	71.36	4.38
Profit After Tax	148.47	77.1
Loss/profit from Previous Year	- 159.48	- 236.58
Less : Transfer from Reduction of Capital	0.00	0.00
Net Loss carried to Balance Sheet	- 11.01	- 159.48

OPERATION:

The Financial Year 2013 -14 has been another successful year for the Company. In line with previous years performance, the Company continued to grow at an unprecedented 195.58% in revenue and 92.56 % in Profit after Tax compared to FY 2012-13.

The revenue from operations stood at Rs.2354.43 Lacs against Rs.796.54 Lacs in the previous year, resulting in PAT of Rs.148.47 Lacs as against PAT of Rs.77.1 in the previous year.

FUTURE OUTLOOK:

The demand for Indian Hair is ever increasing because of its high quality. Apart from the sale of raw processed hairs, the Company is focusing on producing distinct varieties of hair wigs to cater to the needs of European markets and other overseas markets. Although the competition from China is very

DIVIDEND:

With a view to conserve resources for growth plans of the Company, your Directors do not recommend any dividend for the financial year 2013-14

FIXED DEPOSITS:

The company has neither accepted nor renewed any deposits falling within the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 from the public during the financial year.

DIRECTORS:

In accordance with the Provisions of Section 152 of the Companies Act, 2013 Sri. G. Gangapathy Rama Prabakara Raju, retire at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed V. Viswanada Raju, Mr. G. Ramalakshmi Narayana Rao and Mr. M. Kiran Phani Varma, as Independent Directors at various times, in compliance with the requirements of the said clause.

As per the provisions of Section 149(4) which has come into force with effect from 1st April, 2014, every listed company is required to have at least one-third of the total number of Directors as Independent Directors. Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement which would be effective from October 1, 2014 inter alia stipulates the conditions for the appointment of Independent Directors by a listed company.

The Nomination & Remuneration Committee has recommended the appointments of these Directors as Independent Directors from to hold office for five consecutive years for a term with effect from the conclusion of this 20th Annual General Meeting till the conclusion of the 25th Annual General Meeting.

The above Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, the above Independent Directors fulfill the conditions specified in the Act and the Rules made there under for appointment as Independent Directors and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of the above Directors as Independent Directors is being placed before the Members in General Meeting for their approval.

Their profile and the experience in specific functional areas and other directorships held by them as stipulated in clause 49 of the listing agreement is provided in the Additional Information Section forming part of Notice and Corporate Governance Report forming part of the Annual Report.

AUDITORS:

Pursuant to the provisions of Section 139 (2) of the companies Act, 2013, on rotation of audit firms, and based on the recommendation of the audit committee, the Board has at its Meeting held on 23rd July 2014 recommended the re-appointment of, M/s Chevaturi Associates, Chartered Accountants, Vijayawada, as the Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting for a period of 5 years in accordance with the Act, subject to the ratification of their appointment by the shareholders at every Annual General Meeting. They have furnished a certificate stating that their re-appointment, if made, will be within the limits laid down under Section 141 of the Companies Act, 2013. Accordingly, the appointment of M/s Chevaturi Associates, Chartered Accountants, Vijayawada as the statutory auditors, is being proposed as an ordinary resolution.

PARTICULARS OF EMPLOYEES:

There are no employees whose particulars are required to be furnished under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975, and as amended from time to time as remuneration of none of the employees is in Excess of Rs. 5, 00,000- per month, if employed for the part of year or Rs. 60, 00,000 / Rs. 75, 00,000 per annum during the financial year 2013-2014

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors of your Company hereby report:

- (i) That in the preparation of Annual Accounts for the financial year ended 31st March 2014, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- (iv) That the directors have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of the particulars in the report of the Board of Directors) Rules, 1988 are given as **Annexure A** and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement forms part of this Report and is annexed hereto.

CORPORATE GOVERNANCE:

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is annexed herewith, as a part of the Annual Report along with the CS Certificate on its compliance.

LISTING:

Your Company's shares are presently listed on The BSE Limited, Mumbai and Madras Stock Exchange Limited, Chennai.

ACKNOWLEDGEMENTS:

Your directors acknowledge the continued support from regulatory, government authorities, staff and all the stake holders for their support and cooperation.

Place : Tanuku
Date : 23.07.2014

BY THE ORDER OF THE BOARD
For Radix industries (India) Ltd

Sd/-
G.Raghu Rama Raju
Managing Director

Annexure-A

INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.**A. CONSERVATION OF ENERGY:**

- i. The operations of the Company are not power intensive.. However it is very careful in using the power to reduce the cost of maintenance and conserve the resources.
- ii. The Company has not made any additional investments and has not proposed any amount for reduction of consumption of energy.
- iii. There is no impact of the measures at (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods.
- iv. Disclosure under Form A is not applicable to the Company.

B. TECHNOLOGY ABSORPTION:**FORM B**

(Disclosure of particulars with respect to technology Absorption)

i) Research and Development (R & D) :

Specific areas in which R & D carried out by the Company	: NIL
Benefits derived as a result of the above	: NIL
Future plan of action	: NIL
Expenditure on R & D	: NIL

ii) **Technology absorption, adaptation and innovation** : NIL**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Activities relating to exports and initiatives taken to increase export products, services and export plans : NIL

The Company is 100% Export Oriented Unit (EOU), and as such all its sales is export sales. The Company is also actively scouting for new overseas markets.

Foreign Exchange earnings and outgo: (on receipts and payments basis)

Particulars	Rs. in lacs	
	2013-14	2012-13
Foreign Exchange Earnings	2323.81	788.07
Foreign Exchange Outgo	NIL	3.94

BY ORDER OF THE BOARD
For Radix Industries (India) Limited

Place : Tanuku
Date : 23.07.2014

Sd/-
G.Raghu Rama Raju
Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and other statutory requirements. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

INDUSTRY STRUCTURE AND DEVELOPMENT: ECONOMIC OVERVIEW

The revitalisation of global economy continued during the calendar year 2013 and the global economy ended the year on a better footing as compared to the start of the year. The growth momentum is expected to be carried forward during the year 2014. The International Monetary Fund forecasts that world output will grow 3.6% in 2014, compared to 2.9% during 2013. The US economy grew at an annual rate of 2.6% in the last quarter of 2013 with better growth forecast for 2014. The UK economy strengthened steadily with GDP showing 1.9% growth during 2013 and it is expected to maintain the revival momentum through 2014. Eurozone continued to show mixed signs of recovery and growth concerns. However, policy action by specific countries is expected to deliver better performance during 2014. While the global economic recalibration is playing out in a relatively measured way, global business leaders are becoming increasingly confident about the sustained economic and business growth than they were last year. Global corporations' performance and investors' confidence were reflected in the sharp movement of world capital markets during 2013

INDUSTRY OVERVIEW

The hair business is being seen as the fastest growing export from the Southern Indian state of Andhra Pradesh. This bizarre export of human hair to the US, China, Europe and the Middle East is fast growing into a 1,500 crore (\$241.857 million) industry.

