



25th Annual Report
2014-15

BLACK ROSE
INDUSTRIES LIMITED

CONTENTS	PAGE NO.
Corporate Information	1
Notice	2
Directors' Report <i>(Including Management Discussion and Analysis Report)</i>	8
Report on Corporate Governance	29
 STANDALONE FINANCIAL STATEMENTS	
Independent Auditors' Report <i>(Including Annexure to Auditors' Report)</i>	38
Balance Sheet	42
Statement of Profit and Loss	43
Cash Flow Statement	44
Notes to Financial Statements	46
 CONSOLIDATED FINANCIAL STATEMENTS	
Independent Auditors' Report	68
Balance Sheet	72
Statement of Profit and Loss	73
Cash Flow Statement	74
Notes to Financial Statements	76
Information on Subsidiary Company	100
Ballot Form	101
Proxy Form	103
Attendance Slip and Route Map to AGM	

CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. ATMARAM JATIA	:	DIRECTOR
MR. SHIVHARI HALAN	:	DIRECTOR
MR. ANUP JATIA	:	EXECUTIVE DIRECTOR
MR. SUJAY SHETH	:	DIRECTOR
MR. BASANT KUMAR GOENKA	:	DIRECTOR
MS. GARIMA TIBRAWALLA	:	DIRECTOR

COMPOSITION OF AUDIT COMMITTEE

MR. SHIVHARI HALAN
MR. SUJAY SHETH
MR. ANUP JATIA

COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

MR. SHIVHARI HALAN
MR. ANUP JATIA
MR. BASANT KUMAR GOENKA

COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

MR. SHIVHARI HALAN
MR. SUJAY SHETH
MR. BASANT KUMAR GOENKA

BANKERS

KOTAK MAHINDRA BANK LIMITED
YES BANK LIMITED
BANK OF BARODA

AUDITORS

MESSRS KARNAVAT & CO.,
CHARTERED ACCOUNTANTS
KITAB MAHAL,
192, DR. D.N. ROAD,
MUMBAI - 400 001.

PLANT

- 1) SHREE LAXMI CO-OP. INDUSTRIAL ESTATE LTD.
PLOT NO. 11 TO 18
HATKANANGALE - 416 109,
DIST. KOLHAPUR,
MAHARASHTRA.
- 2) PLOT NO. 675, GIDC,
JHAGADIA INDUSTRIAL ESTATE,
JHAGADIA - 393 110
DIST. BHARUCH,
GUJARAT.

CORPORATE IDENTITY NUMBER

L17120MH1990PLC054828

REGISTERED OFFICE ADDRESS

145/A, MITTAL TOWER, NARIMAN POINT,
MUMBAI - 400 021 MAHARASHTRA.

REGISTRAR & SHARE TRANSFER AGENTS

SATELLITE CORPORATE SERVICES PRIVATE LIMITED
B - 302, SONY APARTMENT,
OPP. ST. JUDE'S HIGH SCHOOL,
OFF. ANDHERI KURLA ROAD, JARIMARI, SAKINAKA,
MUMBAI - 400 072.

TEL: 022 2852 0461 / 62

FAX: 022 2851 1809

E-MAIL ID: service@satellitecorporate.com

COMPANY SECRETARY AND COMPLIANCE OFFICER

MR. C. P. VYAS

CONTACT DETAILS

Telephone: 022 - 4333 7200 / 4311 0100

Fax: 022 - 2287 3022 / 4311 0114

E-mail id: cs@texbrex.com

NOTICE

Notice is hereby given that Twenty Fifth Annual General Meeting of the members of the Company will be held on Tuesday, September 29, 2015 at 2:00 p.m. at Kilachand Conference Room, 2nd Floor, Indian Merchant Chambers', IMC Marg, Churchgate, Mumbai – 400 020, Maharashtra to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2015 and Balance Sheet as on that date together with the Report of Directors and Auditors thereon and the Consolidated Financials for the year ended 31st March, 2015 alongwith the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Anup Jatia, (DIN 00351425), who has consented to retire by rotation for compliance with the requirement of Section 152 of the Companies Act, 2013, and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Messrs Karnavat & Co., Chartered Accountants (ICAI Firm Registration Number 104863W) as approved by members at the Twenty Fourth Annual General Meeting, and to authorise Board of Directors to fix their remuneration for the financial year ending 31st March, 2016.

SPECIAL BUSINESS

4. Revision in Executive Director's Salary

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

"RESOLVED THAT in partial modification of the resolution no. 6 passed at the Annual General Meeting of the Company held on July 12, 2013 and pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including and statutory modification(s) or re-enactment thereof for the time being in force) the Company hereby approves the revision in terms of remuneration of Mr. Anup Jatia, Executive Director of the Company, by way of an increase in the maximum amount of his salary (including the remuneration to paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board or a Committee thereof to fix his salary within such maximum amount with effect from April 1, 2015, for the remainder of his term up to April 30, 2016, as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.

5. Re-appointment of Mr. Anup Jatia as Executive Director

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule V of the said Act, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Anup Jatia (DIN 00351425), as Executive Director of the Company for a period of five years commencing from May 1, 2016 at the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to alter or vary the scope of remuneration of Mr. Anup Jatia, Executive Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration committee from time to time as may be considered appropriate, subject to the overall limits specified by the resolution and the Companies Act, 2013.

RESOLVED FURTHER that any one Director or Company Secretary of the Company be and is hereby authorised to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

6. Appointment of Mrs. Garima Tibrawalla as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder, read with Schedule IV of the said Act, Mrs. Garima Tibrawalla (DIN 00203909) be and is hereby appointed as an Non – Executive Independent Director of the Company, not liable to retire by rotation, for a term of five (5) consecutive years.

7. Appointment Cost Auditors

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

“RESOLVED THAT pursuant to Section 148(3) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including and statutory modification(s) or re-enactment thereof for the time being in force) appointment of Messrs Poddar & Co., Cost Accountants (Firm Registration Number 101734) as the Cost Auditors of the Company to conduct audit of cost accounting records maintained by the Company for the year ending on 31st March, 2016, at a remuneration and other terms as may be determined by the Audit Committee and finalised by the Board of Directors of the Company be and is hereby approved.”

**By order of the Board
For Black Rose Industries Limited**

Place: Mumbai
Date: August 6, 2015

**C. P. Vyas
Company Secretary**

REGISTERED OFFICE:

145/A, Mittal Tower,
Nariman Point, Mumbai - 400021.

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company, provided a member holding more than 10%, of the total share capital may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
- Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours (forty – eight hours) before the time fixed for holding the meeting.
- Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
- The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business at item no. 4 to 7 of the Notice is annexed hereto.
- Pursuant to Clause 49 of the Listing Agreement, the details of the Directors seeking re-appointment/appointment at the ensuing Annual General Meeting are provided in the Corporate Governance Report.
- The Register of Members and the Share Transfer Books of the Company will remain close from Tuesday, September 22, 2015 to Tuesday, September 29, 2015 (both days inclusive).
- Those members who have so far not encashed their Dividend Warrants for the financial year 2010 – 2011, may claim or approach the Company's Share Transfer Agents for the payment thereof as the same will be transferred to the Investor Education and Protection Fund of the Central Government, pursuant to Section 125 of the Companies Act, 2013 on July 14, 2018.
- Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013 has mandated all Companies to use approved electronic mode of payment for making cash payments such as Dividend to the Members (where core banking details are available) or to print the bank account details of the members (as per the Company's records) on the physical payment instruments (in case where the core banking details are not available or electronic payment instructions have failed or rejected by the Bank).

Hence, the Members are requested to furnish/update their bank account name and branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with:

- The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;

- ii) The Registrar & Share Transfer Agents of the Company (R&T) (in case of the shares held in physical form).
- 10. Members holding shares in demat mode may kindly note that any request for change of address or change of E-mail ID or change in bank particulars/mandates or registration of nomination are to be instructed to their Depository Participants only, as the company or its Registrars and Share Transfer Agents cannot act on any such request received directly from the Members holding shares in demat mode.
- 11. For the convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by the Attendance Slip, which is annexed to the Proxy Form. Shareholders are requested to bring the same along with them.
- 12. Members who hold the shares in the dematerialised form are requested to incorporate their DP ID Number and Client ID Number in the Attendance Slip/Proxy Form, for easier identification of attendance at the Meeting.
- 13. Members and Proxies attending the meeting are requested to bring the Annual Report to the meeting as extra copies will not be distributed.
- 14. Members desirous of getting any information on the Annual Accounts, at the Annual General Meeting, are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.
- 15. Notice of this Annual General Meeting, Audited Financial Statements for 2014 - 2015 along with Directors' Report and Auditors' Report are available on the website of the Company, www.blackrosechemicals.com.
- 16. In keeping with Ministry of Corporate Affairs Green Initiative measures, the Company hereby requests members who have not registered their E-mail addresses so far, to register their E-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- 17. Voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company provides its members facility to exercise their right to vote by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL).

E-voting is optional and members shall have the option to vote either through e-voting or in person at the Annual General Meeting.

The instructions for e-voting are as under:

- i) The voting period begins on Friday, September 25, 2015 at 9:00 a.m. and ends on Monday, September 28, 2015 at 5:00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date September 21, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- iv) Click on "Shareholders" tab.
- v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi) Next enter the Image Verification as displayed and Click on Login.
- vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<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 number in the PAN field (Serial Number on mailing sticker). 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix) After entering these details appropriately, click on "SUBMIT" tab.
 - x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is 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.
 - xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xii) Click on the EVSN for "BLACK ROSE INDUSTRIES LIMITED" on which you choose to vote.
 - xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
 - xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
 - xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - xviii) You can also update your mobile number and e – mail if in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the Members forget the password and the same needs to be reset.
18. The company has appointed Messers. P.C. Surana & Co., Chartered Accountants as Scrutinisers (hereinafter referred as 'Scrutiniser') for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
 19. The Scrutiniser shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 20. The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.blackrosechemicals.com and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to Bombay Stock Exchange Limited.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 4**

At the Annual General Meeting of the Company held on July 12, 2013, the Members had approved the re-appointment of Mr. Anup Jatia as the Executive Director of the Company with effect from May 1, 2013 up to April 30, 2016, at remuneration of ₹ 250,000/- per month.

Considering the performance of Mr. Jatia as Executive Director of the Company, in leading the Company to consistently improved performance over the years, the Board of Directors of the Company at the recommendation of Nomination and Remuneration Committee, vide their meeting held on May 29, 2015, has approved the revision in the maximum salary payable to Mr. Jatia from ₹ 250,000/- per month to ₹ 350,000/- per month, with effect from April 1, 2015, for the remainder of his term up to April 30, 2016, subject to approval of Members of the Company.

The aggregate of the remuneration as aforesaid shall be within the maximum limits laid down under Sections 196, 197, Schedule V and all other applicable provisions of the Companies Act, 2013 (including and statutory modification(s) or re-enactment thereof for the time being in force). All other terms and conditions of appointment of Mr. Jatia as Executive Director of the Company, as approved by the members at the Annual General Meeting of the Company held on July 12, 2013, remain unchanged.

Mr. Anup Jatia and his relative Mr. Atmaram Jatia may be deemed to be concerned or interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the said resolution.

The Board recommends the resolution set forth in Item No. 4 for the approval of members.

Item No. 5

For the purpose of compliance with Section 152 of the Companies Act, 2013 and for determining the Director liable to retire by rotation, the Board at its meeting held on May 29, 2015, took note of the consent given by Mr. Anup Jatia, being longest in office, to retire by rotation at the ensuing Annual General Meeting of the Company. Accordingly, the Board noted that Mr. Anup Jatia, Executive Director shall be the Director liable to retire by rotation and being eligible, has offered himself for re-appointment.

Moreover, the shareholders will recall the appointment of Mr. Anup Jatia as Executive Director of the Company with effect from May 1, 2013 for a period of three years at their meeting held on July 12, 2013. As the present terms of appointment of Mr. Anup Jatia will be expiring on April 30, 2016, which is earlier than the next Annual General Meeting and hence the Board of Directors have, subject to the approval of shareholders, re-appointed Mr. Anup Jatia as Executive Director of the Company with effect from April 1, 2016 for a period of five years on the remuneration, terms and conditions recommended by the Nomination and Remuneration Committee as set out herein.

While re-appointing Mr. Anup Jatia as Executive Director of the Company, the Board of Directors considered his contribution to the overall progress of the Company. During the year, the consolidated turnover of the Company has increased by almost 70%. Moreover, the Company is concentrating on its expansion plans besides exploring other opportunities.

The Board is of the opinion that his services should continue to be available to the Company to achieve still greater heights, by re-appointing him as Executive Director as mentioned in the resolution, subject to the approval of shareholders.

Taking into considering the duties and responsibilities of the Executive Director, the prevailing managerial remuneration in industry and on the recommendation of the Nomination and Remuneration Committee, the Board at their meeting held on May 29, 2015 approved the remuneration, terms and conditions of the re-appointment of Mr. Anup Jatia, subject to approval of the shareholders on remuneration including minimum remuneration and on terms and conditions given hereunder:-

Salary: ₹ 350,000 per month.

This salary is the minimum remuneration as per the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

As the terms of re-appointment and the remuneration proposed are in conformity with the relevant provisions of the Companies Act, 2013 and the schedule referred above, the Central Government approval is not required for this re-appointment.

Mr. Anup Jatia and his relative Mr. Atmaram Jatia may be deemed to be concerned or interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the said resolution.

