



BLUE CHIP TEX INDUSTRIES LTD.

28th ANNUAL REPORT 2012-2013

BLUE CHIP TEX INDUSTRIES LTD.

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- Board of Directors** : NAND K. KHEMANI Chairman and Managing Director
KUMAR S. NATHANI
ASHOK K. KHEMANI
ANIL MANDHANA
RAHUL A. KHEMANI
SHAHIN N. KHEMANI
- Auditors** : Rajendra & Co.
Chartered Accountant
- Banker** : Axis Bank
- Registered Office** : "Jasville", 2nd Floor,
Opp. Liberty Cinema,
9, New Marine Lines,
Mumbai 400 020.
Tel. : 022-4353 0400
Fax : 022-2200 6437
Email : bluechiptex@gmail.com
Website : bluechiptexindustrieslimited.com
- Factory** : Plot No. 63-B, Danudyog Sahakari Sangh Ltd
Village Piparia,
District Silvassa,
Union Territory of Dadra & Nagar Haveli
Pin - 396 230
- Wind Mill** : Thungavi Village, Udumalpet Taluka,
Coimbatore, Dist. Tamilnadu
- Registrar & Transfer Agent** : BIGSHARE SERVICES PVT. LTD.
E-2, Ansa Industrial Estate,
Sakivihar Road,
Saki Naka, Andheri (East),
Mumbai 400 072.
Tel. : 022 - 2852 3474 / 2856 0652 / 53
Fax : 022 - 2852 5307
e-mail : bigshare@bom7.vsnl.net.in

Members are requested to bring their copy of Annual Report at the A.G.M.

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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty-Eighth Annual General Meeting of the Members of **BLUE CHIP TEX INDUSTRIES LIMITED** will be held on Wednesday, 21st August, 2013 at 10.00 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400 023 to transact the following business:

Ordinary Business :

- 1) To consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Audited Profit & Loss Account for the year ended as on that date and the Reports of the Auditors and the Directors' thereon;
- 2) To declare Final Dividend on Equity Shares for the year ended 31st March, 2013;
- 3) To appoint a Director in place of Mr. Kumar Nathani, who retires by rotation and being eligible, offers himself for re-appointment;
- 4) To appoint a Director in place of Mr. Rahul Khemani, who retires by rotation and being eligible, offers himself for re-appointment;
- 5) To appoint Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize Mr. Nand Khemani, Managing Director of the Company to fix the remuneration in consultation with the Auditors.

“RESOLVED THAT M/s Rajendra & Co. Chartered Accountants, Mumbai, being retiring Auditors of the Company, be and are hereby recommended for re-appointment as Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting until conclusion of the next Annual General Meeting on such remuneration as may be determined by Mr. Nand Khemani, Managing Director of the Company, in consultation with the Auditors.”

By order of the Board of Directors

Date: May 27, 2013
Place: Mumbai

Sd/-
Nand K. Khemani
Managing Director

Registered Office:
“Jasville”, 2nd floor,
9, New Marine Lines,
Mumbai 400 020

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NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The proxy to be effective should be completed in all respects and be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. Members / Proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting.
3. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
4. Members who hold shares in dematerialised form are requested to mention their Client ID and DP ID and those who hold shares in physical form are requested to mention their Folio Number on the attendance slip for attending the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 14th August 2013 to 21st August, 2013 (both days inclusive) for the purpose of Annual General Meeting.
7. As per the provisions of the Companies Act, 1956, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Transfer Agents of the Company.
8. Members wishing to claim dividends which remain unclaimed are requested to correspond with Mr. Nand Khemani, Managing Director, at the Company's Registered Office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 205C of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
9. Subject to the provisions of Section 206A of the Companies Act, 1956 dividend as recommended by the Board of Directors, if declared at the meeting, will be payable on or after 21st August, 2013, to those Shareholders whose names stand on the Company's Register of Members on 14th August, 2013, to whom dividend warrants will be posted. In respect of Shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as at the end of the day on 14th August, 2013 as per data to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
10. The following are the details of dividend paid by the Company and its respective due dates of transfer to such Fund of the Central Government, which remain unpaid:

Sr. No.	Date of Declaration	Dividend for the year	Due date of transfer to the Government
1	25.09.2008	2007-2008	24.10.2015
2	20.08.2009	2008-2009	19.09.2016
3	20.09.2010	2009-2010	19.10.2017
4	11.08.2011	2010-2011	10.09.2018
5	17.09.2012	2011-2012	17.10.2019

It may be noted that no claim from Shareholders will be entertained for the unclaimed dividend which has been transferred to the credit of the Investor Education & Protection Fund of the Central Government under the provisions of Section 205(B) of the Companies Act, 1956. In view of the above, those

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Shareholders who have not encashed their dividend warrants are advised to send the entire unclaimed dividend warrants to the Registrar & Transfer Agents or to the Registered Office of the Company for revalidation and encash them before the due dates for transfer to the Central Government.

11. No Unpaid dividend amount was transferred to the General Revenue Account of the Central Government, i.e. Investor Education & Protection Fund during the Financial Year ended 31st March, 2013 pursuant to Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.
12. Members seeking any information about Accounts are requested to address their queries to the Company at least seven days in advance of the meeting so that information sought can be readily provided at the meeting.
13. Members are requested to bring their copy of the Annual Report to the meeting.
14. Members holding Shares in electronic mode are requested to approach their Depository Participant (D.P.) for change of address and updations of Bank account details.
15. All the documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company between 11:30 a.m. and 1:00 p.m. on all working days upto the date of the meeting.
16. Members are advised to consolidate their Ledger Folios where they are holding Shares in identical order of names in different Folios.
17. The Shares of the Company are listed at the Bombay Stock Exchange, Mumbai, Phiroze Jeejeeboy Towers, Dalal Street, Mumbai 400 001. The Listing fee has been paid in time for the year ended 31st March, 2013.

By Order of the Board of Directors

Place: Mumbai
Date: May 27, 2013

Sd/-
Nand K. Khemani
Managing Director

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DIRECTORS' REPORT

To,
The Members
Blue Chip Tex Industries Limited

Your Directors have the pleasure in presenting their 28th Annual Report and Audited Annual Accounts for the Financial Year ended 31st March, 2013 together with the Audited Statement of Accounts and Auditor's Report thereon.

1. FINANCIAL RESULTS:

	In terms of ₹	
	2012-2013	2011-2012
Profit before depreciation	1,74,92,747	1,05,09,172
Less: depreciation	1,10,07,914	64,08,411
Profit before Tax	64,84,833	41,00,761
Less: Provision for taxation		
Current tax	13,00,000	7,95,000
Deferred tax	19,07,970	11,96,080
Fringe Benefit tax	—	—
Profit After Tax	32,76,863	21,09,681
Add: Taxation for earlier year	—	—
Total	32,76,863	21,09,681
Balance in Profit and Loss Account	1,24,59,757	1,20,67,699
Surplus available for appropriation	1,57,36,620	1,41,77,380
Proposed Dividend	17,73,450	14,77,875
Tax on Proposed Dividend	3,01,398	2,39,748
Balance carried to Balance Sheet	1,36,61,772	1,24,59,757

2. DIVIDEND:

The Board of Directors recommends a final dividend of ₹ 0.90 per Equity Share (last year : ₹ 0.75 per Equity Share) of ₹ 10/- each for the Financial Year ended 31st March, 2013.

3. FUTURE PROSPECTS:

During the year, your Company had utilized full capacity of its Texturising Plants installed in the previous year, resulting in increase in overall sales volume and better realization. Your Company is now focusing on better production mix to enhance profitability. Also, income from sale of power generated from the Wind power generation units and 'other income' by way of rent will further add to profitability.

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4. FIXED DEPOSITS:

The Company has not accepted any deposits from public under the provisions of Section 58A of the Companies Act, 1956 and rules framed there-under during the Financial Year ended 31st March 2013 and as on 31st March, 2013, there is no outstanding liability to fixed depositors.