The economy may be in a slump but the export of human hair is booming. As per rough estimates, over 3,000 tonnes of hair has been shipped out of the Visakhapatnam Port this year (2013-14).

The hair trade is swiftly turning into a growing industry and with famous Hindu Temples in South coming out with e-auction global tenders, the international buyers will enter Indian Markets.

As per estimates, a ton of human hair approximately costs 50 lakh in the international market. The demand is high for virgin remy hair (quality hair) in European countries, such as Switzerland, Italy and France, while the non-remy is sent to China.

(Extracts from <http://www.ibtimes.co.in/a-hairy-business-that-is-booming-into-a-million-dollar-industry-532232>)

OPERATIONS:

The Financial Year 2013 -14 has been another successful year for the Company. In line with previous years performance, the Company continued to grow at an unprecedented 195.58% in revenue and 92.56 % in Profit after Tax compared to FY 2012-13.

The revenue from operations stood at Rs.2354.43 Lacs against Rs.796.54 Lacs in the previous year, resulting in PAT of Rs.148.47 Lacs as against PAT of Rs.77.1 in the previous year.

FUTURE OUTLOOK:

The demand for Indian Hair is ever increasing because of its high quality. Apart from the sale of raw processed hairs, the Company is focusing on producing distinct varieties of hair wigs to cater to the needs of European markets and other overseas markets. Although the competition from China is very stiff, the management is putting the best efforts to emerge as a competitive and world class producer of wigs.

OPPORTUNITIES & THREATS

Strength: Huge demand of Hair wigs produced in India in foreign countries, providing high export potential.

Weakness: To get the Hairs for the manufacturing of wigs whenever required is not possible. So it needs to be purchased in bulk quantity whenever it is available, requiring heavy capital investments in stocks.

Opportunities: Asian hair grows the fastest and has the greatest elasticity, making it the most preferred wigs around the world. There is huge demand for human hair and Articles of human hair in China, Brazil, Spain, Korea, U.K, Hong Kong, Indonesia, Italy, Austria, Germany etc.

Threats: Earlier the industry experienced serious threat from synthetic hair. However, the synthetic hair had not found favor with the consumers, as it is said to have caused allergic problems and cancer. Other perceived threats are Un Organized Sector, largely dependent on overseas market and normal market competition.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data. The Company has a well defined organization structure with clear functional authority, limits for approval of all transactions. The Company has a strong reporting system, which evaluates and forewarns the management on issues related to compliance. Company updates its internal control system from time to time, enabling it to monitor employee adherence to internal procedures and external regulatory guidelines.

PERSONNEL:

Human wealth is the ultimate wealth in for any industry. The Company recognizes this fact and understands that employees are one of the most important sources for sustained growth of any business. Quality personnel delivering their optimum potential for the organization is the key differentiator. The Company maintained good relations with its employees and there was no unrest in the Company at any point of time.

Industrial relations in the organization continued to be cordial and progressive.

HEALTH AND SAFETY:

The Company places considerable emphasis on health and safety throughout its operation and displays commitment to ensure the high standards being maintained in compliance with applicable laws and regulations.

FORWARD LOOKING / CAUTIONARY STATEMENT:

Certain statements in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future event, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting domestic demand supply conditions, finish goods prices, changes in Government Regulations and Tax regime etc. The Company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in transparency, empowerment, accountability and integrity in its operations duly delegated authority to various functional heads that are responsible for attaining the corporate plans with the ultimate purpose of enhancement of "Stake holder value".

Moreover, the Company believes that sound Corporate Governance practices that provide an important platform to assist the management and the Board in delivering its responsibilities. The Company has always been taking the spirit of various legislations as guiding principles and has done well beyond simple statutory compliance. The Board of directors of the company has the responsibility of protecting the long term interests of all the stakeholders, while adhering to sound principles of corporate governance.

The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

2. BOARD OF DIRECTORS

The Company upholds the policy of having an optimum combination of Executive, Non- Executive and Independent Directors and not less than fifty percent of the Board of Directors comprising non-executive directors.

Where the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise independent directors and in case the company does not have a regular non-executive Chairman, at least 50% of the Board should comprise independent director

During the Financial year ended 31st March, 2014, Board of Directors met (four) 4 times and gap between two Board meetings did not exceed four months. None of the Directors on the Board is a member in more than 10 committees and none of them act as Chairman of more than 5 committees across all companies in which he is a Director.

06.05.2013	24.07.2013	13.11.2013	08.02.2014
------------	------------	------------	------------

The attendance at the Board Meetings conducted during the 12 months period ended 31st March, 2014 and at the Annual General Meeting as also the number of Directorships and committee memberships (other than Radix Industries (India) Limited) are given below:

Name of Director	Category	Designation	No. of Board Meetings Attended	Attendance at previous AGM	No. of Memberships in other companies (excluding private limited Companies)		
					Boards	Chairman	Committees
G. Raghu Rama Raju	Promoter Executive	Managing Director	4	Yes	1	1	Nil
Parvathi Gokaraju	Promoter Non - Executive	Director	4	Yes	1	Nil	Nil
G Ganapathi Rama Prabhakar Raju	Promoter Non - Executive	Director	4	Yes	Nil	Nil	Nil
V Vishwanada Raju	Independent Non - Executive	Director	4	No	Nil	Nil	Nil
Rama Lakshmi Narayana Rao	Independent Non - Executive	Director	4	Yes	1	Nil	1
M. Kiran Phani Varma	Independent Non - Executive	Director	4	No	Nil	Nil	Nil

3. AUDIT COMMITTEE

The Audit Committee consists of 3 Independent Directors. It provides assistance to the Board of Directors in fulfilling its oversight responsibilities. The Audit committee has been entrusted with the responsibilities as laid down under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, to the extent applicable and required.