The Board recommends the resolution set forth in Item No. 5 for the approval of members.

Item No. 6

Pursuant to Section 161 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mrs. Garima Tibrawalla was appointed as an Additional Director of the Company by the Board of Directors with effect from March 24, 2015. As Mrs. Tibrawalla holds office as Director up to the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director, notice under section 160 of the Companies Act, 2013 has been received from a corporate member indicating its intention to propose Mrs. Tibrawalla for the office of Director at the forthcoming Annual General Meeting. Details in respect of Mrs. Tibrawalla are furnished in the Corporate Governance Report.

As per the provisions of Section 149 of the Companies Act, 2013, 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.

Mrs. Tibrawalla has consented to act as Director of the Company and has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mrs. Tibrawalla fulfills the conditions specified in the Act and the rules made thereunder for appointment as Independent Director and she is independent of the management.

The matter regarding the appointment of Mrs. Tibrawalla as Independent Director was placed before the Nomination & Remuneration Committee, which recommends her appointment as Independent Director for a period of five years.

The terms and conditions of appointment of Mrs. Tibrawalla, pursuant to the provisions of Schedule IV of the Companies Act, 2013 shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives except Mrs. Tibrawalla are concerned or interested in the resolution mentioned at Item No. 6 of the Notice.

The Board recommends the resolution set forth in Item No. 6 for the approval of members.

Item No. 7

Under the provisions of Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records of its Chemicals Division be conducted by a Cost Accountant in Practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of Messrs Poddar & Co., Cost Accountants (Firm Registration Number 101734) as the Cost Auditors of the Company for the year ending 31st March, 2016, at a remuneration and other terms as may be determined by the Audit Committee and finalised by the Board of Directors of the Company.

Messrs Poddar & Co., Cost Accountants has furnished a consent letter regarding their eligibility for appointment as Cost Auditors of the Company.

In compliance with the provisions of section 148 of the Act, the appointment and remuneration of Messrs Poddar & Co., Cost Accountants as the Cost Auditors of the Company is now being placed before the members for their approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

The Board recommends the resolution set forth in Item No. 7 for the approval of members.

**By order of the Board
For Black Rose Industries Limited**

Place: Mumbai
Date: August 6, 2015

**C. P. Vyas
Company Secretary**

REGISTERED OFFICE:

145/A, Mittal Tower,
Nariman Point, Mumbai - 400021.

DIRECTORS' REPORT

(Including Management Discussion and Analysis Report)

Dear Members,

Your Directors are pleased to present this Twenty Fifth Annual Report, together with the Audited Financial Accounts of the company, for the year ended 31st March, 2015.

Financial Results

The company's standalone and consolidated performance during the financial year ended 31st March, 2015, as compared to the previous financial year is summarised below:

₹ in Lacs

Particulars	Consolidated		Standalone	
	Year ended		Year ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Revenue from Operations and Other Income	19,654.37	11,596.70	14,758.88	8,555.28
Earnings Before Interest Depreciation Tax and Amortisation (EBIDTA)	695.62	245.25	697.96	242.41
Less: Finance Cost	486.70	274.56	486.70	274.56
Profit before Depreciation and Tax (PBDT)	208.92	(29.31)	211.26	(32.15)
Less: Depreciation	277.86	215.50	277.86	215.50
Profit before Tax	(68.94)	(244.81)	(66.60)	(247.65)
Less: Provision for Tax	(121.68)	26.99	(121.68)	26.99
Profit after Tax	52.74	(271.80)	55.08	(274.64)

Nature of Business

The company is primarily in the business of chemical distribution and chemical manufacturing, as well as textile manufacturing and renewable energy generation.

The chemical distribution business consists mainly of import and sales of specialty and performance chemicals manufactured by overseas and domestic principals. Chemical manufacturing is currently focused on the production of a single product, acrylamide. The textile business is engaged in the manufacture of fabrics and industrial made-ups such as safety gloves and the renewable energy activity supplies the State Electricity Boards of Rajasthan and Gujarat with wind-generated power.

Operational Performance

The year 2014 - 2015 was one of growth. The currency volatility of 2013 - 2014 did not repeat itself and the company's chemical distribution business grew 50.1%. Sales from the acrylamide plant increased steadily quarter after quarter as product approvals came in, resulting in the plant achieving cash breakeven in the quarter ended September 2014, only 1 year from the date of plant commencement. Our subsidiary in Japan also showed strong revenue growth and the company closed the year with an increase in consolidated revenue of 70% and rise in EBIDTA of 184%. Profit after tax increased to ₹ 52.91 as compared to a loss of ₹ 271.80 lacs in the previous year.

A detailed analysis of the company's operations is provided later in the *Management Discussion and Analysis Report*.

Dividend

Your Directors are unable to recommend payment of a dividend for the financial year 2014 - 2015 as the company intends to conserve funds for its working.

Business Scenario

The year started with a bullish sentiment for the Indian economy brought about by the change of guard in our government. However, the initial euphoria slowly dissipated and business sentiment slowly became bearish. The sudden fall in crude prices in the 3rd quarter further affected the sentiment adversely, especially in the chemical industry. The soaring US economy created fears that the Federal Reserve would raise interest rates and the problems in Greece were being felt throughout the world. In India, poor market liquidity and high interest rates continued to plague industry. In spite of this, the company was able to grow and record a profit due to the company's strong product mix and the good performance shown by its staff and employees.

The business scenario is discussed later in more detail in the *Management Discussion and Analysis Report*.

Acrylamide Plant at Jhagadia, Gujarat

The company's acrylamide plant steadily increased its capacity utilisation during the year and achieved cash break even during the year. An in-depth explanation about the plant operations is given in the *Management Discussion and Analysis Report*.

Subsidiary - B.R. Chemicals Co., Ltd., Japan

During the year under review, the turnover of the company's wholly owned subsidiary incorporated in Japan increased by close to 60% to approximately ₹ 49 crores. The subsidiary showed a small loss of around ₹ 2 lacs.

The nature of business of the subsidiary company remained unchanged during the year.

The performance and financial position of company's subsidiary B.R. Chemicals Co., Ltd. for the year ended 31st March, 2015 is attached to the financial statements hereto.

Material Changes and Commitments

There have been no material changes and commitment affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Corporate Governance

A *Report on Corporate Governance* is presented as a separate section which forms a part of this Annual Report.

A certificate from the statutory auditors of your company regarding compliance with the corporate governance requirements as stipulated in Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited is annexed to the Directors' Report.

Directors

Pursuant to section 152 of the Companies Act, 2013, Mr. Anup Jatia (DIN 00351425), Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, which came into effect from April 1, 2014, every listed public company is required to have at least one third of the total number of Directors as Independent Directors. Section 149 of the Act further states that Independent Director shall hold office for a term of up to five consecutive years on the Board of the company. Accordingly, during the year under review, the company appointed Mr. Shivhari Halan (DIN 00220514), Mr. Basant Kumar Goenka (DIN 00227217) and Mr. Sujay Sheth (DIN 03329107) as Independent Directors of the company on September 12, 2014 with effect from April 1, 2014 for a period of five years.

Pursuant to the provisions of Section 149(7) of the Companies Act, 2013 and the rules made thereunder, the company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee appointed Mrs. Garima Tibrawalla (DIN 00203909) as an Additional Director (Independent and Non Executive) in accordance with the provisions of Section 161 of the Companies Act, 2013 w.e.f. March 24, 2015. As an Additional Director, Mrs. Tibrawalla holds office up to the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from a member proposing her candidature as Director. The Board of Directors recommends her appointment as Director at the ensuing Annual General Meeting not liable to retirement by rotation pursuant to the provisions of section 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013.

In compliance with the Clause 49 IV (G) of the Listing Agreement, brief resume of the directors, their expertise and other details of the directors proposed for appointment / reappointment are provided in the *Report on Corporate Governance*. Appropriate resolutions for appointment / re-appointment of the Directors are being placed for approval of the members at the ensuing Annual General Meeting.

There was no resignation of directors during the year.

Key Managerial Personnel

Mr. Anup Jatia, Executive Director, Mr. Chiranjilal P. Vyas, Company Secretary and Mr. Ratan Kumar Agrawal, Chief Financial Officer of the Company are the Key Managerial Personnel as per the provisions of the Companies Act, 2013.

Mr. Jatia and Mr. Vyas were already in office before the commencement of the Companies Act, 2013. Mr. Agrawal who was General Manager, Finance of the Company, was designated as Chief Finance Officer of the Company effective August 8, 2015.

Corporate Social Responsibility

Although the company is not governed by the provisions of Section 135 of the Companies Act, 2013, Corporate Social Responsibility forms an integral part of overall business policy and is aligned with its business goals.

The company supports over 350 women working in 10 centres across rural Maharashtra by providing training and work opportunities to them. The merchandise produced by these centres is purchased and supplied to leading industries in India as well as in Japan.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors to the best of their knowledge and belief confirm the following:

- i) that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) that such accounting policies as mentioned in note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2015 and of the profits of the company for the year ended on that date;
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the annual financial statements have been prepared on a going concern basis;
- v) that proper internal financial controls were in place and that the financial controls were adequate and were operative effectively;
- vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Deposits

During the year under review, the company did not accept any deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

As on April 1, 2014, no amounts were outstanding which were classified as 'Deposits' under the applicable provisions of the Companies Act, 1956 and hence, the requirement for furnishing of details of deposits under Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 is not applicable.

Consolidated Financial Statements

Pursuant to Clause 32 of the Listing Agreement, the company has prepared Consolidated Financial Statements in accordance with Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by The Institute of Chartered Accountants of India. The Consolidated Financial Statements form part of this Annual Report.

Extract of Annual Return

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return for the financial year ended 31st March, 2015 in the prescribed format is given in Annexure I and forms part of this Annual Report.

Board Meetings, Committees, and Policies

Board Meetings

The Board of Directors met five times during the financial year ended 31st March, 2015 in accordance with the provisions of Companies Act, 2013 and rules made thereunder. Additionally, during the financial year ended 31st March, 2015 the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Clause 49(II)(B)(6) of the Listing Agreement entered with Bombay Stock Exchange Limited.

Committees

Pursuant to Section 177 and 178 of the Companies Act, 2013 and the rules made thereunder and in accordance with Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, your Board of Directors has constituted three committees, namely Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee. The matters relating to constitution, meetings and functions of the committees are provided in *Report on Corporate Governance* which forms part of this Annual Report.

The company has been employing women employees in various grades within its offices and factory premises. The company has constituted an Internal Compliant Committee as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress any complaints received from employee(s) of the Company. The Company is strongly opposed to sexual harassment and all the employees are made aware about the consequences of such acts and the constitution of the Internal Compliant Committee.

During the year there was no complaint received from any employee and hence no compliant is outstanding as on 31st March, 2015.

Evaluations

Pursuant to the provisions of Companies Act, 2013 and rules made thereunder and in accordance with clause 49 of the Listing Agreement with Bombay Stock Exchange Limited, the Board has carried out an annual performance evaluation of its own performance, and of the Directors individually, as well as evaluation of the working of its Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. The manner in which the evaluation has been carried out has been explained in detail in the Report on Corporate Governance, which forms part of this Annual Report.

Policies

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and the rules made thereunder, the Board of Directors of the Company has framed "Vigil Mechanism / Whistle Blower Policy" as the vigil mechanism for Directors and employees of the Company.

In line with new regulatory requirements, the Board of Directors of the Company has formulated a "Risk Management Policy" to identify, assess and understand the key risk areas, monitor and report compliance and effectiveness of the policy and procedure.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, has framed a "Nomination and Remuneration Policy" for selection and appointment of Directors, Senior Management and their remuneration.

The above policies have been uploaded on the company's website and forms part of this report.

Particulars of Employees

The Statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable as none of the employees of the company is covered under the provisions of the said rules.

The ratio of the remuneration of each Director to the median employees remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as Annexure IV and forms part of this Annual Report.

Internal Financial Controls

The company has a proper and adequate Internal Financial Control System that is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audits conducted by trained personnel appointed by the Board on the recommendation by the Audit Committee. The audit observations and corrective action taken thereon are periodically reviewed by the Audit Committee to ensure effectiveness of the Internal Financial Control System. The Internal Financial Control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

Loans, Guarantees and Investments

The particulars of loans, guarantees and investments given/made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 have been furnished in Annexure II which forms part of this Annual Report.

Contracts and Arrangements with Related Parties

All the contracts, arrangements and transactions entered by the company during the financial year with related parties were in the ordinary course of business and are on arm's length basis, hence Section 188(1) is not applicable and consequently no particulars in Form AOC - 2 are required to be furnished. During the year, the company had not entered into any contract, arrangements or transactions with related parties which could be considered material. All the contracts, arrangements and transactions with related parties are placed before the Audit Committee as also the Board, as may be required, for approval.

Orders passed by Regulators or Courts or Tribunals

No significant and material orders have been passed by any regulators or courts or tribunals which can have an impact on the going concern status of the Company and its future operations.

Auditors and their Reports**Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Karnavat & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office up to the conclusion of the Twenty Sixth Annual General Meeting. However, their appointment as Statutory Auditors of the company is subject to ratification by the members at every Annual General Meeting. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

The resolution for ratification of appointment of the said Auditors is included in the Notice of Annual General Meeting for seeking approval of members.