5. INSURANCE:

All properties of the Company, including buildings, plant and machinery, vehicles, stores and spares, stock of raw materials and finished goods, etc. have been adequately insured.

6. DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- a) that in the preparation of the Annual Accounts for the year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that they 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 ended 31st March 2013 and of the profit of the Company for the said year.
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that they have prepared the Annual Accounts for the year ended 31st March, 2013 on a going concern basis.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (Section 217(1)(e) of the Companies Act, 1956):

(A) CONSERVATION OF ENERGY

Particulars required to be furnished by the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 are as follows:-

(i) Energy conservation measures taken:

Appropriate measures have been initiated to conserve energy. The Company has always been conscious about the need for conservation of energy.

(ii) Additional investments and proposals, if any, being implemented for reduction of energy consumption:

The efforts for conservation of energy are on an ongoing basis throughout the year.

(iii) The impact of the above measures for reduction of energy consumption and consequent impact on the cost of production of goods:

The measures taken have resulted in savings in the cost of production.

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Total energy consumption and energy consumption per unit of production:

a. Power and Fuel Consumption:

	CURRENT YEAR	PREVIOUS YEAR
1. Electricity:		
(a) Purchased Units (KWH)	50,52,151	22,74,270
Total Amount (₹)	2,03,00,145	92,95,351
Cost/Unit (₹)	4.02	4.09
(b) Own Generation:	—	—
i) Through Diesel Generator	—	—
Units (in Lacs)	—	—
Unit per litre of diesel	—	—
Cost/Unit (₹)	—	—
ii) Through Steam	—	—
2. Coal/ Furnace oil:	—	—
b. Consumption per Ton of production of Polyester Texturised/Twisted Yarn (KWH)	785.47	419.53

(B) TECHNOLOGY ABSORPTION

Efforts in brief made towards technology, absorption, adoption and innovation:

The Company keeps itself abreast of the technical development and innovation in its line of products worldwide and tries to bring about improvements in the product for better yield, quality and cost effectiveness etc.

Continuous efforts are being made in the areas of quality improvements, waste reduction, process capability and cost minimization to specially improve the market acceptance of the product.

8. FOREIGN EXCHANGE EARNING AND OUT GO:

Foreign Exchange Earnings : ₹ NIL (Previous Year: ₹ NIL)

Foreign Exchange outgo : ₹ NIL (Previous Year: ₹ NIL)

9. PARTICULARS OF EMPLOYEES:

The provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended vide Notification no. G.S.R 289 (E) dated March 31, 2011 require the disclosure of the names and particulars of the employees who are receipt of remuneration for the financial year under review which, in the aggregate, was not less than ₹ 60, 00,000/- per annum or who was in receipt of remuneration for any part of the financial year under review, at a rate which, in the aggregate, was not less than ₹ 500,000/- per month. The disclosure under the said Section is not given as there are no such employees.

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10. DIRECTORS :

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956 Mr. Kumar S. Nathani and Mr. Rahul A. Khemani will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment.

11. STATUTORY AUDITORS AND AUDITORS' REPORT :

You are requested to appoint Auditors for the current year and fix their remuneration. The Statutory Auditors of the Company, M/s. Rajendra & Co. Chartered Accountants, retire at ensuing Annual General Meeting of the Company and have given their consent for re-appointment. The Company has also received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. The Notes on financial statements referred to in the Auditors' Report are self explanatory and do not call for any further comments.

12. COMPLIANCE CERTIFICATE :

As per Section 383A of the Companies Act, 1956 read with Notification No. G.S.R. 11 (E), Dated 5-1-2010 issued by the Ministry of Corporate Affairs, a Company having the paid up Share Capital of ₹ 10 Lacs or more but less than ₹ 5 Crores must obtain a Compliance Certificate from a Company Secretary in whole time practice and such Certificate must be attached to the Report. A Compliance Certificate obtained from M/s. Pramod S. Shah & Associates – Practicing Company Secretaries is attached with the Directors' Report.

13. COST AUDIT :

The Cost Audit under Section 233B of the Companies Act, 1956 is applicable to the Company for the Financial Year 2012-13 and accordingly M/s NKJ & Associates, Cost Accountants, were appointed as the Cost Auditor, for the said year.

14. ACKNOWLEDGEMENT :

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all the shareholders, customers, suppliers, bankers, Government authorities and all other business associates and their confidence in the management. Your Directors also wish to place on record their appreciation for the contribution made by the employees.

For and on behalf of the Board of Directors,

Place : Mumbai
Dated : 27th May 2013.

Sd/-
Nand K. Khemani
Managing Director

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Pramod Shah & Associates

COMPLIANCE CERTIFICATE

**U/S 383A of the Companies Act, 1956 & Rule 3 of the companies
(Compliance Certificate) Rules, 2001**

To,
The Members,
BLUE CHIP TEX INDUSTRIES LIMITED

Nominal Capital: INR 2,50,00,000
Registration No. : 037514
(31/03/2013)

I have examined the registers, records, books and papers of **BLUE CHIP TEX INDUSTRIES LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2013**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure `A'** to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure `B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a public limited company, comments are not required.
4. The Board of Directors duly met 4 times on **28.05.2012, 30.07.2012, 29.10.2012, 28.01.2013**, in respect of which meetings proper notice were given and the proceedings were properly recorded and signed.
5. The Company closed its Register of Members, from **11.09.2012 to 17.09.2012** and necessary compliance of Section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on **31.03.2012** was held on **17.09.2012** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. **No** Extra Ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has duly complied with provisions of section 297 of the Act in the respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13. The company has:
 - i. delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - ii. deposited the amount of dividend in a separate Bank Account on 17th September, 2012 which is within five days from the date of declaration.
 - iii. paid/post warrants for dividends to all members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend account of the Company with HDFC Bank on 23rd October, 2012.

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- iv. transferred the amounts in to unpaid dividend account which have remained unclaimed or unpaid for a period of seven years to Investor Education & Protection Fund.
- v. the Company has duly-complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointments of Directors have been duly made.
15. The Company has not appointed any Managing Director/ Whole time Director /Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approval of the Regional Director, Company Law Board, Registrar and/ or such authorities prescribed under the various provisions of the Act during the financial year except the following:
 - i. Central Government - The Company has not filed the application to the Central Government required to be filed u/s 233B (2) of the Companies Act, 1956, relating to appointment of the cost auditor. However the Company has obtained the Board approval for the same in its Meeting dated 28th May, 2012.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any Shares/ debentures/ other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions, which required the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from the directors, members, public, financial institutions, banks and others during the financial year 31st March, 2013 is within the borrowing limits of the Company and hence the Board resolution as per Section 293(1)(d) was not required.
25. The Company has not made loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the financial year.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the financial year.
28. The Company has not altered the provisions of the memorandum with respect to name of the company during the financial year.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the company during the financial year.
30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment imposed on the company during the year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

Place : Mumbai
Date : 27/05/2013

Signature :
Name of Company Secretary : Pramod S. Shah - Partner
C. P. No. : 3804

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Annexure A

The Company has been maintaining the statutory records such as:

- 1) Minutes Book (Board Meeting)
- 2) Minutes Book (AGM & EGM)
- 3) Register of Member.
- 4) Register of Director.
- 5) Register of Director's shareholding.
- 6) Register of Contracts.
- 7) Register of Investment.
- 8) Register of Charges.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on **31st March, 2013**.