Composition:

The committee consist of following members :

- ◇ Sri. G Rama Lakshmi Narayana Rao - Chairman
- ◇ Sri. M Kiran Phani Varma - Member
- ◇ Sri. V. Viswanada Raju - Member

Terms of Reference:

- a. To review the results and announcement, and the report and accounts at the end of a quarter, half year and the full year before submission to the Board, focusing particularly on:
 1. To provide direction and to oversee the operations of the audit functions of the Company.
 2. To review the internal control and audit systems with special emphasis on their quality and effectiveness.
 3. To review Quarterly, Half yearly and annual financial results before submission to the Board.
 4. To investigate into any matter in relation to the items specified in Section 292A of the Companies Act, 1956 or referred by the Board.
 5. To have full access to information contained in the records of the Company and external advice, if necessary.
 6. To review matters required to be included in the Directors' responsibility statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.

Powers of Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee
- To obtain outside legal or other professional advice from external sources
- To have full access to information contained in the records of the company.

Meetings during the year:

During the Financial year ended 31st March, 2014, the Audit Committee met 4 times as follows, and all the members were present in each of such meetings.

06.05.2013	24.07.2013	13.11.2013	08.02.2014
------------	------------	------------	------------

The Company continued to derive immense benefit from the deliberations of the Audit Committee. Sri. G Rama Lakshmi Narayana Rao, who is heading the Audit Committee as Chairman has rich experience and professional knowledge in Finance and Accounts. The members always added value for the Company. Minutes of each Audit Committee were placed before the Board and discussed in the meeting.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Remuneration Committee was renamed as Nomination and Remuneration Committee in compliance with requirement of the Companies, Act 2013 and Listing Agreement. It consists of 3 Independent Directors.

Composition

The committee consist of following members:

- ✧ Sri. V. Viswanada Raj - Chairman
- ✧ Sri. G Rama Lakshmi Narayana Rao - Member
- ✧ Sri. M Kiran Phani Varma - Member

The terms of reference of the Committee inter alia include:

- Attraction and Retention strategies for employees.
- Determine the compensation (including salaries and salary adjustments, incentives / benefits, bonuses) and Performance targets of the Chairman, Managing Director, COO, CFO, CEO & other senior management personnel
- Review employee development strategies.
- Formulate a criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy for the remuneration of directors, key managerial personnel and other employees;
- Identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise.
- Recommend the appointment of any director to executive or other employment/place of profit in the Company;
- Recommend the sitting fees to be paid to Non Executive Directors;

Remuneration paid to Directors during the Financial Year

Executive Directors: NIL

Non - Executive Directors: NIL

No meeting of the remuneration committee was held during the financial year 2013-2014
Since there was no remuneration paid to any director.

Shareholding of Non-Executive Director as on 31.03.2014:

Name of Director	No of Shares	%
G. Parvathi	1,330,000	13.29
G Ganapathi Rama Prabhakar Raju	5000	0.05
V Vishwanada Raju	NIL	NIL
Rama Lakshmi Narayana Rao	NIL	NIL
M. Kiran Phani Varma	1,95,570	1.95

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to Section 178(5) of the Act the Company renamed the erstwhile Stakeholder/Investors Redressal Committee as the Stakeholder Relationship Committee. The Stakeholders Relationship Committee consists of 3 Independent Directors

Brief description of terms of reference:

1. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
2. monitors expeditious redressal of investor grievance matters received from the stock exchanges, SEBI, registrar of companies, monitoring redressal of queries / complaints received from members relating to transfers, non-receipt of annual report, non receipt of dividend, redressal of grievances of shareholders, debenture holders and other security holders To approve, register, refuse to register transfer / transmission of shares and other securities ;
3. To sub-divide, consolidate and / or replace any share or other securities certificate(s) of the Company;
4. To authorize affixation of common seal of the Company;
5. To issue duplicate share other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
6. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
7. To review of dematerialization or rematerialization of the issued shares and other related matters;
8. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
9. Carrying out any other function contained in the equity listing agreements as and when amended from time to time

Composition

The committee comprises of the following members:

- ◇ Sri. M Kiran Phani Varma - Chairman
- ◇ Sri. G Rama Lakshmi Narayana Rao - Member
- ◇ Sri. V. Viswanada Raju - Member

The company has registered itself under SEBI Compliant Redressal System (**SCORES**) for faster and transparent processing of Investor Grievance. The details of Complaints receive and resolved during the year is as follows:

1	Pending At The Beginning Of The Year	0
2	Received During The Year	7
3	Disposed Of During The Year	7
4	Remaining Unresolved At The End Of The Year	0

There are no outstanding complaints as on 31st March, 2014.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A Report of the Management Discussion and Analysis is attached as part of the Annual Report

7. GENERAL BODY MEETINGS:

Venue and time where the three AGMs held :

Year	AGM	Venue	Day & Date	Time
2013	19th	4-243, Chivatam, Near NH -5 Road Tanuku - 534211 West Godavari District, Andhra Pradesh	Thursday 22nd August 2013	11.00 A.M
2012	18th	4-243, Chivatam, Near NH -5 Road Tanuku - 534211 West Godavari District, Andhra Pradesh	Friday 28th September 2012	10.30 A.M.
2011	17th	4-243, Chivatam, Near NH -5 Road Tanuku - 5342 11 West Godavari District, Andhra Pradesh	Thursday, 29th December 2011	11.00 A.M

Special Resolutions:

No Special Resolutions have been passed in the previous 3 AGM's.

8. DISCLOSURES:

- a. Materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large: **As disclosed in Note no 22 of Notes to Accounts.**
- b. Details on non-compliance by the company, penalties and strictures imposed on the company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: None
- c. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the clause Pursuant to sub-clause VII of clause 49 of the listing agreement, the Company confirms that it has complied with all mandatory requirements prescribed. As regards non-mandatory requirements, a Remuneration Committee has been formed to evaluate remuneration packages for directors and senior staff members.

9. MEANS OF COMMUNICATION:

- a. Quarterly Financial Results are furnished within the time frame to all the concerned Stock Exchanges as per clause 41 of the Listing Agreement and the same are displayed on the company's website. The same are also published in English and in Telugu (Regional Language) newspapers.
- b. No presentations were made to the analysts or institutional investors during the year under review except the results are mailed electronically to those who have requested for regular information.
- c. All material information about the Company is promptly sent through facsimile to the Stock Exchanges where the Company's shares are listed.