The independent statutory auditors' report does not contain any qualification, reservation or adverse remark or disclaimer on the accounts for the year ended 31st March, 2015.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors had appointed M/s. Parikh Parekh & Associates, Company Secretary in Whole - Time Practice as Secretarial Auditor to undertake the Secretarial Audit of the Company.

As required under provisions of Section 204 of the Companies Act, 2013, the report in respect of the Secretarial Audit carried out by M/s. Parikh Parekh and Associates, Company Secretary in Whole - Time Practice in Form MR - 3 for the FY 2014 - 15 forms part to this report. The said report does not contain any adverse observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with notifications/circulars issued by the Ministry of Corporate Affairs from time to time and as per the recommendations of the Audit Committee, the Board of Directors at their meeting held on May 27, 2014, appointed M/s. S. Poddar & Co., Cost Accountants, as Cost Auditors of the company for the FY 2014 - 15. The Cost Audit Report will be filed within the period stipulated under Companies Act, 2013.

In respect of FY 2015 - 16, the Board, based on the recommendation of the Audit Committee, has approved the appointment of Messrs Poddar & Co., Cost Accountants as the Cost Auditors of the Company. A resolution for ratification of the payment to be made for such appointment is included in the notice of the ensuing Annual General Meeting.

Listing

The company's shares are listed on the Bombay Stock Exchange Limited and the applicable listing fees has been paid.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with rules made thereunder is annexed herewith as Annexure III and forms part of this Annual Report.

Service of Documents through Electronic Means

All documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose e-mail IDs are registered in their demat account or are otherwise provided by the members. A member shall be entitled to request for physical copy of any such documents.

Acknowledgement

The Board of Directors greatly values the support and cooperation received during the year from the company's bankers, statutory authorities, and all organisations connected with the company's business. The directors also take pleasure in commending the valuable contributions made by the company's employees at all levels during the year under review.

Cautionary Statement

Certain statements in this Directors' Report and in the Management Discussion and Analysis Report describing the company's objectives, estimates, and projections may be forward-looking statements and are based on certain expectations. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference in the company's operations include the availability of raw material/product, cost of raw material/product, changes in demand from customers, fluctuations in exchange rates, changes in government policies and regulations, changes in tax structure, economic developments within India and the countries in which business is conducted, and various other incidental factors. We cannot guarantee that these forward - looking statements will be realised, although we believe we have been prudent in making any assumptions. We undertake no obligation to publicly update any forward - looking statements, whether as a result of new information, future events, or otherwise.

For and on behalf of the Board

C. P. Vyas
Company Secretary

Ratan Agrawal
Chief Financial Officer

Shivhari Halan
Director

Anup Jatia
Executive Director

Place: Mumbai

Dated: May 29, 2015

MANAGEMENT DISCUSSION AND ANALYSIS

A. *The Economy*

The year 2014 - 2015 was poised to be a definitive year of change. The 2014 elections ushered in a new leadership under Prime Minister Narendra Modi with a mission to revive economic growth, provide stability and create efficiency in governance.

We have seen some of the goals being met while some are yet in progress. GDP growth has increased to 7.3% from 6.9% and CPI inflation has steadily come down to 5.17% in March 2015 compared to 8.25% in March 2014. Furthermore, the economy was assisted by the steep fall in oil prices, keeping Current Account Deficit low and providing much needed stability to the Indian Rupee.

However, some of the big ticket reforms expected have not yet been realised and little has changed on the ground. Legislation related to land acquisition and roll out of GST are still mired in political uncertainties. High rates of borrowing reduce competitiveness of Indian manufacturers in the world arena and are still not ready to be brought down.

The country continues to look forward to better days, and it remains to be seen how much of these expectations are met in the financial year 2014 - 2015.

B. *The Industry*

Chemical

The largest contributor to the company's top line is the sales and distribution of specialty and performance chemicals. The company also exports to and sources chemicals for its foreign principals. The chemicals sold domestically by the company are mostly imported from Japan, Germany, Korea, and China, while some are procured from domestic manufacturers. The company works closely with all its principals and customers and strives to function as a reliable partner and supplier to them.

The company also manufactures chemicals, operating South Asia's only acrylamide monomer plant. The plant in Jhagadia, Gujarat, has a capacity of 10,000MT per annum and was set up under technology license from Mitsui Chemicals, Inc., of Japan. The company has taken steps to double this capacity to 20,000MT, and necessary government approvals have been sought.

The Indian chemicals industry, has witnessed growth of 13 - 14% in the last five years. The major growth drivers behind India's chemical industry are structural advantage, high domestic consumption, diversified industry and promising export potential.

Textile

The company's operations in this sector are the manufacture of fabrics and textile made ups. The fabric produced is used for the manufacture of made-ups such as industrial safety gloves that are then sold domestically or exported.

The Indian textile industry has seen a spurt in investment in the past several years. Domestic consumption remains strong even though export demand has fallen in recent times because of competition from countries like Vietnam and Bangladesh.

Renewable Energy

The company has two windmills of 0.8MW each, one in Rajasthan and the other in Gujarat, totaling 1.6MW. Power Purchase Agreements have been entered into with the respective State Electricity Boards and all power generated is sold accordingly.

Wind has emerged as the most promising renewable energy source in India. As at 31st March, 2015, the country had an installed wind capacity of around 23,000 MW, making it the world's fifth-largest wind energy producer after China, United States of America, Germany and Spain.

C. *Opportunities, Threats, and the Company's Response*

Chemical Distribution

A major portion of the company's revenue comes from its chemical distribution business. The prices of the products sold by the company are affected by global prices of feedstock, foreign exchange rates, and market

dynamics. Slowdown in the domestic or international economies, downturns in the user industries, volatility in foreign exchange rates, increase in interest rates, and tightening liquidity conditions may adversely affect margins, business, financial condition and results of operations.

India is an importer of a wide range of chemicals starting from commodities to high performance materials. The company continually identifies products in the fields of specialty and performance chemicals to add to its range of offerings, with key consideration being given to a) the strength and competitiveness of the respective manufacturer principal, b) the market potential, and c) price volatility. During the year, new products were identified and necessary steps were taken to promote their sales.

Chemical Manufacturing

The domestic market demand of acrylamide monomer is approximately 6,000MT on a 100% solid basis, or 12,000MT on the basis of acrylamide 50% solution. The company produces and supplies acrylamide solution to this market. The market for acrylamide has been growing with new investments in the downstream sector.

The company is the only producer of acrylamide in South Asia. The company provides technical support to users through its recently set up R&D laboratory. The company's products are also exported to MNCs in several countries.

The price of acrylamide is mainly affected by changes in the cost of its key raw material, acrylonitrile, a commodity chemical also used to manufacture acrylic fiber and ABS polymers. Domestic market forces also effect acrylamide prices, as acrylamide in solid form is imported from China and sold by a number of commodity dealers locally. Imports are subject to a customs duty of 7.5%.

Textiles

There are good opportunities for India to grow in importance in the global textile industry, especially in the production of cotton-based textiles and in trade with Japan and other countries where India has an FTA. However, insufficient labor availability poses problems in certain regions and during certain times of the year, as well as high transport and logistics costs. Countries such as Bangladesh and Vietnam are quickly taking away Indian business, and we need to remain competitive to beat this threat.

Renewable Energy

The revenue from this business depends on the quantum of power generation, which in turn depends on conditions of nature prevailing throughout the year. Although there are unlimited opportunities in the field of renewable energy, the company has no plans to enter into any further renewable energy projects at this time.

General

The company has built up its goodwill amongst its several principals over the years through its activities as a distributor for these chemical producers. A large number of these principals are from Japan. With the weakness of the Japanese yen, these principals are even more competitive now than earlier. The company regularly assesses new opportunities in chemical distribution and chooses them after weighing the associated risks.

Volatility in foreign exchange rates is a major threat to the business, and as such the company has a risk management policy to allow it to ensure that such risks are managed properly.

D. Analysis of Performance

Speciality Chemicals

The specialty chemical distribution business grew by 47%. Products such as resorcinol, meta cresol, and ethanolamines saw solid growth. The company added new products such as iodomethane and acrylonitrile to improve revenues and reach. Meta cresol saw a steep decline in price during the year.

Performance Chemicals

The turnover from the performance chemicals business was ₹ 13.5 crores in the year under review. There was growth in products such as synthetic liquid rubber and CTPI (PVI) while cyanoacrylate sales were reduced.

Acrylamide

Acrylamide sales grew 430% during the year under review. The operation of the acrylamide plant increased quarter

on quarter as customer approvals were obtained, and the plant reached cash breakeven during the September 2014 quarter even at a low capacity utilisation.

Textiles

The textile division's sale was ₹ 1.8 crores in the year under review, a growth of 63% over the previous year's ₹ 1.1 crores. Industrial arm covers and wiping cloth were added to the product range.

Renewable Energy

During the year under review, both the company's windmills performed as per expectations based on the prevailing meteorological conditions. They generated a total of 2,808,688 units of power valued at ₹ 110.61 lacs as compared to 2,779,924 units valued at ₹ 108.35 lacs in the previous year.

E. Outlook

In FY2015-16, we expect a downward trend in the prices of chemical products due to the weakness of crude oil. The Indian currency is also expected to weaken with the rising prospect of an increase in the U.S. federal interest rate. Domestic demand is generally expected to be weak unless there is a reduction in Indian interest rates and there is an improvement in overseas markets for downstream products.

Acrylamide

Our acrylamide revenues are expected to grow with the increase in orders and with capacity utilisation moving up to 100% during the year. More customer approvals are being obtained and exports are expected to increase. The company has also taken steps to obtain government approvals for doubling the production capacity in order to be prepared for any rise in demand.

Chemical Distribution

With the slowing economy and falling oil prices, the company plans to focus on bottom line growth and will reduce its sales of certain chemical products that are prone to high price volatility. The company will continue to expand the chemical distribution business through addition of new products.

Textiles

Revenues from this segment are expected to remain largely unchanged.

Although the Indian economy is under stress due to high interest rates and stalled reforms, the company expects to achieve a consolidated turnover in excess of ₹ 200 crores for the current year.

F. Risk and Concerns

The company has a risk identification and management frame work appropriate to it and to the business environment under which it operates. Risks are being identified at regularly intervals by the company's Board of Directors and key management.

Foreign exchange risk is arguably still the single largest area of risk for the company. Frameworks are in place to manage this risk and to take on larger than anticipated movements in currency markets.

Key risks to which the company is exposed include:

- **Change in raw material prices**

Change raw material prices from time to time forces the company to revise the prices of its products periodically to reflect the variations in the material costs. Especially in case of imported raw materials, a fall in prices during transit may result in finished products being sold below initial price expectations.

- **Execution**

Execution depends on several factors including material availability, timely receipt of raw material, weather conditions and the absence of other contingencies. The company manages these adversities with a cautious approach and meticulous planning wherever possible.

- **Currency Volatility**

Imports constitute a major component of the company's total purchases. Hence the operations are exposed to fluctuations of exchange rates that could affect the company's performance.

In view of the above, the company reviews and revises the prices of its products in the event of significant currency movement. The company also has the policy of systematically hedging its trade and capital exposures using forward contracts. Wherever possible transactional currencies are aligned to the reporting currency in order to obviate exchange fluctuation impact.

- **Economic downturn**

Economic downturn could impact the company's markets, suppliers, customers and finance leading to business slow down, disruptions, and unhealthy competition.

- **Competition**

Competition could put pressure on volume growth and pricing. The company focuses on superior quality of products, shorter lead time and high service level to maintain high levels of customer satisfaction.

- **Financing**

Inadequate funding resources and high interest costs may impact regular business and operations. The company has sufficient funding and reserves to operate smoothly and regularly negotiates with its bankers and financiers to reduce finance costs.

- **Attracting and retaining talent**

Our success depends in large part on our management team and key personnel and the company takes all necessary steps to attract and retain them.

G. Internal Control Systems

The company has in place adequate internal control systems and procedures covering all the operational, financial, legal, and compliance functions. The company constantly monitors and improves its internal control systems to ensure that all company policies, procedures and guidelines are in place and also to make certain that all transactions are authorised, recorded and reported correctly.

The Company uses an ERP package with an approval-based work-flow system. Access to data is strictly controlled on a departmental and hierarchical basis, and on a need-to-know basis.

Further, the Company has in place structured internal audit process charged with the task of ensuring reliability and accuracy of the accounting and of the other operational data. The internal audit department reports to the Audit Committee constituted by the Board of Directors of the Company.

The Company has a system of monthly review of businesses as a key operational control wherein the performance of units is reviewed against budgets and corrective actions are taken.

H. Development in Human Resources Industrial Relations

The company believes that human resources are a critical factor for its growth. The company invests in its employees for the growth of their skills and talents so as to meet the growth aspirations of the business. The emphasis is on grooming in-house talent enabling them to take on larger responsibilities.

The senior management team spends considerable time in reviewing the existing talent base and processes used for honing the skills of the members in the talent pool and assessing their preparedness for taking on new assignments.

No man-days were lost on account of strike or dispute during the year. The relations with the employees and workers remained cordial and harmonious throughout the year.

I. Capital Expenditure and Expansion Plans

The company is planning to expand its manufacturing of acrylamide from the existing 10,000MT to 20,000MT. The expected capital expenditure towards this is ₹ 4.0 - 5.0 crores.