Sr. No.	Form No.	Filed u/s	For	Filed on	Whether filed on time	If delay in filing whether requisite add. fees paid
1	Form 5INV	Pursuant to rule 3 of the Investor Education and Protection Fund Rules, 2012	Statement of unclaimed and unpaid amounts for the Financial Year ended 31/03/2011	30/08/2012	Yes	N.A.
2	Form 23B	224(1A)	Information by Auditor to Registrar of his appointment for the year 2012-2013	22/10/2012	Yes	N.A.
3	Form 5INV	Pursuant to rule 3 of the Investor Education and Protection Fund Rules, 2012	Statement of unclaimed and unpaid amounts for the Financial Year ended 31/03/2012	15/12/2012	Yes	N.A.
4	Secretarial Compliance Report Form66	383A	Compliance Certificate as on 31/03/2012	10/10/2012	Yes	N.A.
5	Form 20B	159	Annual Return	10/11/2012	Yes	N.A.
6	Form 23AC, ACA XBRL	220	Annual Report for the financial year ended 31/03/2012	15/12/2012	Yes	N.A.

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AUDITORS' REPORT

To the Members of BLUE CHIP TEX INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Blue Chip Tex Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, 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 principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). 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.

Auditors' 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 misstatements.

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. 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 aforesaid 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, 2013;
- (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.

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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 Section 227(4A) 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
 - e. On the basis of the written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **Rajendra & Co.**
Chartered Accountants
Firm Registration No. 108355W

Sd/-
Akshay R. Shah
Partner

Membership No. 103316

Place : Mumbai
Dated : 27 th May, 2013

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ANNEXURE TO AUDITOR'S REPORT

Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details situation of fixed assets.
 - (b) As explained to us, the fixed assets have been physically verified by the Management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - (b) In our opinion and according to the information and explanations given to us, 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.
 - (c) The discrepancies noticed on physical verification of stock as compared to the book records were not material and have been properly dealt with in the books of accounts.
3. The Company has not granted or taken any loans, secured or unsecured to/from companies, firms or any other parties covered in the register maintained under section 301 of the Act. Hence, clause (iii) of para 4 of the aforesaid Order is not applicable.
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 the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956;
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Companies Act, have been so entered.
 - (b) In respect of transactions for purchase and sale of goods and job work charges made in pursuance of contracts or arrangements entered in the register maintained under section 301, of the Companies Act, 1956, in excess of ₹ 5 Lakhs, we have been informed that the same have been made at prices which are reasonable having regard to the prevailing market conditions.
6. The Company has not accepted any deposits from the public.
7. The Company did not have an internal audit system during the year but its internal control procedures ensure reasonable internal checking for its financial and other records.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011, prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facia the prescribed cost records have been maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues:
 - (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-tax,

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Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2013 for a period of more than six months from the date of becoming payable:

- (b) According to the information and explanations given to us, there are no disputed statutory dues pending as on 31 st March, 2013 except for disputed income tax liability of ₹ 4,38,920/- related to Assessment Year 2009-2010, ₹ 3,71,690/- related to Assessment Year 2010-11 and ₹ 2,82,270/- related to Assessment Year 2011-12, which are pending before the Income Tax Officer for rectification.
10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
 11. In our opinion and according to the Information and explanations given to us, the Company has not defaulted in repayment of dues to Banks. There are no borrowings from Financial Institutions or by way of Debentures.
 12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
 14. The Company has maintained proper records of transactions and contracts in respect of dealing in Shares, Securities and other investments and timely entries have been made therein. All Shares, securities and other investments have been held by the Company in its own name.
 15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
 16. According to the information and explanations given to us, the term loans raised by the Company during the year were utilized for the purpose for which the same were taken.
 17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not used funds raised on short-term basis for long-term investment.
 18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
 19. The Company has not issued any debentures during the year.
 20. The Company has not raised any money by way of public issue during the year.
 21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For **Rajendra & Co.**
Chartered Accountants
(Registration No. 108355W)

Sd/-
Akshay R. Shah
Partner

Membership No.: 103316

Place : Mumbai
Dated : 27th May, 2013

BLUE CHIP TEX INDUSTRIES LTD.

BALANCE SHEET AS AT 31ST MARCH, 2013

	NOTE No.	As at 31 st March 2013		As at 31 st March 2012	
		₹	₹	₹	₹
EQUITY AND LIABILITIES					
Shareholders' Funds					
(a) Share Capital	1	1,97,55,450		1,97,55,450	
(b) Reserves and Surplus	2	2,25,15,564	4,22,71,014	2,13,13,549	4,10,68,999
Non-Current Liabilities					
(a) Long Term Borrowings	3	4,37,02,095		5,31,24,908	
(b) Deferred Tax Liability (Net)	4	60,65,169		41,57,199	
(c) Long-term Provisions	5	53,002	4,98,20,266	9,628	5,72,91,735
Current Liabilities					
(a) Short Term Borrowings	6	1,53,51,221		2,60,96,511	
(b) Trade Payables	7	62,86,634		4,24,25,451	
(c) Other Current Liabilities	8	6,73,20,199		3,04,04,451	
(d) Short-term Provisions	9	20,93,534	9,10,51,588	23,79,946	10,13,06,359
TOTAL			<u>18,31,42,868</u>		<u>19,96,67,093</u>
ASSETS					
Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	10	12,85,36,334		12,53,97,769	
(ii) Capital Work-in-progress	10	—		3,04,382	
(b) Non-Current Investments	11	4,500		44,04,500	
(c) Long Term Loans and Advances	12	88,97,663	13,74,38,497	1,06,06,679	14,07,13,330
Current Assets					
Inventories	13	1,47,27,030		1,96,17,250	
Trade Receivables	14	2,05,92,134		2,88,90,765	
Cash and Cash Equivalents	15	91,98,564		96,86,040	
Short Term Loans and Advances	16	11,86,643		7,59,708	
			4,57,04,371		5,89,53,763
TOTAL			<u>18,31,42,868</u>		<u>19,96,67,093</u>

Significant Accounting Policies

Notes on Financial Statements

1 to 30

As per our report of even date

For and on behalf of the Board

For **Rajendra & Co.**
Registration No.108355W
Chartered Accountants

sd/-
Nand Khemani
Managing Director

sd/-
Akshay R. Shah
Partner
Membership No.103316
Place: Mumbai
Dated: 27th May, 2013

sd/-
Ashok Khemani
Director

sd/-
Kumar Nathani
Director

Place: Mumbai
Dated: 27th May, 2013

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	NOTE NO.	2012-13 ₹	2011-12 ₹
INCOME			
Revenue from Operations	17	55,00,82,227	48,74,16,553
Other Income	18	18,97,419	11,56,344
Total Revenue		55,19,79,646	48,85,72,897
EXPENDITURE			
Cost of Materials Consumed	19	44,39,44,012	42,69,52,317
Changes in Inventories of Finished Goods,	20	20,10,548	(87,39,031)
Employee Benefits Expense	21	41,90,138	12,21,239
Finance Costs	22	1,39,13,065	75,29,611
Depreciation and Amortisation Expense		1,10,07,914	64,08,411
Other Expenses	23	7,04,29,136	5,10,99,589
Total Expenses		54,54,94,813	48,44,72,136
Profit before taxes		64,84,833	41,00,761
Tax Expenses			
Current Tax - for the current year		13,00,000	7,95,000
Deferred Tax		19,07,970	11,96,080
Profit after tax		32,76,863	21,09,681
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted	26	1.66	1.07
Significant Accounting Policies			
Notes on Financial Statements			
	1 to 30		

As per our report of even date

For **Rajendra & Co.**
Registration No.108355W
Chartered Accountants

sd/-
Akshay R. Shah
Partner
Membership No.103316
Place: Mumbai
Dated: 27th May, 2013