10. C.E.O. Certification

Sri G Raghu Rama Raju (Managing Director) and Smt G Parvathi, Director certified to the Board on the prescribed matters as required under Clause 49 of the Listing Agreement and the said Certificate was considered by the Board at its meeting held on 09.05.2014.

11. GENERAL SHAREHOLDER INFORMATION:**Annual General Meeting :**

Day, Date and time	:	Saturday, 20th September, 2014 at 11.00 A.M.
Venue	:	4-243, Chivatam, Near NH-5 Road, Tanuku – 534211 West Godavari District, Andhra Pradesh
Financial Year	:	01.04.2013 to 31.03.2014 (12 Months)
Book Closure Date	:	16.09.2014 to 19.09.2014 (Both days inclusive).
Dividend	:	No dividend is recommended for the year.
Listing on Stock Exchanges	:	The BSE Limited, Mumbai Madras Stock Exchange Limited Chennai
Scrp Code Number	:	531412 – BSE RGPT - MSE

Market Price Data : Monthly High, Low and number equity shares traded during each month in the year 2013-14 on BSE:

Month	High	Low	Total no of equity shares traded
Apr-13	95.25	74.10	6030
May-13	81.00	81.00	300
Jun-13	77.00	77.00	90
July-13	NA	NA	NA
Aug-13	129.25	80.10	679
Sep-13	171.65	110.00	970
Oct-13	207.00	156.00	1414
Nov-13	276.00	211.00	990
Dec-13	341.25	270.00	539
Jan-14	442.00	257.00	835
Feb-14	386.00	333.00	61173
Mar-14	380.00	356.00	46026



Registrars and Transfer Agents : Share Transfers & Communication regarding Share Certificates, Dividends & Change of Address may be send to

M/s. Bigshare Services Private Limited
Local office at 306, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500 082

Share Transfer System :

The R&T agents process the share transfers received in physical form and the share certificates are returned within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc of the Company's securities to the Share Transfer Committee.

The Company obtains half yearly Certificate of Compliance with the Share Transfer formalities as required under clause 47 (C) of the Listing Agreement with Stock exchanges from a Company Secretary in practice and the same is submitted to the Stock Exchanges within the period prescribed.

Distribution of Shareholdings as on 31.03.2014:

Equity shares holding of Nominal Value (Rs)	No.of shareholders	%	Amount (in Rs)	%
Upto 5000	690	91.3907	290930	0.2908
5001 to 10000	11	1.4570	84320	0.0843
10001 to 20000	1	0.1325	17700	0.0177
20001 to 30000	14	1.8541	362280	0.3620
30001 to 40,000	8	1.0596	267630	0.2675
40001 to 50000	2	0.2649	97350	0.0973
50001 to 100000	10	1.3245	665860	0.6655
100001 & above	19	2.5167	98261730	98.2149
Total	755	100.00	100047800	100.0000

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company has obtained electronic connectivity with NSDL & CDSL. The ISIN allotted to the Company is **INE576N01014**. As on 31.03.2014, 88.31 % paid up share Capital of the Company is in dematerialized form.

Outstanding GDR's / ADR's / Warrant or any convertible instruments, conversion date and likely impact on Equity:

The Company has not issued any of these instruments till date.

Secretarial Audit:

A firm of practicing Company Secretaries carries out Secretarial Audit every quarter to reconcile the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate total number of shares in physical form.

Address for correspondence:

PLANT OFFICE:

4-243, Chivatam, Near NH-5 Road, Tanuku - 534211
West Godavari District, Andhra Pradesh

CORPORATE OFFICE:

Flat No. 21, Aswini Heights, Road No.7, Jubilee Hills,
Hyderabad – 500 033

Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 72 of the Companies Act, 2013 are requested to submit to the Company the prescribed Form for this purpose.

Code of Conduct for the Board & Senior Management Personnel:

The Company has laid down a Code of Conduct which has been effectively adopted by the Board Members and Senior Management Personnel of the Company.

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

Radix Industries (India) Limited has adopted a Code of Business Conduct and Ethics (the Code) which applies to all the employees and Directors of the Company. Under the Code, it is the responsibility of all the employees and directors to familiarize themselves with the code and comply with its standards.

I hereby certify that the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year 2013-14.

Place : Tanuku
Date : 23.07.2014

Sd/-
G. Raghu Rama Raju
Managing Director

**CERTIFICATE FROM COMPANY SECRETARY REGARDING COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE**

To
The Members,
Radix Industries (India)Ltd

We have examined the compliance of conditions of corporate governance by **Radix Industries (India) Ltd** for the year ended 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of the conditions of the 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 expression of the 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

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 P.S. Rao & Associates
Company Secretaries

Sd/-
N. Vanitha
Company Secretary
C.P. No.:10573

Place : Hyderabad
Date : 23.07.2014

INDEPENDENT AUDITORS' REPORT

To
THE MEMBERS OF
RADIX INDUSTRIES (INDIA) LIMITED,
CHIVATAM, TANUKU.

Report on the Financial Statements:

We have audited the accompanying financial statements of **RADIX INDUSTRIES (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2014;
- b. in the case of the Statement of Profit and Loss, of the profit 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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have 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 appears from our examination of those books ;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441 A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: Tanuku
Date : 9th May, 2014

For **CHEVUTURI ASSOCIATES**
Chartered Accountants
Firm Reg. No.000632S

(CA. Srinivasa Rao Cherukuri)
Partner
M. No.209237

Annexure to the Auditor's Report:

- 1.1 According to the information and explanations furnished to us, the company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- 1.2 According to the information and explanations furnished to us, the company has physically verified its fixed assets during the period and no material discrepancies were noticed on such verification carried out during the period.
- 1.3 According to the information and explanations furnished to us, the company has not disposed of a substantial part of its fixed assets during the period under report.
- 2.1 According to the information and explanations furnished to us, the company has physically verified its inventories during the period under report. In our opinion, the frequency and extent of such verification is reasonable.
- 2.2 In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- 2.3 According to the information furnished to us, the company is maintaining proper records of its inventory. The discrepancies if any noticed on verification of inventories between the physical stocks and the book records were not material, and have been properly dealt with in the books of account.
- 3.1 According to the information and explanations furnished to us, the company has not granted any loans to companies, firms or other parties covered by the register maintained under Section 301 of the Companies Act 1956, at the beginning of the period under report or during the period under report, and consequently reporting under sub-clauses b, c and d of clause 4 (iii) of the Order does not arise during the period under report.
- 3.2 According to the information and explanations furnished to us, the company has not taken any loans from directors or from the parties who is covered by the register maintained under section 301 of the Companies Act, 1956. Hence the reporting requirement in terms of clause e,f,g of 4 (iii) of the said order does not arise
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. Further, during the course of our audit, we have not come across any instances of major weaknesses in internal control system that in our opinion require correction but have so continued without correction
5. In our opinion and according to the information and explanations given to us, the transactions which have been entered into, pursuant to contracts that have been entered in register maintained under section 301 of the companies Act, 1956, during the year under report, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the company has not accepted any deposits covered under the provisions of section 58A, 58AA or any other relevant provisions of the Act. Further, according to the information furnished to us, no order has been passed on the company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

8. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under Section 209(1) (d) of the Companies, Act, 1956, wherever prescribed, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we are not required to and have not carried out a detailed audit of the same.
- 9.1 According to the information and explanations furnished to us and according to the books and records produced for our examination, in our opinion, the company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty and other material statutory dues wherever applicable to it and further there are no undisputed statutory dues that were outstanding, as at the date of the Balance Sheet, for a period of more than six months from the date they became payable
- 9.2 According to the information and explanations furnished to us and according to the records of the company, the company has no disputed dues on account of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty or Cess pending remittance as at March 31, 2014.
- 10 The company had no accumulated losses at the end of the year under report and it did not incur cash losses during the financial year or in the immediately preceding financial year.
11. According to the information and explanations given to us, there were no defaults in repayment of dues to financial institutions, banks or debenture holders at the date of balance sheet.
12. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures, and other securities.
13. In our opinion and according to the information and explanations furnished to us, the company is not a chit fund or a nidhi / mutual benefit fund / society and hence, the requirements of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company during the period under report.
14. In our opinion and according to the information and explanations furnished to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the requirements of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company during the period under report under report.
15. According to the information and explanations furnished to us, the company has not given any guarantee for loans taken by others from any banks or financial institutions during the period and also there are no such outstanding guarantees as on date of balance sheet.
16. The company has not obtained any term loans from Banks and Financial Institutions. Hence reporting requirement in terms of Clauses (xvi) does not arise during the period under report.
17. In our opinion and according to the information and explanations furnished to us, and on an overall examination of Balance Sheet of the company, we are of the opinion that considering the internal accruals of the company during the period under report, funds raised by the company on short term basis have prima facie not been used for long term applications, except for permanent working capital.
18. According to the information and explanations given to us, the company has not made any preferential allotment of shares to the parties covered in the register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, the company has not issued any debentures during the period under report.

20. The company has not raised any monies through public issue of its securities during the period under report, and the question of end use of such monies did not arise during the period under report.
21. According to the information and explanations furnished to us, and based on the audit procedures generally adopted by us, we report that, during the period, no fraud on or by the company has been noticed or reported that is either significant or could have caused a material misstatement in the financial statements.

Place: Tanuku
Date : 9th May, 2014

For **CHEVUTURI ASSOCIATES**
Chartered Accountants
Firm Reg. No.000632S

(CA. Srinivasa Rao Cherukuri)
Partner
M. No.209237

BALANCE SHEET AS AT 31st MARCH, 2014

(All amounts in ₹)

PARTICULARS	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
A. EQUITY & LIABILITIES:			
(1) Shareholders' Funds			
(a) Share Capital	3	100047800	100047800
(b) Reserves and Surplus	4	9280881	(5566483)
		109328681	94481317
(2) Non-Current Liabilities			
(a) Deferred tax liability	5	18063	68452
(3) Current Liabilities			
(a) Short-term borrowings	6	33590941	14415500
(b) Other current liabilities	7	297618	250372
(c) Short-term provisions	8	8738512	1552512
		42627071	16218384
TOTAL:		151973815	110768153
B. ASSETS:			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	9	4067018	3599698
(b) Long-term loans and advances	10	33350	33350
		4100368	3633048
(2) Current assets			
(a) Inventories	11	137361945	103333622
(b) Trade receivables		0	329384
(c) Cash and cash equivalents	12	1601780	889012
(d) Other current assets	13	8909722	2583087
		147873447	107135105
TOTAL		151973815	110768153
Corporate information and Statement of Accounting Policies	1		
	2		

Note: The accompanying notes are an integral part of the financial statements.

For **CHEVUTURI ASSOCIATES**
Chartered Accountants
F.R.NO.000632S

sd/-
(CA Srinivasa Rao Cherukuri)
Partner
M.No. : 209237

Date : 9th May, 2014.
Place : Tanuku

For **RADIX INDUSTRIES (INDIA) LIMITED**

sd/-
GOKARAJU RAGHU RAMA RAJU
Managing Director

sd/-
GOKARAJU PARVATHI
Director

PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(All amounts in ₹)

PARTICULARS	Note No.	Figures for the current reporting period	Figures for the previous reporting period
1 INCOME FROM OPERATIONS			
(a) Revenue from operations	14	235443211	79653664
		235443211	79653664
2 EXPENSES			
(a) Cost of materials consumed	15	208702606	67182179
(b) Employee benefits expense	16	263750	221430
(c) Finance cost	17	1608329	863547
(d) Depreciation and amortization expense	9	893454	630744
(e) Other expenses	18	1992097	2608235
Total Expenses		213460236	71506135
Profit before tax		21982975	8147529
Tax expense:			
Less: -- Current tax		6002913	1552512
-- MAT Credit Utilization		1183087	0
-- Deferred tax		0	68452
		14796975	6526565
Add: -- MAT Credit Entitlement		0	1183087
-- Deferred tax Withdrawn		50389	0
		14847364	7709652
Net Profit for the period		14847364	7709652
Earnings per equity share: Basic & Diluted		1.48	0.51

Note: The accompanying notes are an integral part of the financial statements.

For **CHEVUTURI ASSOCIATES**

Chartered Accountants

F.R.NO.000632S

sd/-

(CA Srinivasa Rao Cherukuri)

Partner

M.No. : 209237

Date : 9th May, 2014.