ANNEXURE I TO DIRECTORS' REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2015

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS

1.	CIN	L17120MH1990PLC054828
2.	Registration Date	January 1, 1990
3.	Name of the Company	Black Rose Industries Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non - Government Company
5.	Address of the Registered office and contact details	145/A, Mittal Tower, Nariman Point, Mumbai - 400021. Tel : +91 22 4333 7200 Fax : +91 22 228 73022 E-mail id : info@blackrosechemicals.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar and Transfer Agent, if any.	Satellite Corporate Services Private Limited B-302, Sony Apartment, Opp. St. Jude's High School, Off. Andheri Kurla Road, Jarimari, Sakinaka, Mumbai - 400072. Tel : +91 22 2852 0461 / 62 Fax : +91 22 2851 1809 Email id : service@satellitecorporate.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturer of organic and inorganic chemical compounds	20119	20.43
2	Wholesale of industrial chemicals	46691	76.96

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Equity Shares Held	Applicable Sections
1	Wedgewood Holdings Limited, Mauritius	Foreign Company	Holding	56.47	2(46)
2	B.R. Chemicals Co., Ltd., Japan	Foreign Company	Subsidiary	100	2(87)

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 st March, 2014]				No. of Shares held at the end of the year [As on 31 st March, 2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	239,850	-	239,850	0.47	239,850	-	239,850	0.47	0.00
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub - total (A)(1)	239,850	-	239,850	0.47	239,850	-	239,850	0.47	0.00

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 st March, 2014]				No. of Shares held at the end of the year [As on 31 st March, 2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
(a) NRI - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Body Corp.	38,010,000	-	38,010,000	74.53	38,010,000	-	38,010,000	74.53	0.00
(d) Bank/FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub - total (A)(2)	38,010,000	-	38,010,000	74.53	38,010,000	-	38,010,000	74.53	0.00
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	38,249,850	-	38,249,850	75.00	38,249,850	-	38,249,850	75.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	800	-	800	0.00	800	-	800	0.00	0.00
b) Banks / FI	-	200	200	0.00	-	200	200	0.00	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	800	200	1,000	0.00	800	200	1,000	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	390,546	15,400	405,946	0.80	367,409	15,400	382,809	0.75	(0.05)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3,296,929	2,928,660	6,225,589	12.21	3,474,861	2,893,160	6,368,021	12.49	0.28
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3,641,258	-	3,641,258	7.14	3,623,586	-	3,623,586	7.11	(0.03)
c) Others (specify)									
Non Resident Indians									
Repatriable	1,891,965	-	1,891,965	3.71	1,910,144	-	1,910,144	3.75	0.04
Non - Repatriable	17,177	-	17,177	0.03	3,354	-	3,354	0.01	(0.02)
Directors and Relatives	-	271,800	271,800	0.53	-	271,800	271,800	0.53	0.00
Hindu Undivided Families	294,115	-	294,115	0.58	186,942	-	186,942	0.36	(0.22)
Clearing Members	1,300	-	1,300	0.00	2,494	-	2,494	0.00	0.00
Sub-total (B)(2)	9,488,290	3,215,860	12,749,150	25.00	9,568,790	3,180,360	12,749,150	25.00	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	9,489,090	3,216,060	12,750,150	25.00	9,569,590	3,180,560	12,750,150	25.00	0.00
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	47,738,940	3,216,060	51,000,000	100	47,819,440	3,180,560	51,000,000	100	0.00

B) Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Tozai Enterprises Private Limited	239,850	0.47	0.00	239,850	0.47	0.00	0.00
2	Wedgewood Holdings Limited	28,800,000	56.47	0.00	28,800,000	56.47	0.00	0.00
3	Triumph Worldwide Limited	9,210,000	18.06	0.00	9,210,000	18.06	0.00	0.00
	Total	38,249,850	75.00	0.00	38,249,850	75.00	0.00	0.00

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3,824,9850	75.00	38,249,850	75.00
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	No Change	No Change	No Change	No Change
	At the end of the year	38,249,850	75.00	38,249,850	75.00

**D) Shareholding Pattern of top ten Shareholders as on 31st March, 2015
(Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	Name of the Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (eg. allotment/ transfer/bonus/ sweat equity, etc.)	No. of Shares	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year	% of total shares of the company				No. of shares	% of total shares of the company
1	Shrawan Kumar Todi	3,070,000	6.02	01.04.2014				
				31.03.2015			3,070,000	6.02
2	Bhanwarilal Panda	1,831,294	3.59	01.04.2014				
				31.03.2015			1,831,294	3.59
3	Sidharth Saraff	429,791	0.84	01.04.2014				
				12.02.2014	(-)50,000	Transfer	379,791	0.74
				31.03.2015			379,791	0.74
4	Jayshree Mohite	0	0	01.04.2014				
				31.10.2014	(+)71,000	Transfer	71,000	0.14
				07.11.2014	(+)99,922	Transfer	170,922	0.34
				14.11.2014	(+)25,000	Transfer	195,922	0.38
				31.12.2014	(+)1,500	Transfer	197,422	0.39
				06.02.2015	(-)33,043	Transfer	164,379	0.32
				13.02.2015	(+)26,773	Transfer	191,152	0.37

Sr. No.	Name of the Shareholder	Shareholding		Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (eg. allotment/ transfer/bonus/ sweat equity, etc.)	No. of Shares	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year	% of total shares of the company				No. of shares	% of total shares of the company
				27.02.2015	(+)9,522	Transfer	200,674	0.39
				06.03.2015	(+)2,290	Transfer	202,964	0.40
				13.03.2015	(+)4,797	Transfer	207,761	0.41
				20.03.2015	(+)3,744	Transfer	211,505	0.41
				31.03.2015	(+)12,290	Transfer	223,795	0.44
5	Lincoln P. Coelho	0	0	01.04.2014				
				12.05.2014	(+)13,598	Transfer	13,598	0.03
				19.09.2014	(+)56,402	Transfer	70,000	0.14
				17.10.2014	(+)9,600	Transfer	79,600	0.16
				31.10.2014	(+)20,400	Transfer	100,000	0.20
				31.03.2015			100,000	0.20
6	Datta Satish Doshi	0	0	01.04.2014				
				13.03.2015	(+)90,000	Transfer	90,000	0.18
				31.03.2015			90,000	0.18
7	Abhimanyu J L	0	0	01.04.2015				
				19.12.2014	(+)44,006	Transfer	44,006	0.09
				09.01.2015	(+)2,000	Transfer	46,006	0.09
				16.01.2015	(+)2,000	Transfer	48,006	0.09
				06.02.2015	(+)6,727	Transfer	54,733	0.11
				13.02.2015	(+)6,267	Transfer	61,000	0.12
				20.02.2015	(+)3,000	Transfer	64,000	0.13
				27.02.2015	(+)1,500	Transfer	65,500	0.13
				20.03.2015	(+)5,800	Transfer	71,300	0.14
				31.03.2015	(+)13,700	Transfer	85,000	0.17
8	Deo Hirawat (HUF)	0	0	01.04.2014				
				31.12.2014	(+)1,037	Transfer	1,037	0
				16.01.2015	(+)36,765	Transfer	37,802	0.07
				23.01.2015	(+)62,855	Transfer	100,657	0.20
				06.02.2015	(+)33,441	Transfer	134,098	0.26
				20.02.2015	(+)5,000	Transfer	139,098	0.27
				31.03.2015	(-)56,359	Transfer	82,739	0.16
9	Wallfort Financial Services Ltd.	0	0	01.04.2014				
				20.3.2015	(+)17,856	Transfer	17,856	0.04
				31.03.2015	(+)53,749	Transfer	71,605	0.14
10	Pankaj Tibrawalla	59,598	0.12	01.04.2014				
				16.05.2014	(+)100	Transfer	59,698	0.12
				06.06.2014	(+)2,797	Transfer	62,495	0.12
				13.06.2014	(+)160	Transfer	62,655	0.12
				29.08.2014	(-)530	Transfer	62,125	0.12
				20.02.2015	(+)70	Transfer	62,195	0.12
				31.03.2015			61,195	0.12

E) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (eg. allotment/ transfer/ bonus/ sweat equity, etc.)	No. of Shares	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year	% of total shares of the company				No. of shares	% of total shares of the company
1	Mr. Atmaram Jatia	0	0	01.04.2014				
				31.03.2015			0	0
2	Mr. Shivhari Halan	271,800	0.53	01.04.2014				
				31.03.2015			271,800	0.53
3	Mr. Sujay Sheth	0	0	01.04.2014				
				31.03.2015			0	0
4	Mr. Anup Jatia	0	0	01.04.2014				
				31.03.2015			0	0
5	Mr. Basant Kumar Goenka	0	0	01.04.2014				
				31.03.2015			0	0
6	Mrs. Garima Tibrawalla	0	0	01.04.2014				
				31.03.2015			0	0
7	Mr. Chiranjilal P. Vyas	0	0	01.04.2014				
				31.03.2015			0	0
8	Mr. Ratan Agrawal	24,600	0.05	01.04.2014				
				19.09.2014	(-)4,920	Transfer	19,680	0.04
				30.09.2014	(-)972	Transfer	18,708	0.03
				10.10.2014	(-)1,488	Transfer	17,220	0.03
				31.10.2014	(-)2,460	Transfer	14,760	0.03
				31.03.2015			14,760	0.03

F) Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount in ₹

Indebtedness at the beginning of the financial year	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	299,579,733	62,000,000	10,800,000	372,379,733
ii) Interest accrued but not due	-	291,267	-	291,267
Total (i+ii)	299,579,733	62,291,267	10,800,000	372,671,000
Change in Indebtedness during the financial year				
* Addition	68,028,119	18,729,720	-	86,757,839
* Reduction	523,417	24,000,000	10,800,000	35,323,417
Net Change	67,504,702	(5,270,280)	(10,800,000)	51,434,422
Indebtedness at the end of the financial year				
i) Principal Amount	367,084,435	55,400,000	-	422,484,435
ii) Interest accrued but not due	-	1,620,987	-	1,620,987
Total (i+ii)	367,084,435	57,020,987	-	424,105,422

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Amount in ₹

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Mr. Anup Jatia (Whole - Time Director)	
	Gross salary		
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,000,000	3,000,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
5	- as % of profit		-
	- others, specify		-
	Others, please specify		-
	Total (A)		3,000,000
	Ceiling as per the Act		4,200,000

B. Remuneration to other directors

Amount in ₹

Sr. No.	Particulars of Remuneration	Name of Directors				Total
		Mr. Shivhari Halan	Mr. Sujay Sheth	Mr. Basant Kumar Goenka	Mrs. Garima Tibrawalla	
	Independent Directors					
1	Fee for attending board meetings	40,000	100,000	-	-	140,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	40,000	100,000	-	-	140,000
	Other Non-Executive Directors	Mr. Atmaram Jatia				
2	Fee for attending board/ committee meetings	-				
	Commission	-				
	Others, please specify	-				
	Total (2)	-				
	Total (B)=(1+2)	40,000	100,000			140,000
	Total Managerial(A+B) Remuneration					3,140,000
	Overall Ceiling as per the Act					4,700,000

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

Amount in ₹

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
	Gross salary				
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,097,633	926,932	2,024,565
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	7,953	-	7,953
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	1,105,586	926,932	2,032,518

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Amount in ₹

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

ANNEXURE II TO DIRECTORS' REPORT

Particulars of Loans, Guarantees and Investments

Amount in ₹

Sr. No.	Name of the party	Nature of transactions	Amount at the beginning of the year	Net transactions during the year	Balance at the end of the year
1	Avni Impex	Loan	2,860,563	295,000	3,155,563

ANNEXURE III TO DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY

- a) Steps taken or impact on conservation of energy:
 - i) Installation of reduced capacity cooling tower thereby reducing power consumption of fan motor.
 - ii) Installation of Variable frequency drives (VFDs) for various motors for help in reducing the energy consumption during reduced loads.
 - iii) Installation of Energy Meters and Hr Meters for monitoring the energy consumption on daily basis, thereby controlling any unnecessary running of equipment.
- b) No Steps were taken by the Company for utilising alternate source of energy.
- c) The capital investment on energy conservation equipment was ₹ 299,454 during the year.

B. TECHNOLOGY ABSORPTION

- a) The efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution:
No new technology was absorbed during the year.
- b) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
No technology was imported during the last three years reckoned for the beginning of the financial year.
- c) Details of expenditure on Research and Development:
The company has set up an application research lab and has spent ₹ 464,702 on the same during the year.