For and on behalf of the Board

sd/-
Nand Khemani
Managing Director

sd/-
Ashok Khemani
Director

Place: Mumbai
Dated: 27th May, 2013

sd/-
Kumar Nathani
Director

BLUE CHIP TEX INDUSTRIES LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	2012 - 2013 ₹	2011 - 2012 ₹
A. Cash flow from Operating Activities		
Profit before Tax	64,84,833	41,00,761
Adjustment for:		
Depreciation	1,10,07,914	64,08,411
Provision for Gratuity and Leave encashment	57,667	(420)
Share of Loss from Partnership Firm	1,43,719	1,25,312
Loss on sale of Long term investments	2,95,766	1,20,133
Loss on fixed assets discarded	—	7,73,908
Interest Received	(8,84,154)	(5,85,351)
Interest Paid to a Partnership firm	23,87,344	7,49,232
Interest Paid	1,14,16,962	59,57,569
Bad debts and other debit balances written off (Net)	11,512	13,240
Dividend Received	(48,828)	(2,41,126)
Operating Profit before Working Capital Changes	3,08,72,735	1,74,21,669
Adjustment for:		
Inventories	48,90,220	(1,70,70,987)
Trade and other receivables	82,97,429	(2,82,30,764)
Trade and other payables	(3,57,03,985)	4,43,24,267
Cash generated in Operations	83,56,399	1,64,44,185
Income taxes paid	(19,57,930)	(7,62,860)
Net Cash inflow from Operating Activities (A)	63,98,469	1,56,81,325
B. Cash flow from Investing Activities		
Purchase of investments (mutual fund)	—	(24,00,000)
Proceeds from Long Term investments	41,04,234	23,79,867
Withdrawals from a Firm	3,32,75,000	25,00,000
Purchase of fixed assets	(1,22,91,389)	(8,60,17,541)
Interest received	8,84,154	5,85,351
Dividend received	48,828	2,41,126
Net Cash used in Investing Activities (B)	2,60,20,827	(8,27,11,197)
C. Cash flow from Financing Activities		
Proceeds from secured loan	12,80,000	7,17,66,304
Repayment of secured loan	(2,11,98,637)	(5,88,405)
Dividend paid (Including tax on dividend)	(15,71,173)	(16,63,341)
Interest paid	(1,14,16,962)	(59,57,569)
Net Cash inflow from Financing Activities (C)	(3,29,06,772)	6,35,56,989
Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(4,87,476)	(34,72,883)
Cash and cash equivalents at the beginning of the year	96,86,040	1,31,58,923
Cash and cash equivalents at the end of the year	91,98,564	96,86,040

NOTES TO CASH FLOW STATEMENT

- The Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS 3 Revised) "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- Previous years figures have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.

As per our report of even date

For and on behalf of the Board

For **Rajendra & Co.**
Registration No.108355W
Chartered Accountants

sd/-
Nand Khemani
Managing Director

sd/-
Akshay R. Shah
Partner
Membership No.103316
Place: Mumbai
Dated: 27th May, 2013

sd/-
Ashok Khemani
Director

sd/-
Kumar Nathani
Director

Place: Mumbai
Dated: 27th May, 2013

SIGNIFICANT ACCOUNTING POLICIES

a) Basis for preparation of accounts:

The Financial Statements have been prepared on accrual basis and on historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

b) Use of Estimates:

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised.

c) Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. All costs including cost of financing till commencement of commercial production are capitalised.

d) Depreciation:

Depreciation on furniture is provided on written down value basis and on all other assets on straight-line basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

e) Investments:

Investments classified as Long-Term Investments are stated at cost. Provision is made to recognise a decline, other than temporary, in the value of investments.

f) Inventories:

Items of Inventories are valued as under:

I. Packing Material and Oil :

At cost, on First-in-first-out (FIFO) basis or net realisable value, whichever is lower.

II. Raw Materials:

At cost, on FIFO basis or net realisable value, whichever is lower.

III. Finished Goods (manufactured):

At cost which includes cost of raw materials determined on FIFO basis plus appropriate share of overhead expenses or net realisable value, whichever is lower.

IV. The stock of stores and spares is charged to revenue in the year of purchase and no adjustment is made for such stocks, if any, at the year end.

g) Employee Benefits :

Short term Employee Benefits are recognised as an Expense at the undiscounted amount in the Profit & Loss Account of the year in which related service is rendered. Post employment and other

BLUE CHIP TEX INDUSTRIES LTD.

long term employee benefits are recognised as expense in the Profit & Loss Account for the year in which the Employees have rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques.

h) Income taxes:

Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", (AS 22) issued by The Institute of Chartered Accountants of India. Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities using the applicable tax rates. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured at relevant enacted or substantially enacted tax rates. At each Balance sheet date, the company reassesses unrealised deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

i) Revenue Recognition:

- Revenue on sale of products is recognised when the products are despatched to the customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. The sales are stated net of returns.
- Revenue from sale of power produced on generation of electrical energy is accounted when electricity is delivered at the metering point in terms of power purchase agreement with the customer.
- Revenue in respect of insurance or other claims, quantity discount on purchase, interest etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

j) Provisions, Contingent liabilities and Contingent assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised, but are disclosed in the Notes. Contingent assets are neither recognised nor disclosed in the financial statements.

k) Impairment of Assets:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

l) Borrowing costs:

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

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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Previous year figures have been regrouped / reclassified , wherever necessary to conform to the current year presentation.

Note No.

1 SHARE CAPITAL:

	As at 31 st March, 2013		As at 31 st March, 2012	
	₹	₹	₹	₹
Authorised Share Capital				
25,00,000 (25,00,000) Equity Shares of ₹10 each		<u>2,50,00,000</u>		<u>2,50,00,000</u>
		<u>2,50,00,000</u>		<u>2,50,00,000</u>
Issued, Subscribed and Paid up				
19,70,500 (19,70,500) Equity Shares of ₹10 each fully paid up	1,97,05,000		1,97,05,000	
Add: Forfeited Shares	<u>50,450</u>		<u>50,450</u>	
		<u>1,97,55,450</u>		<u>1,97,55,450</u>
TOTAL		<u>1,97,55,450</u>		<u>1,97,55,450</u>

- 1.1 All the equity shares carry equal rights and obligations including for dividend and with respect to voting.
- 1.2 The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31 st March, 2013		As at 31 st March, 2012	
	No.of Shares	% held	No.of Shares	% held
	1 Beekaylon Synthetics Private Limited	4,88,988	24.82	4,88,988
2 Indotex Export House Private Limited	2,08,300	10.57	2,08,300	10.57
3 Sangam Syntwist Textile Private Limited	1,62,100	8.23	1,62,100	8.23

2 RESERVES AND SURPLUS:

	As at 31 st March, 2013		As at 31 st March, 2012	
	₹	₹	₹	₹
Capital Reserve No.1				
(Central Government Investment subsidy for unit in Backward Area)				
As per last Balance sheet		25,00,000		25,00,000

BLUE CHIP TEX INDUSTRIES LTD.

	As at 31 st March, 2013		As at 31 st March, 2012	
	₹	₹	₹	₹
Capital Reserve No.2 (Amount forfeited on equity shares warrants)				
As per last Balance sheet		15,600		15,600
Securities Premium				
As per last Balance sheet		33,80,363		33,80,363
General Reserve				
As per last Balance sheet		29,57,829		29,57,829
Profit and Loss Account				
As per last Balance sheet	1,24,59,757		1,20,67,699	
Add : Profit for the year	32,76,863		21,09,681	
	<u>1,57,36,620</u>		<u>1,41,77,380</u>	
Less: Appropriations				
Proposed Dividend on Equity Shares [Dividend per share ₹0.90 (Previous year ₹0.75)]	17,73,450		14,77,875	
Tax on Dividend	3,01,398	1,36,61,772	2,39,748	1,24,59,757
TOTAL		<u><u>2,25,15,564</u></u>		<u><u>2,13,13,549</u></u>
3 LONG TERM BORROWINGS:				
		As at		As at
		31 st March, 2013		31 st March, 2012
		₹		₹
Secured				
Term Loans - From Banks	5,23,43,658		6,24,99,908	
Less : Short Term Maturities of Term Loans	<u>(93,75,000)</u>	4,29,68,658	<u>(93,75,000)</u>	5,31,24,908
Secured Vehicle Loans	11,41,050		1,58,147	
Less : Short Term Maturities of Vehicle Loans	<u>(4,07,613)</u>	7,33,437	<u>(1,58,147)</u>	—
TOTAL		<u><u>4,37,02,095</u></u>		<u><u>5,31,24,908</u></u>
3.1 Term Loans from Axis Bank Ltd.				
Term Loans from Axis Bank Ltd. aggregating to ₹ 5,23,43,658/- (Previous Year ₹ 6,24,99,908/-) is secured by Primary Security: Extension of first charge on entire current assets of the company, both present and future.				
Collateral Security : Extension of first charge of the entire fixed assets of the company including equitable mortgage of land, building & including other immovable assets of the factory unit at Plot No.63-B (Approx.2000 sq.mtr. out of total plot area of 6822.50 sq.mtrs. On which the company is constructing factory building). Exclusive first charge over the entire movable/immovable assets of the wind power project at Thungavi.				