Place : Tanuku

For **RADIX INDUSTRIES (INDIA) LIMITED**

sd/-

GOKARAJU RAGHU RAMA RAJU

Managing Director

sd/-

GOKARAJU PARVATHI

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(All amounts in ₹)

PARTICULARS	2013-14	2012-13
I CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	21982975	8147529
Add/Less: Adjustments for		
Depreciation	893454	630744
Finance Cost	1608329	863547
Operating profit before working capital changes	24484758	9641820
Add/Less: Adjustments for working capital		
Increase / Decrease in inventories	(34028323)	(91832746)
Increase/Decrease in Trade receivables	329384	(329384)
Increase/Decrease in Other current assets	(574123)	3150
Increase / Decrease in Loans and advances	0	(850)
Increase / Decrease in current liabilities	128698	227209
Cash generated from operations	(9659606)	(82290801)
Less: Direct taxes paid	5833964	1400000
Net cash used in operating activities	(15493570)	(83690801)
II CASH FLOW FROM INVESTMENT ACTIVITIES		
Increase / decrease in fixed assets	(1360774)	(513580)
	(1360774)	(513580)
III CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Share Capital	0	70000000
Increase in Bank Borrowing	19175441	14415500
Interest expense	(1608329)	(863547)
Net cash from financing activities	17567112	83551953
Net increase / decrease in cash and cash equivalents	712768	(652428)
Cash and cash equivalents at the beginning of the period	889012	1541440
Cash and cash equivalents at the end of the period	1601780	889012
Net increase / decrease in cash and cash equivalents	(712768)	652428

For **CHEVUTURI ASSOCIATES**

Chartered Accountants

F.R.NO.000632S

sd/-

(CA Srinivasa Rao Cherukuri)

Partner

M.No. : 209237

Date : 9th May, 2014.

Place : Tanuku

For **RADIX INDUSTRIES (INDIA) LIMITED**

sd/-

GOKARAJU RAGHU RAMA RAJU

Managing Director

sd/-

GOKARAJU PARVATHI

Director

STATEMENT ON ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**1. Corporate information**

Radix Industries (India) Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The company is engaged in the manufacturing and selling of human hair products. The company caters to both domestic and international markets.

2. Statement on Accounting Policies**a. Basis of Accounting and preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the revised provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous period.

b. Tangible fixed assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties and taxes, borrowing costs, if any, on specific borrowings utilised for financing the assets upto the date of commissioning, the cost of installation/erection and other incidental expenses incurred to bring the asset to its present location and condition but exclusive of duties and taxes that are subsequently recoverable from taxing authorities.

c. Depreciation and Amortization

Depreciation is charged on pro-rata basis under written-down method value method by following the rates prescribed in schedule XIV to the Companies Act, 1956. In respect of assets sold or disposed off during the year, depreciation / amortization is provided till the month of sale or disposal of the assets.

d. Borrowing Costs

Borrowing Costs, that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalised as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

e. Inventories

Valuation of inventories is made as under:

- i) Finished goods are valued at lower of cost or net realizable value.
- ii) Raw materials, work-in-progress and stores and spares are valued at cost, following the FIFO Basis.
- iii) Work-in-Progress, raw materials, stores, spares are valued at cost except where the net realizable value of the finished goods they are used in is less than the cost of finished goods and in such an event, if the replacement cost of such materials etc., is less than their books value, they are valued at replacement cost.
- iv) By-products and scrap are valued at net realizable value.

f. Revenue Recognition

Sales are accounted for net of discounts and rebates. Export Sales are initially accounted at the exchange rate prevailing on the date of documentation/invoicing and the same is adjusted with the difference in the rate of exchange arising on actual receipt of proceeds in foreign exchange.

g. Income Taxes

Income tax expense comprises current and deferred taxes.

- i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
- ii) Deferred tax is recognised under the liability method, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods, at the rate of tax enacted or substantively enacted by the balance sheet date.

h. Provisions, Contingent Liabilities and Contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

i. Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

j. Foreign Exchange Transactions

- i) Transactions in foreign currency are initially accounted at exchange rate prevailing on the date of transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the period under report.
- ii) At each Balance Sheet date Foreign currency monetary items being receivables/payables are reported using the rate of exchange on that date and difference is recognized as income or expense. Foreign currency non-monetary items are reported using the exchange rate at which they were initially recognized.
- iii) In respect of forward exchange contracts in the nature of hedges. Premium or discount on the contract is amortized over the term of the contract. Exchange differences on the contract are recognized as profit or loss in the period in which they arise.

k. Government Grants:

Grants from government are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grants relating to assets the company has opted "capital approach" method. Accordingly, the grant is deducted from the gross value of the assets concerned in arriving at their books value.

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	Figures as at the end of current reporting period ₹	Figures as at the end of previous reporting period ₹
3	SHARE CAPITAL:		
	a. Authorised Share capital 1,50,00,000 (1,50,00,000) Equity Shares of ` 10/- each	150,000,000	150,000,000
	b. Issued and subscribed capital 1,00,04,780 (1,00,04,780) Equity shares of ` 10/- each	100,047,800	100,047,800
	c. Paid up capital 1,00,04,780 (1,00,04,780) Equity Shares of ` 10/- each	100,047,800	100,047,800
	d. The Reconciliation of number of shares: Number of Shares at the beginning	No.of Shares 10004780	No.of Shares 3004780
	Add: Preferential allotment of shares @ Rs.10/- each	0	7000000
	Number of Shares at the end	10004780	10004780
	e. Terms/Rights attached to equity shares: The company has only one class of equity shares having a par value of `10 per share. Each shareholder is eligible for one vote per share held. The company declares and pays dividend in indian rupees.		
	f. In the event of liquidation of the company, the holders of equity Shares will be entitled to receive 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		
	g. The details of share holders holding more than 5% shares.	No.of Shares/ (% of holding)	No.of Shares/ (% of holding)
	Name of the Share holder		
	i) Sri Gokaraju Raghu Rama Raju	6023353 60.20	6129210 61.26
	ii) Smt Gokaraju Parvathi	1330000 13.29	1330000 13.29

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	Figures as at the end of current reporting period ₹	Figures as at the end of previous reporting period ₹
4	RESERVES AND SURPLUS:		
	a. Capital Reserve:		
	Opening Balance	10382500	10382500
	b. Surplus:		
	Opening Balance	(15948983)	(23658635)
	Add: Net Profit transferred from statement of Profit and loss	14847364	7709652
	Closing Balance	(1101619)	(15948983)
	Total (a+b)	9280881	(5566483)
5	DEFERRED TAX LIABILITIES(Net):		
	Timing difference between book and tax depreciaton	18063	68452
6	SHORT TERM BORROWINGS:		
	State Bank of India - Tanuku	33590941	14415500
	(The above loan is primarily secured by hypothecation of stock and receivables and further collaterally secured by way of specific properties belonging to one director and further guaranteed by three directors in their individual capacities)		
	Terms		
	a) The above loan is repayable on demand		
	b) The sanction limit is ` 350 lacs		
	c) The interest rate of 7.70% p.a		
	d) The Company is regular in payment of interet on above loan as on reporting date		
7	OTHER CURRENT LIABILITIES:		
	Interest accrued and due	247056	188407
	Due to others	50562	61965
		297618	250372
8	SHORT-TERM PROVISIONS:		
	Provision for Income-Tax	8738512	1552512