ANNEXURE IV TO DIRECTORS' REPORT

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The percentage increase in remuneration in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014 - 15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014 - 15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration to Director/KMP for the financial year 2014-15	Increase in Remuneration in the financial year 2014-15	Ratio of Remuneration of each Director to the median Remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company (i.e. Profit after tax)
		(₹)	(%)	(times)	(%)
1	Mr. Atmaram Jatia Chairman	NIL	NIL	NIL	NIL
2	Mr. Anup Jatia Executive Director	3,000,000	NIL	11.59	54.30
3	Mr. Shivhari Halan Independent Director	NIL	NIL	NIL	NIL
4	Mr. Sujay Sheth Independent Director	NIL	NIL	NIL	NIL
5	Mr. Basant Kumar Goenka Independent Director	NIL	NIL	NIL	NIL
6	Ms. Garima Tibrawalla Independent Director	NIL	NIL	NIL	NIL
7	Mr. Chiranjilal Vyas Company Secretary	1,105,586	19.58	4.27	20.01
8	Mr. Ratan Kumar Agrawal Chief Financial Officer	926,932	21.40	3.58	16.78

Sl. No.	Requirements	Disclosure
1	The percentage increase in the median remuneration of employees in the financial year.	The median remuneration of the employees for the financial year was decreased by 45.28% compared to the previous financial year due to addition of non-managerial production employees.
2	The number of permanent employees on the rolls of the Company.	50 employees as on March 31, 2015
3	The explanation on the relationship between average increase in remuneration and performance of the Company.	The average increase in remuneration was mainly dependent on market movements with a view towards retention of employees while keeping in mind the overall performance of the company.
4	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.	In view of the subdued performance of the company due to increased finance, depreciation and amortization cost relating to the first full year operations at the newly established manufacturing facility of the company at Jhagadia, Gujarat, remuneration of the Key Managerial Personnel against the performance of the Company is not comparable.
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average percentile increase in the salaries of employees other than managerial personnel in the last financial year was 16.20% as compared with the percentile increase in the managerial remuneration of 11.60%. There was no exceptional circumstance for increase of remuneration of managerial personnel in the last financial year.
6	The key parameters for any variable component of remuneration availed by the directors.	There is no variable component of remuneration paid to any of the Directors of the Company.
7	The ratio of the remuneration of the highest paid directors to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	No employee received remuneration in excess of the highest paid Director.
8	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, the remuneration is as per the remuneration policy of the Company.
9	Variation in market capitalisation of the company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.	The market capitalisation of the company has increased from ₹ 2,289.90 lakhs as of 31 st March, 2014 to ₹ 7,803 lakhs as of 31 st March, 2015. Over the same period price earning ratio increased from negative to 139.09. The company's stock price as on 31 st March, 2015 has increased by 206% to ₹ 15.40 per share of ₹ 1 each over the last public offering in 1992 at the price of ₹ 10 per share of ₹ 10 each, after considering the reduction of share capital in the year 2003 and issue of Bonus Shares in the ratio of 1:1 in the year 2011.

FORM No. MR-3**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
BLACK ROSE INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Black Rose Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Black Rose Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Black Rose Industries Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
- (vi) Other laws as are applicable to the Company as per the representations made by the Company.

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

- (i) Secretarial Standards of The Institute of Company Secretaries of India with respect to board and general meetings are not in force as on the date of this report.
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review and as per the explanations given and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above:

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Decisions at the Board Meetings were taken unanimously.

We further report that as represented by the Company and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **Parikh Parekh & Associates**
Company Secretaries

Place: Mumbai
Date: 29.05.2015

Name of Company Secretary: Jayaram U. Poojari
ACS No: 22867 CP No: 8187

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

'Annexure A'

To,
The Members
BLACK ROSE INDUSTRIES LIMITED

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh Parekh & Associates**
Company Secretaries

Place: Mumbai
Date: 29.05.2015

Name of Company Secretary: Jayaram U. Poojari
ACS No: 22867 CP No: 8187

REPORT ON CORPORATE GOVERNANCE

A COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The company believes that good corporate governance creates goodwill amongst stakeholders, thus, helps the company to achieve its long term corporate goals, brings consistent sustainable growth and generates competitive return for the investors.

The company also believes that transparency, accountability and compliance of various laws are the key elements for achieving good corporate governance.

B BOARD OF DIRECTORS

The Board of Directors comprises of Six members as at 31st March, 2015, of whom one is Executive Director and remaining five are Non - Executive Directors including four Independent Directors.

In view of the above 83% of the Board of Directors of the Company comprises of Non - Executive Director and 67% of the Board of Directors comprises of Independent Directors.

Attendance of Directors at Board Meetings, previous Annual General Meeting (AGM) held on 12th July, 2014, and also their Directorship and Chairmanship/Membership of Committees in other companies as on 31st March, 2015 is as under:

Director	Executive / Independent/ Non-Executive	Board Meeting attended / held	Attendance at the AGM	Sitting Fee Paid	Directorship in other Companies Incorporated in India(*)	Number of Committees (other than Black Rose Industries Limited) in which Chairman / Member (**)	No. of shares held in the company
Mr. Atmaram Jatia	Non-Executive	4/5	No	No	Nil	Nil	Nil
Mr. Shivhari Halan	Independent, Non-Executive	4/5	Yes	Yes	1	Nil	271,800
Mr. Anup Jatia	Executive	5/5	Yes	No	1	Nil	Nil
Mr. Sujay Sheth	Independent, Non-Executive	5/5	Yes	Yes	2	6	Nil
Mr. Basant Kumar Goenka	Independent, Non-Executive	1/5	Yes	No	3	Nil	Nil
Mrs. Garima Tibrawalla(#)	Independent, Non-Executive	0/0	No	No	5	Nil	Nil

(*) Excludes Directorships in Indian Private Limited Companies, Foreign Companies, Companies u/s. 8 of the Companies Act, 2013 and Indian LLPs.

(**) Includes only Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Ethic and Compliance Committee, Executive Committee and Board Subcommittee.

(#) Appointed on Board with effect from 24th March, 2015

During the financial year 2014 - 2015 five meetings of the Board of Directors were held on 27th May, 2014, 8th August, 2014, 3rd November, 2014, 11th November, 2014 and 12th February, 2015.

C BRIEF NOTE ON THE DIRECTORS SEEKING RE - APPOINTMENT / APPOINTMENT AT THE 25TH ANNUAL GENERAL MEETING

In compliance with Clause 49 IV (E) of the Listing Agreement with the Bombay Stock Exchange Limited, brief resume, expertise and details of other directorships, membership in committees of Directors of other companies and shareholding in the Company of the Directors proposed to be appointed / re-appointed are as under:

Name of Director	Mr. Anup Jatia	Mrs. Garima Tibrawalla
DIN	00351425	00203909
Date of Appointment as Director	18/01/2007	24/03/2015
Qualification	B.Sc. Engineering and Applied Science (Chemical Engineering and Economics)	B. Com. (H)
Brief Resume & Expertise in specific functional area	<p>Mr. Anup Jatia, aged 44 years, completed his B.Sc. Engineering and Applied Science (Chemical Engineering and Economics) from the California Institute of Technology, U.S.A. in 1993. He has 20 years of experience in the field of chemicals and textiles, with a deep understanding of international and local business.</p> <p>Mr. Jatia joined the Board of Directors of the Company in January, 2007 and was appointed as Executive Director in May, 2008.</p>	<p>Mrs. Garima Tibrawalla, aged 41 years, has a B.Com. Degree from University of Kolkata. She has also done Montessori Course from London Montessori House.</p> <p>Mrs. Tibrawalla is on the Board of Garima Developers Pvt. Ltd. since 2008 and is involved in Business Administration and Human Resource Management.</p>
*Directorships in other Public Limited Companies	Accent Industries Limited	O.P. Vanyjya Limited
Committee Positions held in Companies (excluding Black Rose Industries Limited) C - Chairman M - Member	NIL	NIL

(*) Excludes Directorships in Indian Private Limited Companies, Foreign Companies, Companies u/s 8 of the Companies Act, 2013 and Indian LLPs.

D COMMITTEES

The Company has three Committees of the Board viz. Audit Committee, Stakeholders' Grievance Committee and Nomination and Remuneration Committee. The terms of reference of these committees is decided by the Board of Directors of the Company. Signed minutes of the Committee Meetings are placed at the meeting of the Board.

The role and composition including the number of meetings and related attendance are given below.

1 AUDIT COMMITTEE

Composition

As at 31st March, 2015 the Audit Committee of the company comprises of three directors as members viz. Mr. Anup Jatia, Executive Director, Mr. Shivhari Halan and Mr. Sujay Sheth, both Non - Executive Independent Directors. The Chairman of the Committee is Mr. Sujay Sheth.

All the members have requisite accounting, financial and management expertise.

Terms of Reference

The terms of reference of Audit Committee are in accordance with the guidelines stipulated under Clause 49 of the Listing Agreement and are in accordance with Section 177 of the Companies Act, 2013. The Committee is entrusted with the following responsibilities:

- 1) To oversee the company's financial reporting process and disclosures of financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) To examine financial statements and the auditors' report thereon.

- 3) To recommend Board of Directors of the Company for appointment, re-appointment and removal of statutory auditors and to fix their audit fees and approve payment for any other services rendered by the statutory auditors.
- 4) To review and monitor the auditors' independence and performance, and effectiveness of audit process
- 5) To review with the management, quarterly as well as annual financial statements including of subsidiaries/ associates, before submission to the board for approval.
- 6) To review with the management performance of statutory and internal auditors and adequacy of internal control system.
- 7) To review the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 8) To discuss with internal auditors any significant findings and also reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularities or failure of internal control systems of material nature and reporting the matter to the board.
- 9) To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- 10) To review Management Discussion and Analysis of financial condition and results of operations, Statement of significant related party transactions, Management letters / letters of internal control weaknesses issued by the statutory auditors and Internal Audit Reports relating to internal control weaknesses.
- 11) To review and evaluate the Company's internal financial controls and risk management systems / policies.
- 12) To approve transactions of the Company with related parties.
- 13) To scrutinise inter - corporate loans and investments.
- 14) To undertake valuation of undertaking or assets of the company, wherever it is necessary
- 15) To monitor the end use of funds raised through public offers and related matters.
- 16) To perform such other functions as may be delegated by the Board of Directors of the Company.

Meeting and Attendance

During the year, four meetings of the Audit Committee were held and were attended by all the members of the Committee.

Minutes of the meetings of the Audit Committee are approved and signed by the Chairman of the Committee and are noted and confirmed by the Board in its next meeting.

Mr. C. P. Vyas, Company Secretary of the Company acts as Secretary to the Committee.

2 STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013, the nomenclature of Shareholders' / Investors' Grievance Committee was changed to "Stakeholders' Relationship Committee".

Composition

As at 31st March, 2015, the Stakeholders' Grievance Committee comprises of three directors as member and is headed by Mr. Basant Kumar Goenka as Chairman. The other members of the Committee are Mr. Shivhari Halan and Mr. Anup Jatia.

Terms of Reference

1. The Committee looks into the redressal of Shareholders'/Investors' Complaints/Grievances pertaining to transfer or credit of shares, non receipt of annual reports, dividend payments, bonus shares and any other miscellaneous complaints.

- The Committee oversees and reviews all matters connected with transfer and transmission of securities, dematerialisation and rematerialisation of securities and also inter-alia approves issue of duplicate, split of share certificates, allotment letters and certificates, etc.
- The Committee reviews performance of the Registrar and Share Transfer Agents of the company periodically and recommends measures for overall improvements in the quality of investors/shareholders related services.

Meeting and Attendance

During the year, a meeting of the Stakeholders' Grievance Committee was held and was attended by all the members of the Committee.

Minutes of the meetings of the Stakeholders' Grievance Committee were approved and signed by the Chairman of the Committee and are noted and confirmed by the Board in its subsequent meeting.

Mr. C.P.Vyas, Company Secretary of the Company acts as Secretary to the Committee.

To expedite the share transfer process in the interest of the investors, the power to approve equity share transfer was delegated to Mr. C.P.Vyas - Company Secretary of the Company and Mr. Nevil Avlani - Assistant Company Secretary of the Company severally.

M/s. Satellite Corporate Services Private Limited is the Registrar and Share Transfer Agents both for physical as well as electronic mode. The said Mr. C. P. Vyas acts as Compliance Officer.

The table below gives the number of complaints received, resolved and pending during the year 2014 - 2015.

Number of Complaints		
Received	Resolved	Pending
4	4	NIL

3 NOMINATION AND REMUNERATION COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013, the nomenclature of Remuneration Committee was changed to "Nomination and Remuneration Committee".

Composition

As at 31st March, 2015, the nomination and remuneration committee comprises of three directors as members viz. Mr. Shivhari Halan, Mr. Sujay Sheth and Mr. Basant Kumar Goenka. All the members of the Committee are Independent and Non - Executive Directors of the Company.

The Chairman of the Committee is Mr. Shivhari Halan.

Terms of Reference

- Appointment/Re-appointment of Directors / Key Managerial Personnel and Senior Management.
- To review the performance of the Directors / Key Managerial Personnel and Senior Management.
- To recommend the Board of Directors of the Company Salary, Perquisites, Bonus and Commission to be paid to the Company's Key Managerial Personnel and Senior Management after considering the Company's performance.
- Remuneration to Non - Executive / Independent Director.
- Devising policy on Board Diversity and amending the same.

Meeting and Attendance

During the year, two meetings of the nomination and remuneration committee were held and were attended by Mr. Shivhari Halan and Mr. Sujay Sheth.

Minutes of the meetings of the Nomination and Remuneration Committee are approved and signed by the Chairman of the Committee and were confirmed by the Board in its subsequent meeting.

The Company Secretary acts as the Secretary to the Committee.

E GENERAL BODY MEETING

YEAR	VENUE	DAY AND DATE	TIME	NUMBER OF SPECIAL RESOLUTIONS
2013 - 2014	Kilachand Conference Room, Indian Merchant Chambers, IMC Marg, Churchgate, Mumbai-400020	Friday, 12 th September, 2014	11:30 a.m.	NIL
2012 - 2013	Kilachand Conference Room, Indian Merchant Chambers, IMC Marg, Churchgate, Mumbai-400020	Friday, 12 th July, 2013	11:30 a.m.	3
2011 - 2012	Walchand Centre for Business Training, 3 rd Floor, Indian Merchant Chambers, IMC Bldg., IMC Marg, Churchgate, Mumbai-400020	Friday, 28 th September, 2012	11:30 a.m.	1

F RESOLUTION PASSED THROUGH POSTAL BALLOT

No Resolution was passed through postal ballot during the financial year 2014 - 2015.