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- 3.2 Personal guarantee of the two directors of the company.
 3.3 Pledge of promoters equity shares at 30% of the total shareholding.
 3.4 Repayment Schedule and Rate of interest of Term Loans from Axis Bank Ltd. as set out below :

Repayment Schedule				
Year	2014-15	2015-16	2016-17	2017-18
₹	93,75,000	96,35,417	1,25,00,004	1,14,58,237
Rate of Interest	13.50%	13.50%	13.50%	13.50%

- 3.5 Vehicle Loan is secured by Specific Vehicle.
 3.6 Repayment Schedule and Rate of interest of Term Loan for Vehicles as set out below :

Repayment Schedule		
Year	2014-15	2015-16
₹	4,32,711	3,00,726
Rate of Interest	5.99%	5.99%

4 DEFERRED TAX LIABILITIES (NET)

	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
Deferred Tax Liabilities		
Related to fixed assets	78,09,188	73,05,392
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961 and unabsorbed loss	17,44,019	31,48,193
TOTAL	60,65,169	41,57,199

5 LONG TERM PROVISIONS:

Provision for Gratuity	53,002	9,628
TOTAL	53,002	9,628

6 SHORT TERM BORROWINGS:

Secured #		
Bank Overdraft - Working capital loans	1,53,51,221	2,60,96,511
TOTAL	1,53,51,221	2,60,96,511

Primary Security: Extension of first charge on entire current assets of the company, both present and future.

Collateral Security : Extension of first charge of the entire fixed assets of the company including equitable mortgage of land, building & including other immovable assets of the factory unit at Plot No.63-B (Approx.2000 sq.mtr. out of total plot area of 6822.50 sq.mtrs. On which the company is constructing factory building).

Exclusive first charge over the entire movable/immovable assets of the wind power project at Thungavi.

Personal guarantee of the two directors of the company.

Pledge of promoters equity shares at 30% of the total shareholding.

BLUE CHIP TEX INDUSTRIES LTD.

	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
7 TRADE PAYABLES:		
Micro, Small and Medium enterprises *	—	—
Others #	62,86,634	4,24,25,451
TOTAL	62,86,634	4,24,25,451

* The company has not received intimation from suppliers regarding the status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Includes ₹ 14,76,688/- (Previous year ₹ 3,12,86,695/- payable to a related party - Beekaylon Synthetics Private Limited. [Refer Note No.27]

8 OTHER CURRENT LIABILITIES:		
Current Maturities of Long Term Loans (Secured) (Refer Note No.3)	93,75,000	93,75,000
Current Maturities of Vehicle Loan (Secured) (Refer Note No.3)	4,07,613	1,58,147
Unclaimed dividend *	6,82,504	5,36,054
Due to a firm wherein the Company is a Partner (Refer Note No. 27 and 29)	5,03,63,171	1,45,57,108
Other Payables **, #	64,91,911	57,78,142
TOTAL	6,73,20,199	3,04,04,451

* These figures do not include any amounts due and outstanding to be credited to Investor Education and Protection Fund.

** Includes ₹ 5,00,000/- (Previous Year ₹ 5,00,000/-) due to related party (Refer Note No. 27)

Includes mainly statutory dues, security deposits and advances from customers

9 SHORT TERM PROVISIONS:		
Provision for Leave Encashment	14,950	657
Proposed dividend	17,73,450	14,77,875
Tax on dividend	3,01,398	2,39,748
Provision for tax (Net of Advance Tax paid)	3,736	6,61,666
TOTAL	20,93,534	23,79,946

Notes No. 10

FIXED ASSETS (AT COST)

(Amount in ₹)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01.04.2012	ADDITIONS	DEDUCTIONS	AS ON 31.03.2013	AS ON 01.04.2012	FOR THE YEAR	UPTO 31.03.2013	AS ON 31.03.2013	AS ON 31.03.2012
TANGIBLE ASSETS									
FREE HOLD LAND	45,22,633	—	—	45,22,633	—	—	—	45,22,633	45,22,633
BUILDINGS	4,97,32,006	60,39,901	—	5,57,71,907	39,85,121	17,15,923	57,01,044	5,00,70,863	4,57,46,885
PLANT AND MACHINERY	7,35,29,125	49,48,834	—	7,84,77,959	98,90,018	78,29,848	1,77,19,866	6,07,58,093	6,36,39,107
FACTORY EQUIPMENT	4,75,655	—	—	4,75,655	4,51,873	—	4,51,873	23,782	23,782
ELECTRICAL INSTALLATIONS	1,08,62,835	15,07,888	—	1,23,70,723	14,11,071	11,36,238	25,47,309	98,23,414	94,51,764
COMPUTER	1,39,500	—	—	1,39,500	25,236	22,614	47,850	91,650	1,14,264
FURNITURE AND FIXTURES	7,81,877	—	—	7,81,877	3,21,257	83,373	4,04,630	3,77,247	4,60,620
VEHICLE	19,12,627	16,49,856	—	35,62,483	4,73,913	2,19,918	6,93,831	28,68,652	14,38,714
TOTAL	14,19,56,258	1,41,46,479	—	15,61,02,737	1,65,58,489	1,10,07,914	2,75,66,403	12,85,36,334	12,53,97,769
PREVIOUS YEAR	3,36,90,697	11,16,84,384	34,18,823	14,19,56,258	1,27,94,993	64,08,411	26,44,915	12,53,97,769	—
Capital Work in Progress									3,04,382

10.1 The Company holds 10 (Previous year: 10) Equity shares of face value of ₹ 1,000 each in Danudyog Sahakari Sangh Ltd in respect of ownership of Land, cost of which is included in "Land (Free hold)".

10.2 Plant and Machinery includes Windmill.

BLUE CHIP TEX INDUSTRIES LTD.

	As at		As at	
	31st March, 2013		31st March, 2012	
	₹	₹	₹	₹
11 NON CURRENT INVESTMENTS:				
(Long Term Investments)				
(i) Trade Investments (Unquoted)				
Investment in Partnership Firm				
Jay Gee Rayons (Refer Note 27 and 29)		4,500		4,500
(ii) Other Investments				
Investment in Mutual Fund (Unquoted)				
Nil (Previous year 33,363.360) units of Hdfc Prudence Fund - Div Payout	—		10,00,000	
Nil (Previous year 12,593.507) units of Reliance Phama Fund - Dividend Plan	—		5,00,000	
Nil (Previous year 8,781.173) units of SBI-Magnum Multiplier Plus Scheme - 93-Dividend	—		5,00,000	
Nil (Previous year 84,647.599) units of Hdfc Cash Management Fund - Treasury Advantage Plan	—		19,00,000	
Nil (Previous year 34,866.288) units of Idfc Sterling Equity Fund - Div.	—		5,00,000	
		—		44,00,000
TOTAL		4,500		44,04,500