Note No - 9 TANGIBLE FIXED ASSETS

S.No.	Name of the Asset	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		Cost As on 01.04.2013 ₹	Additions during the Period ₹	Deductions during the Period ₹	Total Cost upto 31.03.2014 ₹	Depreciation Upto 31.03.2013 ₹	Depreciation for the period ₹	Depreciation on Deductions ₹	Depreciation Upto 31.03.2014 ₹	W.D.V As on 31.03.2014 ₹	W.D.V As on 31.03.2013 ₹
Tangible Assets:											
1	Office equipment	845523	0	0	845523	162628	123605	0	286233	559290	682895
2	Plant & Machinery	3196791	0	345292	2851499	456887	363882	0	820769	2030730	2739904
3	Computers	230845	0	0	230845	53946	70759	0	124705	106140	176899
4	Vehicles	0	1706066	0	1706066	0	335208	0	335208	1370858	0
TOTAL:		4273159	1706066	345292	5633933	673461	893454	0	1566915	4067018	3599698
Previous Year:		3759579	625324	111744	4273159	42717	630744	0	673461	3599698	3716862

Note: No Intangible Assets & Impairment of assets.

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	Figures as at the end of current reporting period ₹	Figures as at the end of previous reporting period ₹
10	LONG TERM LOANS & ADVANCES: (Advances recoverable in Cash or in kind or for value to be received, unsecured considered good) Deposits with Govt. and Other Departments	33350	33350
		33350	33350
11	INVENTORIES: (At cost as valued and certified by the Management) Raw Materials at cost Stores & Spares at cost	137230389 131556	103159590 174032
		137361945	103333622
12	CASH & CASH EQUIVALENTS: Cash on hand Balance with scheduled banks in current a/c.	156174 1445606	164455 724557
		1601780	889012
13	OTHER CURRENT ASSETS: (Advances recoverable in Cash or in kind or for value to be received, unsecured considered good) Advance Income Tax MAT Credit Entitlement Prepaid Expenses Interest Receivable TDS Receivable	7152512 1183087 100534 472494 1095	1400000 1183087 0 0 0
		8909722	2583087

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Profit & Loss Statement	Figures for the current reporting period ₹	Figures for the previous reporting period ₹
14	REVENUE FROM OPERATIONS:		
	Sale of Human Hair Products (Export)	235443211	79653664
	Less: Excise duty	0	0
		235443211	79653664
15	COST OF RAW MATERIAL CONSUMED:		
	Opening stock of Human hair	103159590	11327849
	Add: Purchases	242773405	159013920
		345932995	170341769
	Less: Closing stock of Human hair	137230389	103159590
		208702606	67182179
16	EMPLOYEE BENEFITS EXPENSE:		
	Salaries and Wages	263750	221430
17	FINANCE COSTS:		
	Interest to bank	1281173	725253
	Other Borrowing cost	327156	138294
		1608329	863547
18	OTHER EXPENSES:		
	Stores Consumed	415131	285140
	Advertisements	65208	60577
	Electricity Charges	178605	197303
	Manufacturing Exp	5250	4191
	Office and Administrative Expenses	55302	100306
	Freight Charges	289567	469592
	Rent	305000	300000
	Bank Charges	273919	76354
	Insurance	120939	123827
	Payment to Auditors--Towards Statutory Audit	16854	16854
	Taxes & Licenses	48249	33652
	Miscellaneous Expenses	218073	940439
		1992097	2608235

19. Expenses / Earnings in Foreign Exchange

(All amounts in ₹)

Particulars	Current period ₹	Previous period ₹
a) Expenses :		
i) CIF Value of Machinery Imported during the period	NIL	394479
ii) Imported Stores and Spares	NIL	NIL
b) Earnings :		
i) FOB value of exports made during	232381124	78807796

20. Disclosure on payments and dues to “suppliers” as defined under the “Micro, Small and Medium Enterprises Development Act, 2006” (“The Act”).

Sl No.	Particulars	31-03-14 ₹
1	Amount remaining unpaid, beyond the appointed/ agreed day, at the end of the period (a) Principal amount of bills to be paid (b) Interest due thereon	--Nil-- Nil
2	(a) Payments made to suppliers, during the period, but beyond appointed/agreed day interest thereon in terms of Sec.16 of the Act. (b) Interest paid along with such payments during the period. (c) Interest due and payable at the end of the period, on such payments made during the period.	--Nil-- --Nil-- --Nil--
3	Amount of interest, for the period, u/s.16 of the Act. Accrued and remaining unpaid, at the end of the period.	--Nil--
4	Total amount of interest, u/s.16 of the Act, including that arising in earlier periods, accrued and remaining unpaid at the end of the period.	--Nil--

For the purpose of the above details the Status of the 'Suppliers' under the Act has been determined to the extent of and based on the information furnished by the respective parties, and has accordingly been relied upon by the company and its auditors.

21. Details of consumption of imported and indigenous items

Particulars	Current Period ₹	Previous Period ₹
A. Raw material		
Imported	NIL (0%)	NIL (0%)
Indigenous	208702606 (100%)	67182179 (100%)
B. Stores and spares		
Imported	NIL (0%)	NIL (0%)
Indigenous	415131 (100%)	285140 (100%)

22. Particulars disclosed pursuant to “AS-18 Related Party Disclosures”.

A. List of Related parties:

Key Management Personnel

- a) Sri.G.Raghu Rama Raju, Chairman & Mg.Director
- b) Smt.G.Parvathi, Director
- c) Sri G.G.R. Prabhakara Raju, Director

Companies controlled by Key Management Personnel:

- M/S. Diamond Drop Property Holdings(India) Private Limited
(Smt. G.Parvathi , Director interested as Director in the Company)

B. List of Related party transactions:

Nature of Transaction	Key Management personnel ₹	Companies/ Firms/Controlled by KMP/Relatives of KMP ₹
A. Rent paid during the period to --Daimond Drop Property Holdings (India) Private Ltd.,		3,05,000
B. Balances as at 31-03-2014 Share capital in Company held by -Sri G.Raghu Rama Raju -Smt. G Parvathi -Sri G.G.R. Prabhakara Raju	6,02,33,530 1,33,00,000 5,00,000	