G DISCLOSURES**1. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS**

There was no material transaction with any of the related parties. None of the transactions recorded were in conflict with the interests of the Company. All the related party transactions are negotiated at arms' length basis and are only intended to further the interest of the Company. The details of related party transactions are disclosed in Note No. 31 of Notes to financial statements of the Annual Report.

The Company has received sufficient disclosures from promoters, directors or the management wherever applicable.

2. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

The Company has complied with applicable statutory rules, regulations and guidelines notified by Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and the Stock Exchange. There was no default on any related issue during the last three years.

3. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the Section 177 of the Companies Act, 2013 and Clause 49 of the listing agreement with the stock exchange, the Company has adopted Whistle Blower Policy, which provides a formal mechanism for all Directors and employees of the Company to approach the Audit Committee of the Company and to make proactive disclosure to the Committee about unethical behavior and actual or suspected fraud. The disclosures reported are addressed in the manner and within the time frame prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee. The policy on Vigil Mechanism / Whistle Blower Policy is available on the website of the Company <http://www.blackrosechemicals.com/admin/investor/BRIL - Policy on Vigil Mechanism.pdf>

4. CODE OF CONDUCT

The company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company and all the Board Members and Senior Management have affirmed their adherence to the Code. The Model Code of Conduct is available on the website of the company <http://www.blackrosechemicals.com/admin/investor/BRIL-Code of Conduct.pdf>. The declaration from the Executive Director of the company to this effect forms a part of this Annual Report.

5. CODE OF CONDUCT FOR PREVENTION/PROHIBITION OF INSIDER TRADING

For prevention/prohibition of Insider Trading in securities by the Promoters, Directors and Designated/ Specified Employees, the Company has adopted a Code of Conduct as required under SEBI (Prohibition of Insider Trading) Regulations, 2015.

6. EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) OFFICER CERTIFICATION

A Certificate duly signed by Executive Director and CFO of the Company was placed at the Board Meeting of the Company held on May 29, 2015. A copy of the certificate is annexed to this Annual Report.

H MEANS OF COMMUNICATION WITH SHAREHOLDERS

The quarterly/half yearly/annual un-audited/audited financial results of the Company are sent to the stock exchange immediately after they are approved by the Board of Directors. In addition, these results are simultaneously posted on the website of the Company at www.blackrosechemicals.com. The company has not made any presentations to institutional investors or to the analysts.

The results were published in the following newspapers:

1. Free Press Journal (English Language)
2. Navshakti (Vernacular Language)

Press reports are given on important occasions.

I GENERAL SHAREHOLDERS' INFORMATION

1 Financial Year: April - March

2 Dividend Payment Date

Your Directors have not recommend any dividend for the financial year 2014 - 2015.

3 Listing on Stock Exchange

The equity shares of the company are listed on Bombay Stock Exchange Limited. The company has paid annual listing fees for the financial year 2015 - 2016.

4 Stock Code: 514183

5 Market Price Data

Month	High Price (₹)	Low Price (₹)
April, 2014	5.00	4.14
May, 2014	6.00	3.80
June, 2014	6.18	4.42
July, 2014	7.27	5.15
August, 2014	7.74	5.52
September, 2014	14.29	8.08
October, 2014	17.64	11.70
November, 2014	21.90	15.40
December, 2014	24.25	16.95
January, 2015	26.95	17.45
February, 2015	23.45	18.40
March, 2015	20.85	15.00

6 Black Rose Share Performance

Month	Sensex (Closing Points)	Price (Closing Price)
April, 2014	22,417.80	4.50
May, 2014	24,217.34	5.11
June, 2014	25,413.78	5.39
July, 2014	25,894.97	6.90
August, 2014	26,638.11	7.70
September, 2014	26,630.51	13.40
October, 2014	27,865.83	17.64
November, 2014	28,693.99	19.40
December, 2014	27,499.42	18.25
January, 2015	29,182.95	21.85
February, 2015	29,361.50	18.75
March, 2015	27,957.49	15.30

7 Registrar and Share Transfer Agents

M/s. Satellite Corporate Services Private Limited
B-302, Sony Apartment, Off. Andheri Kurla Road,
Jarimari, Sakinaka, Mumbai-400 072.
Tel: 022-2852 0461, 2852 0462. Fax: 022-2851 1809
E-mail: service@satellitecorporate.com

8 Share Transfer System

Share Transfers in physical form can be lodged with our Registrar and Share Transfer Agents M/s. Satellite Corporate Services Private Limited at the above mentioned address. The transfers are normally processed within 8 - 10 days from the date of receipt, if the documents are complete in all respects. Mr. C.P. Vyas - Company Secretary and Mr. Nevil Avlani - Assistant Company Secretary are severally empowered by the Board of Directors of the Company to approve transfers.

9 Distribution of Shareholding as on 31st March, 2015

Particulars	Number of Shareholders	Number of Shares Held	Percentage of Shareholdings
Upto 500	14,172	2,887,741	5.66
501 - 1000	669	567,591	1.11
1,001 - 5,000	428	1,000,158	1.96
5,001-10,000	72	525,784	1.03
10,001-50,000	63	1,319,901	2.59
50,001-1,00,000	10	730,695	1.43
1,00,001 and above	9	43,968,130	86.21
TOTAL	15,423	51,000,000	100.00

10 Dematerialisation of Shares and liquidity

The Company's has availed demat facility with National Securities Depositories Limited (NSDL) and Central Depositories Securities Limited (CDSL) and the Company's ISIN is INE761G01016.

As on 31st March, 2015, 93.76% of the total paid up equity share capital of the Company are in dematerialisation form.

11 Industry: Specialty Chemicals**12 Address for Correspondence**

145-A, Mittal Tower,
Nariman Point,
Mumbai - 400 021.
Tel: 022 - 4333 7200

13 E-mail ID of the grievance redressal division/compliance office exclusive for the purpose of registering complaints by investors

cs@texbrex.com

14 Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity

The company has not issued any ADRs/GDRs/Warrants or any Convertible Instruments.

15 Plant Locations

1. Shree Laxmi Co-Op. Industrial Estate Ltd., Plot No. 11 To 18, Hatkanangale - 416 109, Dist. Kolhapur, Maharashtra.
2. Plot No. 675, GIDC, Jhagadia, Jhagadia Industrial Estate, Jhagadia - 393110, Bharuch, Gujarat.

16 Contact person for clarification on financial statements

For clarification on financial statements please contact Mr. C. P. Vyas

E-mail: vyas@texbrex.com / cs@texbrex.com

Ph: +91 22 4311 0100

Address: 145/A, Mittal Tower, Nariman Point, Mumbai - 400021.

Note:

Members are requested to note that vide Circular No. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014 issued by the Securities and Exchange Board of India (SEBI), compliance with the provisions of clause 49 shall not be mandatory in respect of certain specified class of companies.

Our company falls under such specified class and hence the above disclosures are made as per the provisions of clause 49 of the listing agreement as applicable before the issue of the said SEBI circular.

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

Pursuant to Clause 49 (II) (E) of the listing agreement with Bombay Stock Exchange Limited, I, Anup Jatia, Executive Director of Black Rose Industries Limited hereby confirm and declare that all Board Members and Senior Management Executives have affirmed compliance with the "Code of Business Conduct for Directors and Senior Management Executives of the Company" for the year ended 31st March, 2015.

For Black Rose Industries Limited

Anup Jatia
Executive Director
DIN: 00351425

May 29, 2015

CEO/CFO CERTIFICATION

May 29, 2015

The Board of Directors
Black Rose Industries Limited
145/A, Mittal Tower,
Nariman Point, Mumbai - 400021.

We, the undersigned in our respective capacities as Executive Director and Chief Financial Officer, certify to the Board in terms of requirement of Clause 49 (IX) of the Listing Agreement with Bombay Stock Exchange Limited that:

- 1) We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2015 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- 3) For the purpose of financial reporting, we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and also have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4) We do further certify that there has been
 - i) No significant changes in internal control over financial reporting during the year;
 - ii) No significant changes in accounting policies during the year;
 - iii) No instances of significant fraud of which they we are aware during the year.

For **Black Rose Industries Limited**

Anup Jatia
Executive Director
DIN: 00351425

For **Black Rose Industries Limited**

Ratan Agrawala
Chief Finance Officer
PAN: ABJPA2075R

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

BLACK ROSE INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by BLACK ROSE INDUSTRIES LIMITED, for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the Clause 49 of 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 and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

192, Dr. D. N. Road
Mumbai - 400001
Dated: 29th May, 2015

(Viral Joshi)
Partner
Membership No. 137686

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLACK ROSE INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **BLACK ROSE INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

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, 2015;
- 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, 2015 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

(Viral Joshi)
Partner
Membership No. 137686

192, Dr. D. N. Road
Mumbai - 400001
Dated: May 29, 2015

Annexure to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report to the members of BLACK ROSE INDUSTRIES LIMITED, ('the Company') for the year ended on March 31, 2015. We report that:-

- i. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All the assets have not been physically verified by the management during the year but there is a regular programme of physical verification of fixed assets which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- ii. In respect of its inventories:
 - (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) 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) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. There were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence provisions of paragraph 3(iii) of the aforesaid Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls system. There is no sale of services.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public to which provisions of Sections 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 are applicable. No Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. We have broadly reviewed the cost records maintained by the Company specified by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie 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.
- vii.
 - (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues applicable to it.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at 31-03-2015, for a period of more than six months from the date they became payable except for the following:

Nature of dues	Financial year	Amount (Rs)
Central Sales - tax	2007 - 08	68,690/-
Central Sales - tax	2008 - 09	27,046/-
Central Sales - tax	2009 - 10	74,568/-

- (c) According to the records of the Company and information and explanations given to us, the following are the particulars of disputed dues on account of Income Tax and Central Excise Duty/ cess that have not been deposited:

Name of the Statute	Nature of Dues	Amount of Demand net of deposits (₹)	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Demand of Penalty raised u/s 271(1)(C)	₹ 2,31,686/-	A.Y. 2005-06	CIT (Appeals)

- (d) No amount is required to be transferred to Investor's Education and Protection Fund in accordance with Section 205C(2) of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- viii. The Company does not have accumulated losses. The Company has not incurred any cash losses during the financial year covered by our audit but it has incurred cash losses in the immediately preceding financial year.
- ix. Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and bank.
- x. The Company has not given any guarantee for loans taken by others from Bank or financial institution, and accordingly requirement of Paragraph 3(x) of the aforesaid Order are not applicable to the Company.
- xi. In our opinion and according to the information and explanations given to us by the management, term loans outstanding at the beginning of the year and those raised during the year were prima-facie applied for the purpose for which the loans were obtained.
- xii. Based upon the audit procedures performed and information and explanations given to us by the management, no fraud on or by the Company has been noticed or reported during the year.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

192, Dr. D. N. Road
Mumbai - 400001
Dated: May 29, 2015

(Viral Joshi)
Partner
Membership No. 137686

BALANCE SHEET AS AT 31ST MARCH, 2015

	Note No.	As At 31-03-2015 ₹	As At 31-03-2014 ₹
I. EQUITY AND LIABILITIES			
1 <u>Shareholders' Fund</u>			
Share Capital	2	51,000,000	51,000,000
Reserves and Surplus	3	141,952,984	136,049,836
		192,952,984	187,049,836
2 <u>Non-Current Liabilities</u>			
Long Term Borrowings	4	206,061,917	176,274,347
Deferred Tax Liabilities (Net)	5	10,409,107	22,539,775
Long Term Provisions	6	1,364,008	876,366
		217,835,032	199,690,488
3 <u>Current Liabilities</u>			
Short Term Borrowings	7	195,852,209	176,689,631
Trade Payables	8	272,293,384	290,821,877
Other Current Liabilities	9	33,851,105	38,590,434
Short Term Provisions	10	1,907,572	2,895,767
		503,904,270	508,997,709
Total		914,692,286	895,738,033
II. ASSETS			
1 <u>Non Current Assets</u>			
Fixed Assets	11		
Tangible Assets		389,324,186	396,460,405
Intangible Assets		17,418,016	24,370,051
		406,742,202	420,830,456
Non Current Investments	12	1,620,600	1,620,600
Long Term Loans and Advances	13	7,283,605	7,042,735
Other Non-Current Assets	14	5,962,717	4,590,978
		14,866,922	13,254,313
2 <u>Current Assets</u>			
Inventories	15	155,359,930	186,663,902
Trade Receivables	16	277,746,002	223,467,628
Cash and Bank Balances	17	6,250,929	6,288,125
Short Term Loans and Advances	18	40,153,663	39,746,227
Other Current Assets	19	13,572,638	5,487,381
		493,083,162	461,653,263
Total		914,692,286	895,738,033

Significant Accounting Policies 1
Notes on accounts are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of
KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