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	As at 31 st March, 2013	As at 31 st March, 2012
	₹	₹
12 LONG TERM LOANS AND ADVANCES:		
(i) Capital advances	—	15,50,708
(ii) Security Deposits	1,42,500	1,42,500
(iii) Other Loans and Advances #	87,55,163	89,13,471
TOTAL	88,97,663	1,06,06,679
# Includes mainly VAT Refund Receivable.		
13 INVENTORIES (As valued, verified and certified by the management)		
(i) Raw materials	51,64,422	70,82,097
(ii) Finished goods	82,45,526	1,02,56,074
(iii) Packing materials and oil	13,17,082	22,79,079
TOTAL	1,47,27,030	1,96,17,250
14 TRADE RECEIVABLES:		
(Unsecured and Considered Good)		
Over six months	2,83,019	5,08,830
Other debts #	2,03,09,115	2,83,81,935
TOTAL	2,05,92,134	2,88,90,765
# Includes ₹ 9,80,929/- (Previous year ₹ 7,22,617/-) from related party - Beekaylon Synthetics Private Limited. [Refer Note No.27]		
15 CASH AND CASH EQUIVALENTS:		
(i) Balances with banks		
(a) Current accounts - unclaimed dividend accounts	6,82,504	5,36,053
(b) Current accounts	35,40,474	42,36,581
(c) Fixed deposits accounts @ #	49,55,000	91,77,978
(ii) Cash on hand	20,586	8,406
TOTAL	91,98,564	96,86,040

@ Fixed deposit receipt of ₹ 13,30,000 (Previous year ₹ 13,30,000) of Dena Bank Ltd. pledged as margin money under bank's lien for guarantee given by the bank on behalf of the Company and Fixed deposit receipt of ₹ 36,25,000 (Previous year ₹ 35,75,000) of Axis Bank Ltd. pledged towards DSR money under bank's lien for term loan given by bank to the company.

Fixed Deposits with Bank includes ₹ 15,05,000 (Previous Year ₹ 15,05,000) with maturity of more than 12 months.

BLUE CHIP TEX INDUSTRIES LTD.

	As at 31 st March, 2013		As at 31 st March, 2012	
	₹	₹	₹	₹
16 SHORT TERM LOANS AND ADVANCES:				
Others #		11,86,643		7,59,708
		<u>11,86,643</u>		<u>7,59,708</u>
# Includes mainly Prepaid expenses and Advances to Suppliers				
17 REVENUE FROM OPERATIONS:				
(a) Sale of Products				
Texturised and Twisted Yarn [Refer Note No.27]	54,19,13,795		48,19,11,460	
Power	<u>11,63,489</u>	<u>54,30,77,284</u>	<u>9,78,277</u>	48,28,89,737
(b) Sale of Services				
Job Work Income [Refer Note No.27]		<u>70,04,943</u>		<u>45,26,816</u>
		<u>55,00,82,227</u>		<u>48,74,16,553</u>
TOTAL		<u><u>55,00,82,227</u></u>		<u><u>48,74,16,553</u></u>
18 OTHER INCOME:				
Interest Income		8,84,154		5,85,351
Dividend Income - (On Long Term Investments)		48,828		2,41,126
Loss on sale of Long Term Investments (Net)		(2,95,766)		(1,20,133)
Sundry Income - (Scrap sale)		32,927		—
Rent Income [Refer Note No.27]		12,25,500		4,50,000
Sundry Balances written back		1,776		—
TOTAL		<u><u>18,97,419</u></u>		<u><u>11,56,344</u></u>
19 COST OF MATERIAL CONSUMED (Indigenous):				
Yarn				
Opening Stock		70,82,097		8,03,765
Add: Purchases during the year [Refer Note No.27]		44,20,26,337		43,32,30,649
Less: Closing Stock		<u>51,64,422</u>		<u>70,82,097</u>
TOTAL		<u><u>44,39,44,012</u></u>		<u><u>42,69,52,317</u></u>
20 CHANGES IN INVESTORIES OF FINISHED GOODS:				
Inventories - at close				
Finished Goods		82,45,526		1,02,56,074
Inventories - at commencement				
Finished Goods		<u>1,02,56,074</u>		<u>15,17,043</u>
TOTAL		<u><u>20,10,548</u></u>		<u><u>(87,39,031)</u></u>

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	As at 31 st March, 2013		As at 31 st March, 2012	
	₹	₹	₹	₹
21 EMPLOYEE BENEFITS EXPENSE:				
(a) Salaries and Wages (Refer Note No.27 ₹ 7,80,000 paid to directors)	40,87,848		12,15,144	
(b) Contribution to Provident Fund & Other Funds	86,795		—	
(c) Staff Welfare Expenses	15,495		6,095	
TOTAL	41,90,138		12,21,239	
21.1 As per Accounting standard – 15 “Employees Benefits” the disclosure of Employees benefits as defined in the Accounting Standard are given below:				
Defined Contribution Plan :				
The Provisions of Employees Provident Fund Act, 1952 is applicable to the Company from 1st April 2012. Employees contribution to Provident Fund and other Funds ₹ 86,795 charged to Profit & Loss account.				
Defined benefits Plan (Non funded) :				
The liability in respect of Gratuity has been provided based on the Actuarial valuation. The liability at the beginning of the year was ₹ 9,628. Current Service Cost is ₹ 43,374 and liability at the end of the year is ₹ 53,002. The same have been provided for by way of charge to Profit & Loss account.				
The liability in respect of Leave Encashment has been provided based on the Actuarial valuation. The liability at the beginning of the year was ₹ 657. Current Service Cost is ₹ 14,293 and liability at the end of the year is ₹ 14,950. The same have been provided for by way of charge to profit & Loss account.				
22 FINANCE COST:				
Interest Expenses	1,38,04,306		67,06,801	
Other Borrowing Costs	1,08,759		8,22,810	
TOTAL	1,39,13,065		75,29,611	
22.1 Interest expenses includes ₹ 46,54,262 (Previous year ₹ 7,49,232) to a related party - [Refer Note No.27]				
23 OTHER EXPENSES:				
(a) Manufacturing expenses				
Packing materials [Refer Note No.27]	1,58,93,815		1,54,15,727	
Stores, Spares and Oil consumed	1,72,34,773		1,49,30,111	
Power and fuel	2,03,00,145		92,95,351	
Contract labour charges/Job work charges [Refer Note No.27]	50,74,004		40,60,114	
Repairs to Building	16,73,894		1,54,216	
Repairs to Plant and Machinery	27,88,394		25,38,668	
Rent [Refer Note No.27]	54,000		12,000	
Rates and taxes	14,263		13,849	
Insurance [Refer Note No.27]	1,00,194	6,31,33,482	55,729	4,64,75,765

BLUE CHIP TEX INDUSTRIES LTD.

	As at		As at	
	31 st March, 2013		31 st March, 2012	
	₹	₹	₹	₹
(b) Establishment Expenses				
Payment to Auditors [Refer Note No.25]	1,89,158		1,74,158	
Directors sitting fees [Refer Note No.27]	5,492		8,000	
Loss on sale / discard of Assets	—		7,73,908	
Share of Loss from a Partnership Firm [Refer Note No.27 and 29]	1,43,719		1,25,312	
Miscellaneous expenses [Refer Note No.27 for security charges paid to related party]	20,03,020	23,41,389	11,38,689	22,20,067
(c) Selling and Distribution Expenses				
Brokerage and Commission	47,64,327		21,11,267	
Business Promotion Expenses	—		25,331	
Freight Charges	1,89,938	49,54,265	2,67,159	24,03,757
TOTAL		7,04,29,136		5,10,99,589

24 VALUE OF STORES (INCLUDING OIL) AND PACKING MATERIALS CONSUMED:

	As at		As at	
	31 st March, 2013		31 st March, 2012	
	₹	%	₹	%
Imported	—	—	—	—
Indigenous	3,31,28,588	100%	3,03,45,838	100%
TOTAL	3,31,28,588	100%	3,03,45,838	100%

25 PAYMENT TO AUDITORS AS:

	F.Y. 2012-13	F.Y. 2011-12
(a) Auditor		
Statutory Audit Fees	1,40,450	1,40,450
Tax Audit Fees	33,708	33,708
(b) Cost Audit Fees	15,000	—
TOTAL	1,89,158	1,74,158