**23. Earning Per Share (E.P.S) – AS-20
CALCULATION OF EPS (AS -20)**

PARTICULARS		31.03.2014	31.03.2013
i)	Net Profit as per Statement of Profit and Loss available for Equity Shareholders ₹	14847364	7709652
ii)	Number of Equity Shares for Basic EPS	10004780	10004780
iii)	Nominal value of share (Rupees)	10	10
iv)	Weighted average no of equity shares	10004780	15171447
v)	Basic and Diluted Earning per Share (₹)	1.48	0.51

24. Stocks of Raw Materials, Finished goods, Stores and Spares etc., are as certified by the Management.

25. Miscellaneous Expenses include the following:

	₹
MSE & BSE Exp	1,05,618
Professional charges	1,10,595
ROC Filing fee	1,500
Others	360
	<u>2,18,073</u>

26. details of Human Hair Opening, Purchases, Sales and Closing Stock of Goods:

Name of the Item	Opening		Purchases		Issues		Closing	
	Qty in Kgs	Value in ₹	Qty in Kgs	Value in ₹	Qty in Kgs	Value in ₹	Qty in Kgs	Value in ₹
Raw Material	21562.32	103159590	37329.80	242773405	38548.97	208702606	20343.15	137230389
					(Consumed)			

Name of the Item	Opening		Production		Sales		Closing Stock	
	Qty in Kgs	Value in ₹	Qty in Kgs	Value in ₹	Qty in Kgs	Value in ₹	Qty in Kgs	Value in ₹
Finished Goods	0.00	0.00	29700.00	210216784	29700.00	210216784	0.00	0

27. The company received an amount of ₹ NIL (Previous Year 1,11,744/-) towards capital grant from government.
28. Since the company deals only in Manufacturing of Human hair products, the reporting requirement as per AS-17 on Segment reporting does not arise during the period.
29. Cash-flow statement enclosed.
30. Previous period figures have been regrouped wherever necessary.
31. Figures in brackets indicate those for the previous period.
32. The previous period's figures have been regrouped / reclassified wherever necessary to conform to the current period presentation

For **CHEVUTURI ASSOCIATES**

Chartered Accountants

F.R.NO.000632S

sd/-

(CA Srinivasa Rao Cherukuri)

Partner

M.No. : 209237

Date : 9th May, 2014.

Place : Tanuku

For **RADIX INDUSTRIES (INDIA) LIMITED**

sd/-

GOKARAJU RAGHU RAMA RAJU

Managing Director

sd/-

GOKARAJU PARVATHI

Director

RADIX INDUSTRIES (INDIA) LIMITED

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]

CIN: L24230TG1994PLC018786

Name of the company: Radix Industries (India) Limited

Registered Office: Regd Off : 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211 West Godavari District, Andhra Pradesh

Name of the Member(s):

Registered Address:

Email ID:

Folio No. /Client ID:

DP ID:

We, being the member(s) of shares of the above named company, hereby appoint;

1. Name E-mail Id:.....
Address:.....
Signature:
Or failing him
2. Name: E-mail ID:.....
Address:.....
Signature
Or failing him
3. Name:E-mail Id:
Address:.....
Signature
Or failing him

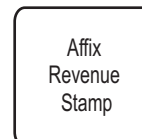
As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company, to be held on Saturday, the 20th September 2014 at 11.00 A.M. at the registered office of the company at 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211 West Godavari District, Andhra Pradesh. (INDIA) and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Statement of Profit and Loss, Balance Sheet, Reports of Board of Directors And Auditors for the year ended March 31, 2014.
2. Re-appointment of Mr. G. Gangapathy Rama Prabakara Raju as a director of the Company.
3. Appointment of M/s. Chevuturi Associates., Chartered Accountants as Auditors of the Company
4. Appointment of Sri. V. Viswanada Raju as Independent Director.
5. Appointment of Sri. G. Ramalakshmi Narayana as Independent Director.
6. Appointment of Sri M. Kiran Phani Varma as Independent Director
7. Authorization to the Board of Directors of the Company to Borrow in excess of the Paid up Capital and Free Reserves
8. Authorization to the Board of Directors of the Company to Borrow Moneys By Way Of Creating Charge on the Assets of the Company

Signed this Day of 2014.

Signature of shareholder.....

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.

RADIX INDUSTRIES (INDIA) LIMITED

Regd Off : 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211 West Godavari District,
Andhra Pradesh

ATTENDANCE SLIP

(Please present this slip at the Meeting Venue)
20th ANNUAL GENERAL MEETING

Regd. Folio No. :
Client ID :

No. of Shares Held:

I hereby record my presence at the 20th ANNUAL GENERAL MEETING of the members of
the Company held on Saturday, 20th September 2014 at 11.00 A.M. at: Door No. 4-243
Chivatam, Near NH-5 Road Tanuku A.P

Name of the Shareholder:

Name of the Proxy:

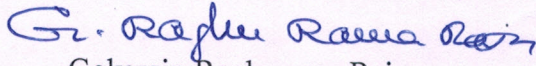
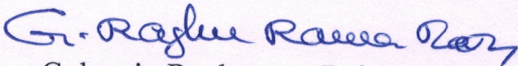
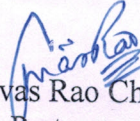

Signature of Member / Proxy:

BOOK - POST

If undelivered please return to :
RADIX INDUSTRIES (INDIA) LIMITED Corporate Office : Plot No. 21, Aswini Heights, Road
No.7, Jubilee Hills, Hyderabad – 500 033

FORM A

**COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH
THE STOCK EXCHANGES**

1.	Name of the Company:	RADIX INDUSTRIES (INDIA) LIMITED
2.	Annual financial statements for the year ended	31.03.2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	NA
5.	To be signed by-	
	<ul style="list-style-type: none">• Managing Director	 Gokaraju Raghurama Raju
	<ul style="list-style-type: none">• CFO	 Gokaraju Raghurama Raju
	<ul style="list-style-type: none">• Auditor of the Company	 CA. Srinivas Rao Cherukuri Partner M.No.209237 Chevuturi Associates Chartered Accountants.
	<ul style="list-style-type: none">• Audit Committee Chairman	 G.Rama Lakshmi Narayana Rao