For and on behalf of the Board of Directors

Viral Joshi
Partner
Membership No. 137686

Shivhari Halan
Director
DIN : 00220514

Anup Jatia
Executive Director
DIN : 00351425

Place: Mumbai
Date: May 29, 2015

C. P. Vyas
Company Secretary

Ratan Agrawal
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Note No.	For the year ended 31-03-2015 ₹	For the year ended 31-03-2014 ₹
INCOME			
Revenue from Operations	20	1,470,053,011	847,516,793
Other Income	21	5,835,529	8,010,978
Total Revenue		1,475,888,540	855,527,771
EXPENDITURE			
Cost of materials consumed	22	219,652,140	77,178,808
Purchase of traded goods	23	1,020,604,664	766,174,561
Changes in inventories of finished goods, work- in- progress and traded goods	24	46,387,962	(88,132,224)
Employee benefits expense	25	27,928,775	20,450,544
Finance Cost	26	48,669,795	27,455,658
Depreciation and amortization expenses	27	27,786,707	21,550,165
Other expenses	28	91,518,609	55,615,352
Total Expenditure		1,482,548,652	880,292,864
Profit Before Tax		(6,660,112)	(24,765,093)
Less: Tax Expenses			
Current Tax		-	-
Deferred Tax		(12,312,183)	1,934,770
Wealth Tax		9,326	18,427
Earlier years adjustments		117,537	745,758
		(12,185,320)	2,698,955
Profit for the period		5,525,208	(27,464,048)
Earnings per Equity Share (Nominal Value of share ₹ 1/- each)	33		
Basic		0.11	(0.58)
Diluted		0.11	(0.58)

Significant Accounting Policies 1

Notes on accounts are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of
KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

For and on behalf of the Board of Directors

Viral Joshi
Partner
Membership No. 137686

Shivhari Halan
Director
DIN : 00220514

Anup Jatia
Executive Director
DIN : 00351425

Place: Mumbai
Date: May 29, 2015

C. P. Vyas
Company Secretary

Ratan Agrawal
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	2014-2015	2013-2014
	₹	₹
A. Cash Flow From Operating Activities		
Net profit before tax and extraordinary items	(6,660,112)	(24,765,093)
Adjustments for:		
Depreciation	27,786,707	21,550,163
(Profit) on sale of fixed assets	646,800	-
Interest expenses	45,364,878	21,767,706
Interest income	(3,196,025)	(1,772,245)
Unrealised foreign exchange (Gain)/Loss	(3,521,027)	(6,051,593)
Provision for expenses, gratuity & leave encashment	633,027	5,606,537
Excess provisions written back	(94,279)	(35,782)
Rental income	(738,000)	(738,000)
Sundry balances written off	(1,665,096)	(768,149)
Operating profit before working capital changes	58,556,873	14,793,544
Adjustments for:		
(Increase)/Decrease in trade and other receivables	(61,709,144)	(58,354,995)
(Increase)/Decrease in inventories	31,303,972	(104,863,739)
Increase/(Decrease) in trade and other payables	(19,715,774)	139,475,386
Cash generated from operating activities	8,435,927	(8,949,803)
Less : Direct taxes (net of refund)	297,100	4,892,928
Total cash generated from operating activities	8,138,827	(13,842,731)
Cash generated from prior period items (net)	-	-
Net cash flow from/(used in) operating activities	8,138,827	(13,842,731)
B. Cash Flow From Investing Activities		
Sale of fixed assets	-	-
Purchase of fixed assets/Capital work in progress	(14,979,352)	(185,046,751)
Interest income	760,367	450,152
Rental income	738,000	738,000
Cash generated from investing activities	(13,480,985)	(183,858,599)
Less : Income-tax paid at source	73,800	73,800
Net Cash flow from/(used in) investing activities	(13,554,785)	(183,932,399)
C. Cash Flow from Financing activities		
Proceeds from borrowings	48,950,148	137,640,324
Proceeds from Issue of Equity Shares	-	76,750,000
Interest expenses	(43,571,937)	(20,377,024)
Net cash flow/(used in) from financing activities	5,378,211	194,013,300
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(37,747)	(3,761,830)
Cash and cash equivalent as on 1.4.2014 (Opening Balance)	6,288,932	10,050,762
Cash and cash equivalent as at 31.3.2015 (Closing Balance)	6,251,185	6,288,932

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**Notes:****1) Reconciliation of cash and cash equivalents**

As per Balance Sheet-Note -17	6,250,929	6,288,125
Add:- Foreign exchange loss on revaluation of foreign currency	256	807
As per Cash flow statement	6,251,185	6,288,932

2) Cash and cash equivalents comprises of

a) Cash in hand	374,530	235,121
b) Bank balance in current accounts	2,106,384	1,377,614
c) Unpaid dividend account	95,619	95,689
d) In fixed deposit account	3,674,652	4,580,508
	6,251,185	6,288,932

- 3) Direct Tax paid are treated as arising from operating activity and not bifurcated in investment and financing activities
- 4) Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.
- 5) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 Cash Flow Statements.
- 6) Figures in brackets represent outflows.

As per our report of even date enclosed

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

For and on behalf of the Board of Directors

Viral Joshi

Partner

Membership No. 137686

Shivhari Halan

Director

DIN : 00220514

Anup Jatia

Executive Director

DIN : 00351425

Place: Mumbai

Date: May 29, 2015

C. P. Vyas

Company Secretary

Ratan Agrawal

Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**1 SIGNIFICANT ACCOUNTING POLICIES****a) Nature of Operations**

The Company is engaged in manufacturing and trading of chemicals and manufacturing of gloves and fabrics. The company is also in the business of power generation by setting up Windmills in the State of Rajasthan and Gujarat.

b) Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 year.

c) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

d) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

(i) Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

(ii) Export entitlement

Export entitlement by the way of duty draw back/DEPB are recognised as income of the year on accrual basis. In case of utilisation for Import purpose the same is recognised as raw material cost in the year of import.

(iii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(iv) Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

e) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a first in first out (FIFO) method.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

f) Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

g) Tangible Fixed Assets

- (i) All Fixed Assets are stated at cost less accumulated depreciation.
- (ii) Leasehold land is amortised equally on straight-line basis over the period of lease.
- (iii) All costs including borrowing costs in accordance with the provision of Accounting Standard 16 - Borrowing Costs including exchange gain or loss on foreign currency loan to the extent considered as adjustment to interest cost utilised for the acquisition and installation of fixed assets, till commencement of commercial production, are capitalized.

h) Depreciation on Tangible Fixed Assets

Consequent to the enactment of the Companies Act, 2013 ('the Act') and its applicability for the period commencing on or after April 1, 2014, the Company has re-worked depreciation with reference to the useful life of Fixed Assets as prescribed by PART C of the Schedule II of the Act. Where remaining useful life of the Asset is Nil, the carrying amount of the assets after retaining the residual value (Net of Deferred Tax), as on April 1, 2014, has been adjusted to the Retained Earnings. In other cases, the carrying values have been depreciated over the remaining useful life of the Asset using Straight Line Method and the same is recognised in the Statement of Profit and Loss.

i) Intangible Assets

- (i) All intangible fixed assets are stated at cost less amortisation cost.

All costs including borrowing costs in accordance with the provision of Accounting Standard 16 - Borrowing Costs including exchange gain or loss on foreign currency loan to the extent considered as adjustment to interest cost utilised for the acquisition and installation of fixed assets, till commencement of commercial production, are capitalized.
- (ii) Licensed Software is amortised prorata, on straight line basis over the estimated useful life of the asset which is estimated at 5 years.

j) Foreign Currency Transactions and Balances

(i) Initial recognition

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

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

In case of foreign subsidiaries, being non integral foreign operations, the assets and liabilities are translated at the closing exchange rate. Income and Expense items are translated at average exchange rates and all resulting exchange differences are accumulated in foreign exchange fluctuation reserves on consolidation.

k) Forward exchange contracts entered into hedge foreign currency risk of an existing asset/liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange difference on such contracts, except the contracts which are long-term foreign currency monetary items, are recognised in the statement of profit and loss in the period in which the exchange rates change. Any gain or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense, as the case may be, on such occurrence.

l) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

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

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

m) Retirement and other employee benefits

(i) Retirement Benefits

Contributions to the Provident Fund are made at a pre-determined rate and charged to the statement of Profit and Loss.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The liability so provided is represented substantially by creation of separate fund and is considered sufficient to meet the liability as and when it accrues for payment in future.

(ii) Leave Encashment

Provision for Leave encashment is made as per actuarial valuation as at the year end and is charged to the statement of Profit and Loss.

n) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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

o) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

q) Income Taxes

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

Deferred tax resulting from “timing difference” between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date or as on date of approval of Statement of Accounts whichever is later. The deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

r) Impairment of Tangible and Intangible Assets

The carrying amount of cash generating unit/assets are reviewed at Balance sheet date to determine whether there is any indication of impairment. If any such indication exist, the recoverable amount is estimated as the higher of net selling price and value in use. Impairment loss is recognized wherever carrying amount exceeds recoverable amount.

s) Provision, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimates in measurement are recognised when there is a present obligation as a result of past event 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
2 Share Capital
Authorised Shares

80,000,000 (31st March, 2014: 80,000,000)

Equity Shares of ₹ 1/- each

31-03-2015 ₹	31-03-2014 ₹
80,000,000	80,000,000
<u>80,000,000</u>	<u>80,000,000</u>
51,000,000	51,000,000
<u>51,000,000</u>	<u>51,000,000</u>

Issued, Subscribed and fully paid up Shares

51,000,000 (31st March, 2014: 51,000,000)

Equity Shares of ₹ 1/- each

a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period
Equity Shares

	31-03-2015		31-03-2014	
	Nos.	₹	Nos.	₹
At the beginning of the period	51,000,000	51,000,000	38,720,000	38,720,000
Add: Shares issued during the year	-	-	12,280,000	12,280,000
Outstanding at the end of the period	51,000,000	51,000,000	51,000,000	51,000,000

b) Terms/Rights attached to equity shares

The company has only one class of equity share having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share and dividend per share on pari passu basis. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors except interim dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2015, the amount of per share dividend recognised as distributions to equity shareholders was ₹ Nil (31st March, 2014 ₹ Nil).

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 proportion to the number of equity shares held by the shareholders.

c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	31-03-2015 Nos.	31-03-2014 Nos.
Holding Company		
Name of the Company		
Wedgewood Holdings Limited, Mauritius.		
Equity Shares of ₹ 1/-each fully paid	28,800,000	28,800,000
	<u>28,800,000</u>	<u>28,800,000</u>

d) Details of shareholders holding more than 5% share in the company

	31-03-2015		31-03-2014	
	Nos.	% of holding	Nos.	% of holding
Equity shares of ₹ 1/ each fully paid				
Name of the shareholder				
Wedgewood Holdings Limited, Mauritius	28,800,000	56.47	28,800,000	56.47
Triumph Worldwide Ltd.	9,210,000	18.06	9,210,000	18.06
Shravan Kumar Todi	3,070,000	6.02	3,070,000	6.02

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015 ₹	31-03-2014 ₹
3 Reserve and Surplus		
a) Capital Reserve	3,000,000	3,000,000
b) General Reserve	6,240,000	6,240,000
c) Securities Premium Reserves		
Balance as per the last financial statements	64,470,000	-
Add: Amount received on issue of shares	-	64,470,000
	<u>64,470,000</u>	<u>64,470,000</u>
d) Surplus in the statement of profit and loss		
Balance as per the last financial statements	62,339,836	89,803,884
Profit/(loss) for the year:	5,525,208	(27,464,048)
Less: Appropriations		
Adjustment on account of Depreciation as per Schedule II of the Companies Act, 2013	(377,940)	-
Net surplus in the statement of profit and loss	<u>68,242,984</u>	<u>62,339,836</u>
Total Reserves and Surplus	<u>141,952,984</u>	<u>136,049,836</u>
4. Long Term Borrowings		
Secured		
a) Term Loans		
Loan from banks [Refer Note No. 4(a)(i)]	176,548,774	153,734,418
Loan from other parties [Refer Note No. 4(a)(ii)]	9,683,453	16,955,684
Total Secured	<u>186,232,226</u>	<u>170,690,102</u>
Unsecured		
b) Deposits [Refer Note no.4(b)(i)]	38,900,000	21,500,000
c) Trade Deposit from related party		
Inter Corporate Deposits [Refer Note No. 4(c)(i)]	-	2,000,000
d) Other Loans and Advances		
Interest Free Security Deposits [Refer Note No. 4(d)(i)]	1,500,000	1,500,000
Total Unsecured	<u>40,400,000</u>	<u>25,000,000</u>
	<u>226,632,226</u>	<u>195,690,102</u>
Less: Current maturities of long term borrowings disclosed under the head "other current liabilities" (Refer Note No. 9)	(20,570,309)	(19,415,755)
	<u>206,061,917</u>	<u>176,274,347</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**Note 4 (a):****Secured Loan:**Vehicle Loan**(i) From ICICI Bank Ltd.**Nature of security

Secured by hypothecation of vehicles

Rate of Interest

The rate of interest is 11.08% p.a. (P.Y. 11.08% p.a.)

Terms of Repayment

Equated monthly installment of ₹ 45,260/- commencing from 1st October, 2012 and ending on 1st July, 2015.

From Kotak Mahindra Bank Ltd.Nature of security

Secured by hypothecation of vehicles

Rate of Interest

The rate of interest is 10.27 % p.a. (P.Y. 10.27% p.a.)

The rate of interest is 10.23 % p.a. (P.Y. N.A.)

Terms of Repayment

Equated monthly installment of ₹ 19,360/- commencing from 10th August, 2013 and ending on 10th June, 2016.

Equated monthly installment of ₹ 134,862/- commencing from 1st December, 2014 and ending on 1st October, 2017.

From HDFC Bank Ltd.Nature of security

Secured by hypothecation of vehicles

Rate of Interest

The rate of interest is 10.51 % p.a. (P.Y. N.A.)