26 EARNING PER SHARE:

	F.Y. 2012-13	F.Y. 2011-12
a. Net Profit after tax		
Profit attributable to Equity Shareholders	32,76,863	21,09,681
b. Weighted average number of Equity Shares	19,70,500	19,70,500
c. Nominal value of Equity Shares	10	10
d. Earning per Share (Basic and diluted)	1.66	1.07

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27 RELATED PARTY DISCLOSURES:

- a) Names of related parties and description of relationship:
- i. Key Management Personnel : Mr. Nand K. Khemani
Mr. Ashok K. Khemani
Mr. Kumar Nathani
Mr. Anil Mandhana
Mr. Rahul A. Khemani
Mr. Shahin N. Khemani
- ii. Others (Entities in which Key Management Personnel have control or significant influence)
Beekaylon Synthetics Private Limited
Indo Leather Works
Jay Gee Rayons

b) Transactions with related parties :

Sr. No.	Nature of Transactions	Others (₹)	Key Management Personnel and Relatives (₹)	Total (₹)
1	Security Deposit Received Balance as at 31st March, 2013	5,00,000 (5,00,000)	Nil (Nil)	5,00,000 (5,00,000)
2	Rent Received on Factory Building Beekaylon Synthetics Pvt. Ltd.	12,25,500 (4,50,000)	Nil (Nil)	12,25,500 (4,50,000)
3	Rent Paid Indo Leather Works	54,000 (12,000)	Nil (Nil)	54,000 (12,000)
4	Insurance Premium (Reimbursed) Beekaylon Synthetics Pvt. Ltd.	1,54,651 (1,29,018)	Nil (Nil)	1,54,651 (1,29,018)
5	Purchase of raw materials and goods Beekaylon Synthetics Pvt. Ltd.	35,52,33,485 (36,03,91,509)	Nil (Nil)	35,52,33,485 (36,03,91,509)
6	Job Work Charges Beekaylon Synthetics Pvt. Ltd.	10,81,995 (2,75,672)	Nil (Nil)	10,81,995 (2,75,672)
7	Packing Material (Purchased) Beekaylon Synthetics Pvt. Ltd.	12,32,930 (Nil)	Nil (Nil)	12,32,930 (Nil)
8	Security Charges (Reimbursed) Beekaylon Synthetics Pvt. Ltd.	5,98,304 (Nil)	Nil (Nil)	5,98,304 (Nil)

BLUE CHIP TEX INDUSTRIES LTD.

Sr. No.	Nature of Transactions	Others (₹)	Key Management Personnel and Relatives (₹)	Total (₹)
9	Packing Material (Sales) Beekaylon Synthetics Pvt. Ltd.	12,89,637 (Nil)	Nil (Nil)	12,89,637 (Nil)
10	Sale of goods Beekaylon Synthetics Pvt. Ltd.	2,01,37,030 (2,45,75,918)	Nil (Nil)	2,01,37,030 (2,45,75,918)
11	Job Work (Income) Beekaylon Synthetics Pvt. Ltd.	70,96,794 (45,26,816)	Nil (Nil)	70,96,794 (45,26,816)
12	Remuneration to Director Rahul A. Khemani	Nil (Nil)	2,40,000 (2,40,000)	2,40,000 (2,40,000)
	Shahin N. Khemani	Nil (Nil)	5,40,000 (5,40,000)	5,40,000 (5,40,000)
13	Sitting Fees Ashok Khemani	Nil (Nil)	Nil (2,000)	Nil (2,000)
	Anil Mandhana	Nil (Nil)	1,000 (1,000)	1,000 (1,000)
	Kumar Nathani	Nil (Nil)	4,000 (5,000)	4,000 (5,000)
14	Interest Paid Beekaylon Synthetics Pvt. Ltd.	22,66,918 (Nil)	Nil (Nil)	22,66,918 (Nil)
15	Interest to Partnership Firm Jay Gee Rayons	23,87,344 (7,49,232)	Nil (Nil)	23,87,344 (7,49,232)
16	Share of Loss from Partnership Firm Jay Gee Rayons	1,43,719 (1,25,312)	Nil (Nil)	1,43,719 (1,25,312)
17	Balance Recoverable /Receivable Beekaylon Synthetics Pvt. Ltd.	9,80,929 (7,22,617)	Nil (Nil)	9,80,929 (7,22,617)
18	Balance Payable Beekaylon Synthetics Pvt. Ltd.	14,76,688 (3,12,86,695)	Nil (Nil)	14,76,688 (3,12,86,695)
19	Investment in Partnership Firm Jay Gee Rayons	4,500 (4500)	Nil (Nil)	4,500 (4500)
20	Withdrawals during the year	3,32,75,000 (25,00,000)	Nil (Nil)	3,32,75,000 (25,00,000)
21	Balance as at 31 st March, 2013 Payable	5,03,63,170 (1,45,57,108)	Nil (Nil)	5,03,63,170 (1,45,57,108)

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- 27.1 Related party relationship is as identified by the management and relied upon by the Auditors.
 27.2 Previous year figures are given in brackets.
 27.3 Amount does not includes service tax paid under Reverse Charge Mechanism during the year 2012-13.

28 CONTINGENT LIABILITIES AND COMITMENTS:

(To the extent not provided for)

(i) In respect of Disputed Income Tax Liabilities/Demand :

	F.Y. 2012-13	F.Y. 2011-12
Disputed Income Tax liability of assessment year 2005-06	—	77,872
Disputed Income Tax liability of assessment year 2009-10	4,38,920	4,63,702
Disputed Income Tax liability of assessment year 2010-11	3,71,690	9,89,201
Disputed Income Tax liability of assessment year 2011-12	2,82,270	—
(ii) Custom Duty in respect of future export obligation in accordance with EXIM Policy	86,57,406	—
(iii) Commitments		
Estimated amount of contracts remaining to be executed on capital accounts and not provided for. (net of advances)	—	1,16,080

29 PARTICULARS ABOUT INVESTMENT IN PARTNERSHIP FIRM:

Name of the Firm - Jay Gee Rayons

As at 31.03.2013				
Name of the Partners	Fixed Capital Account ₹	Current Capital Account ₹	Total Capital Account ₹	Share of Profit/Loss of each Partner
M/s.Beekeylon Synthetics Pvt. Ltd.	5,000	4,82,41,769	4,82,46,769	10%
M/s.Bluechip Tex Industries Ltd.	4,500	(5,03,63,171)	(5,03,58,671)	9%
M/s.Indotex Export House Pvt. Ltd.	4,500	44,90,965	44,95,465	9%
M/s.Sangam Syntwist Textile Pvt. Ltd.	4,500	1,08,41,986	1,08,46,486	9%
Mr. Roop K.Khemani	4,500	(1,07,125)	(1,02,625)	9%
Mr. Nand K. Khemani	4,500	(1,07,125)	(1,02,625)	9%
Mr. Ashok K. Khemani	4,500	(1,07,070)	(1,02,570)	9%
Mr. Rahul A. Khemani	4,500	(1,07,070)	(1,02,570)	9%
Mr. Ramesh R. Khemani	4,500	(1,07,070)	(1,02,570)	9%
Mr. Shahin N. Khemani	4,500	(1,07,070)	(1,02,570)	9%
Mr. Siddharth A. Khemani	4,500	(1,07,070)	(1,02,570)	9%
Total	50,000	1,24,61,949	1,25,11,949	

BLUE CHIP TEX INDUSTRIES LTD.

As at 31.03.2012				
Name of the Partners	Fixed Capital Account ₹	Current Capital Account ₹	Total Capital Account ₹	Share of Profit/Loss of each Partner
M/s.Beekeylon Synthetics Pvt. Ltd.	5,000	1,35,60,568	1,35,65,568	10%
M/s.Bluechip Tex Industries Ltd.	4,500	(1,45,57,108)	(1,45,52,608)	9%
M/s.Indotex Export House Pvt. Ltd.	4,500	42,87,045	42,91,545	9%
M/s.Sangam Syntwist Textile Pvt. Ltd.	4,500	82,83,952	82,88,452	9%
Mr. Roop K.Khemani	4,500	34,522	39,022	9%
Mr. Nand K. Khemani	4,500	34,522	39,022	9%
Mr. Ashok K. Khemani	4,500	34,574	39,074	9%
Mr. Rahul A. Khemani	4,500	34,575	39,075	9%
Mr. Ramesh R. Khemani	4,500	34,575	39,075	9%
Mr. Shahin N. Khemani	4,500	34,575	39,075	9%
Mr. Siddharth A. Khemani	4,500	34,575	39,075	9%
Total	50,000	1,18,16,375	1,18,66,375	

30.1 Previous year's figures are given in brackets and regrouped /rearranged wherever necessary.

30.2 The Company's main business segment is manufacturing of polyester yarn. Hence there are no separate reportable segments as per Accounting Standard 17 "Segment Reporting"- AS17.

As per our report of even date

For **Rajendra & Co.**
Registration No.108355W
Chartered Accountants

sd/-
Akshay R. Shah
Partner
Membership No.103316

Place: Mumbai
Dated: 27th May, 2013

For and on behalf of the Board

sd/-
Nand Khemani
Managing Director

sd/-
Ashok Khemani
Director

sd/-
Kumar Nathani
Director

Place: Mumbai
Dated: 27th May, 2013

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BLUE CHIP TEX INDUSTRIES LIMITED

Regd. Office : 9, Jasville, 9, New Marine Lines, Mumbai 400 020
Tel. : 91-22-43530400 * Email : bluechiptex@gmail.com * Fax : 91-22-22006437

June 1, 2013.

Important and Urgent

Dear Shareholder,

Sub: Usage of electronic payment modes for payment of dividend to the Investors

Securities and Exchange Board of India (SEBI) vide its Circular no. CIR/MRD/DP/10/2013 dated 21st March 2013 has stipulated that all listed Companies shall use approved electronic mode of payment, viz., ECS, NECS, NEFT, etc. for the purpose of making payments to Shareholders.

It is observed from our records that your Bank Account No. with 9-digit MICR Code (either Bank Account No. or 9-digit MICR No. or both) has not been updated. We request you to please do the following to comply with the aforesaid SEBI Circular :

1. If you are holding Shares in electronic mode, please approach your Depository Participant (D.P.) and update your complete Bank Account No. and 9-digit MICR Code No. to facilitate payments, if any, in electronic mode.
2. If you are holding Shares in physical mode, please write to our Share Transfer Agent, M/s Bigshare Services Pvt. Ltd., Unit : Blue Chip Tex Industries Ltd., E/2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072, and send the following :
 - a. A letter for updating Bank Account No., with 9-digit MICR No. (format attached),
 - b. A self-attested copy of your PAN Card, and
 - c. Original "cancelled" cheque of your Bank Account (to capture correct Bank account details)
 - d. In case the first Holder's name is not printed on the cheque, please also forward a self-attested photocopy of the first page of your Bank Pass Book where the First Holder's name and other details are mentioned

Please note that the said Circular also stipulates that, in the absence of necessary Bank details for making electronic payment, it is mandatory on the part of the Companies to print Bank account details of the investor on the physical payment instrument.

- The required documents can be either despatched to our registered address or to our Registrar and Transfer Agents' address i.e. Bigshare Services Pvt Ltd, E-2/3 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai 400 072 to reach us/them before 5th August 2013
- **If a first holder has several Folios with same/different joint holders, and the Bank details to be provided are the same in all the Folios, only one copy of the supporting documents needs to be sent, with all the folios mentioned against the same.**

We seek your co-operation to receive your Bank details urgently for updating our records.

Thanking you,

Yours faithfully,

For **Blue Chip Tex Industries Ltd.**,

Nand K. Khemani
Managing Director

BLUE CHIP TEX INDUSTRIES LTD.

Shareholder's authorization to receive Dividends through Electronic Credit Clearing Mechanism

Unit : Blue Chip Tex Industries Limited

Registered Folio No. :

Name of the First/Sole Shareholder :

Telephone Number of Shareholder :

Email ID of Shareholder :

Name of Bank :

Address and Telephone No. of Bank Branch :

Branch Code :

Bank Account Number :

(as appearing on the cheque)

Account type :

9-digit code number of the Bank and Branch :

appearing on the MICR cheque issued by the Bank
(please attach a blank cancelled cheque for
verification of the above Bank Particulars)

I hereby declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reason, including, but not limited to, incomplete or incorrect information, I will not hold the Company/ RTA responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

I further undertake to inform the Company of any subsequent change/s in the above particulars.

Signature of the First Holder

Place :

Date:

Note : Please fill in the information in CAPITAL LETTERS in ENGLISH ONLY.

Shareholders holding the Equity Shares in demat form are requested to provide the above details to their respective Depository Participants.

ATTENDANCE SLIP

BLUE CHIP TEX INDUSTRIES LIMITED

Registered Office : 'Jasville', Opp. Liberty Cinema, 9, New Marine Lines, Mumbai 400 020.

(PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE VENUE OF THE MEETING)

I hereby record my presence at the Annual General Meeting of the Shareholders of the Company being held on Wednesday, 21st August 2013 at 10 a.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400 023.

Name of the Shareholder / Proxy *	No. of Shares held
Signature of Shareholder / Proxy *	Folio No. / D.P. I.D. & Client ID

•Strike out whichever is not applicable.

(Cut here)

PROXY FORM

BLUE CHIP TEX INDUSTRIES LIMITED

Registered Office : 'Jasville', Opp. Liberty Cinema, 9, New Marine Lines, Mumbai 400 020.

Folio No./D.P. ID & Client ID _____ No. of Shares held : _____

I/We _____ of _____ being a member/members of BLUE CHIP TEX INDUSTRIES LIMITED, hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, 21st August 2013 at 10 a.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400 023 or at the adjournment thereof.

Signed this _____ day of _____ 2013.

Affix a
Re.1/-
Revenue
Stamp.

Note : The Proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting. The proxy need not be a shareholder of the Company.

BOOK-POST

If Undelivered, please return to :
BLUE CHIP TEX INDUSTRIES LTD
Jasville, 2nd Floor,
Opp. Liberty Cinema,
9, New Marine Lines,
Mumbai 400 020.

aplusg99@gmail.com



Regd. & Adm. Office : 7 'JASVILE' Opp. Liberty Cinema, 9, New Marine Lines, Mumbai - 400 020.
 Tel.: 2200 0488 / 2200 5652 • Fax : 2200 6437 • E-mail: bklon@vsnl.com

Email: bluechiptex@gmail.com

Form A

FORMAT OF COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGE

1	NAME OF THE COMPANY	BLUE CHIP TEX INDUSTRIES LIMITED
2	ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED	31ST MARCH 2013
3	TYPE OF AUDIT OBSERVATION	UNQUALIFIED/MATTER OF EMPHASIS
4	FREQUENCY OF OBSERVATION	WHEATHER APPEARED for the first time ___/REPITITIVE___/SINCE HOW LONG PERIOD
5	TO BE SIGNED BY- CEO/MANAGING DIRECTOR CFO AUDITORS OF THE COMPANY AUDIT COMMITTEE CHAIRMAN	<p><i>N.K. Ichhe</i></p> <p><i>Asok Chavan</i></p> <p>RAJENDRA & CO.</p> <p><i>Akshay</i></p> <p>PARTNER AKSHAY R. SHAH</p> <p>27 MAY 2013</p> <p>N.A.</p> <p>Membership No. 103316 RAJENDRA & CO. CHARTERED ACCOUNTANTS 1311, DALAMAL TOWERS, 211, NARIMAN POINT, MUMBAI-400 021.</p>

For BLUE CHIP TEX INDUSTRIES LTD.

N.K. Ichhe

Managing Director