Terms of Repayment

Equated monthly installment of ₹ 14,823/- commencing from 5th June, 2014 and ending on 5th June, 2017.

From Bank of BarodaNature of security

- a) Hypothecation of stock and book debts of the company.
- b) Hypothecation of goods purchased/imported under L.C.
- c) Composite hypothecation agreement of Stocks and Book Debts, Plant and Machinery of the company, both present & future as well as other fixed assets of the company.

Rate of Interest

The rate of interest is p.a. 12.70 % p.a. (P.Y. 12.70% p.a.)

Terms of Repayment

Repayable in 84 months as under:

F.Y. 2015 - 12 monthly installments of ₹ 10.00 Lacs

F.Y. 2016 - 12 monthly installments of ₹ 13.33 Lacs

F.Y. 2017 - 12 monthly installments of ₹ 16.67 Lacs

F.Y. 2018 - 12 monthly installments of ₹ 29.33 Lacs

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

F.Y. 2019 - 12 monthly installments of ₹ 29.33 Lacs

F.Y. 2020 - 12 monthly installments of ₹ 29.33 Lacs

F.Y. 2021 - 12 monthly installments of ₹ 28.51 Lacs

(ii) Loan from other party
From Tata Capital Financial Services Ltd.
Nature of security

- a) First and exclusive Charge by way of hypothecation of the windmills along with its accessories etc. installed at Tiwri, Location No. 38, Village - Indroka, Dist : Jodhpur, Rajasthan and Location No. 311, Samana Site, Village Paddaval, Taluka - Upleta, Dist : Rajkot, Gujarat - 360 007 by mortgage of the Land.
- b) First and exclusive charge by way of hypothecation on all trade receivables.
- c) Unconditional and irrevocable personal guarantee of a Executive Director, Mr. Anup Jatia.

Rate of Interest

The rate of interest is 14.75% p.a.(P.Y. 14.75% p.a.)

Terms of Repayment

Equated monthly installment of ₹ 560,738/- commencing from 10th October, 2010 and ending on 10th September, 2016.

	31-03-2015 ₹	31-03-2014 ₹
Note 4 (b):		
(i) Unsecured Loan:		
Public Deposits		
Received from Director (Refer Note No. 31)	38,900,000	10,500,000
Received from Related Party (Refer Note No. 31)	-	11,000,000
	38,900,000	21,500,000
<u>Rate of Interest</u>		
The rate of interest is 12.50% p.a. (P.Y. 12.50% p.a.)		
<u>Terms of Repayment</u>		
Repayable on or after 36 months	38,900,000	21,500,000
	38,900,000	21,500,000
Note 4(c):		
(i) Trade Deposit from related party		
Inter Body Corporate Deposit		
Black Rose Trading Private Limited	-	2,000,000
<u>Terms of Repayment</u>		
Repayable anytime on or after 16.02.2014 but before 16.02.2015		
Note 4(d):		
Other Loans and Advances		
(i) Security Deposits		
Received from related party (Refer Note No. 31)	1,500,000	1,500,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015 ₹	31-03-2014 ₹
5 Deferred Tax Liabilities (Net) (Disclosure as per AS-22) <u>Items leading to deferred tax liability</u> Difference in depreciation in block of fixed assets as per Income Tax and Books of Accounts Less: <u>Items leading to deferred tax assets</u> Carry Forward of Business Losses Expenses allowable on Payment basis Net (Deferred Tax Liability) Amount to be charged to Statement of Profit and Loss before adjustment Adjustment on account of Depreciation as per Schedule II of the Companies Act, 2013 Amount to be charged to Statement of Profit and Loss after adjustment	41,431,914 (30,352,377) (670,430) 10,409,107 12,130,668 181,515 12,312,183	39,146,961 (15,643,441) (963,745) 22,539,775 1,934,770 - 1,934,770
6 Long Term Provisions Provisions for employees benefits Provision for Gratuity (Refer Note No. 29) Provisions for Leave Benefits (Refer Note No. 29)	1,198,202 165,806 1,364,008	727,319 149,047 876,366
7. Short Term Borrowings a) Secured [Refer Note No. 7(a)(i)] <u>Repayable on demand</u> Cash Credit from Banks Short Term Working Capital Demand Loan from Banks Trade Credit	115,231,260 10,000,000 55,620,949 180,852,209	93,756,954 10,000,000 25,132,677 128,889,631
b) Unsecured Deposits [Refer Note No. 7(b)(i)] <u>Repayable on demand</u> Inter Corporate Deposits Other Deposits	15,000,000 - 15,000,000 195,852,209	37,000,000 10,800,000 47,800,000 176,689,631
Note No. 7(a)(i): <u>Secured</u> Cash Credit from ING Vysya Bank Limited Cash Credit from Yes Bank Cash Credit from Bank of Baroda WCDL from Yes Bank Trade Credit from ING Vysya Bank Limited Trade Credit from Yes Bank	23,020,237 26,828,750 65,382,273 10,000,000 32,575,106 23,045,843 180,852,209	47,586,668 32,118,309 14,051,977 10,000,000 12,005,308 13,127,369 128,889,631
<u>Nature of security</u> Hypothecation of stocks and book debts of the company, present and future, and pledge of office premises and corporate guarantee of Black Rose Trading Pvt. Ltd. The above charges rank pari passu for all intents and purposes.		
<u>Rate of Interest</u> Effective cost for the above loans are in the range of 12.50% p.a. to 14.00% p.a. (P.Y. 12.50 % p.a. to 14.00% p.a.)		
Note No. 7(b)(i): Rate of Interest	15.00% - 16.00%	12.50%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015	31-03-2014
	₹	₹
8 Trade payables		
Trade payables (Refer Note No. 38)	272,293,384	290,821,877
	272,293,384	290,821,877
9. Other Current Liabilities:		
Current maturities of long term borrowings (Refer Note No. 4)	20,570,309	19,415,755
Interest accrued but not due on borrowings	1,152,599	311,445
Interest accrued and due on borrowings	619,385	1,165,637
Unpaid Dividend *	95,619	95,689
Provision for Mark to Market Loss on Open Forward Contract	448,585	3,342,319
Payable for other expenditure	5,249,051	7,005,182
Advance from Customers	1,396,087	2,854,053
VAT/CST Payable	2,675,477	2,737,021
TDS payable	1,597,173	1,623,879
Rates & Taxes payable	46,820	39,454
	33,851,105	38,590,434
* Amount due to be credited to Investor Education and Protection Fund is ₹ Nil		
10. Short Term Provisions		
Provisions for employee benefits		
Salary and Reimbursements	1,660,762	2,275,052
Contribution to Provident Fund	193,490	191,807
Gratuity	33,895	321,956
Leave benefits	19,425	106,952
	1,907,572	2,895,767

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

11. Fixed Assets

(Amount in ₹)

Particular	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK	
	Cost as at 01.04.2014	Additions / Disposals	Other Adjustments	Cost as at 31.03.2015	As at 01.04.2014	Adjustment / Disposals	As at 31.03.2015	As at 31.03.2014
TANGIBLE ASSETS								
Leasehold Land [Refer Note No. 11(a)]	33,014,903	2,079,888	-	35,094,791	5,264	-	35,084,263	33,009,639
Factory Building *	137,695,306	589,111	-	138,284,417	16,983,563	-	116,766,157	120,711,743
Office Equipments	1,790,303	192,543	-	1,982,846	308,065	-	1,240,903	1,482,238
Electric Installation	5,041,079	11,000	-	5,052,079	4,999,890	-	48,174	41,189
Factory Equipments	305,388	210,597	-	515,985	301,264	-	205,648	4,124
Plant & Machinery	188,399,781	5,560,427	-	193,960,208	6,855,950	-	176,731,165	181,543,831
Furniture & Fittings	4,479,780	230,058	-	4,709,838	1,872,915	-	2,495,407	2,606,865
Computers	3,049,878	102,700	-	3,152,578	1,932,615	-	947,396	1,117,263
Printer	29,578	-	-	29,578	2,391	-	16,312	27,187
Vehicles	10,747,087	5,992,528	5,584,158	11,155,457	4,972,352	(4,303,258)	8,432,813	5,774,735
Wind Mills [Refer Note No. 11(b)]	87,351,734	-	-	87,351,734	37,210,143	-	47,355,947	50,141,591
Total (A)	471,904,816	14,968,852	5,584,158	481,289,510	75,444,410	(4,303,258)	389,324,186	396,460,406
INTANGIBLE ASSETS								
Software	1,367,426	10,500	-	1,377,926	393,485	-	761,906	973,941
Technical Know-how	26,960,000	-	-	26,960,000	3,563,890	-	16,656,110	23,396,110
Total (B)	28,327,426	10,500	-	28,337,926	3,957,375	-	17,418,016	24,370,051
Total (A+B)	500,232,242	14,979,352	5,584,158	509,627,436	79,401,785	(4,303,258)	406,742,202	420,830,457
Previous Year	137,788,795	362,443,448	-	500,232,243	57,851,622	-	420,830,456	

Note No. 11(a):

Leasehold land cost is stated at balance of original cost less amount amortised upto 31.03.2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015 ₹	31-03-2014 ₹
12 Non Current Investments		
Trade Investments (valued at cost unless stated otherwise)		
Unquoted		
Investment in Wholly-owned foreign subsidiary		
60 (P.Y. 60) Capital Stock of JPY 50,000 each fully paid up in B.R.Chemicals Co. Ltd., Osaka, Japan	1,620,600	1,620,600
	1,620,600	1,620,600
Aggregate amount of Unquoted Investments	1,620,600	1,620,600
13. Long Term Loans and Advances		
Other Loans and Advances		
(Unsecured, considered good)		
Security Deposit to Government authorities and others	3,160,787	3,158,787
Income Tax Deposits (Net of Provision for Taxation) [Refer Note No.13(a)]	1,763,673	1,524,803
MAT Credit Entitlement	2,359,145	2,359,145
	7,283,605	7,042,735
Note No. 13(a):		
Income Tax Deposits (Net of Provision for Taxation) comprises of:		
Income Tax Deposits	1,763,673	18,113,403
Less: Provision for Taxation	-	(16,588,600)
	1,763,673	1,524,803
14. Other Non-Current Assets		
Fixed deposits with Bank with original maturity of more than 12 months [Refer Note No. 17]	11,412,682	4,819,820
Less: Current maturities of Fixed deposits with Bank with original maturity of more than 12 months [Refer Note No. 19]	(7,003,197)	(937,709)
	4,409,485	3,882,111
FPS Licence receivable	579,559	-
Duty Drawback receivable	973,673	708,867
	5,962,717	4,590,978
15 Inventories		
(valued at lower of cost or net realisable value) (As certified by the management)		
Raw Materials and components	31,283,901	16,847,152
[includes in transit ₹ Nil (31 st March, 2014: ₹ Nil)] [Refer Note No. 22(a)(ii)]		
Work-in-progress [Refer Note No. 24(a)(ii)]	20,454,018	5,446,466
Finished Goods [Refer Note No. 24(a)(iii)]	4,403,965	5,165,165
Traded Goods	95,027,813	158,385,396
[includes in transit ₹ 32,657,631/- (31 st March, 2014: ₹ 83,801,317/)]		
[Refer Note No. 24(a)(i)]		
Stores and spares & Packing Materials	4,190,232	819,723
	155,359,930	186,663,902
16 Trade receivable [Refer Note No. 16(a)]		
Unsecured, Considered good unless stated otherwise:		
Outstanding for a period exceeding six months from date they are due for payment	11,870,329	5,337,429
Others	265,875,673	218,130,199
Doubtful	-	862,139
	277,746,002	224,329,767
Less: Provision for doubtful debts	-	(862,139)
	277,746,002	223,467,628

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015 ₹	31-03-2014 ₹
Note No : 16 (a)		
Of the above amount shown in Others Trade receivables includes, amount due from companies in which company's director is interested as director		
Black Rose Trading Pvt. Ltd.	52,912	153,652
Tozai Safety Pvt. Ltd.	737,737	872,440
Accent Industries Ltd.	763,836	2,474,324
	1,554,485	3,500,416
17. Cash and Bank Balances		
Cash and Cash equivalents		
Cash on hand	374,273	234,314
Other Bank Balances		
In Current Accounts	2,106,384	1,377,614
In Unpaid dividend account	95,619	95,689
In Fixed Deposits account		
Fixed Deposits with original maturity for less than 3 months*	870,000	-
Other Bank Balances		
Fixed Deposits with original maturity for more than 3 months but less than 12 months*	2,804,652	4,580,508
Fixed Deposits with original maturity for more than 12 months*	11,412,682	4,819,820
	17,663,611	11,107,945
Less:		
Fixed Deposit with original maturity of more than 12 months. (Refer Note No. 14)	(11,412,682)	(4,819,820)
	6,250,929	6,288,125
* Out of the above Fixed Deposits:		
Given as Margin money for Trade Credit and L/C facilities.	15,016,840	9,329,833
Given against Bank Guarantee	10,000	10,000
Given to Sales Tax Authority Gujarat	60,494	60,494
	15,087,334	9,400,327
18 Short Term Loans and Advances		
Unsecured, considered good unless otherwise stated		
Security Deposit to related parties	-	1,650,000
Security Deposits to others	293,550	568,200
Prepaid Expenses	4,041,284	2,878,586
Loans and advances to staff	890,937	1,835,000
Loans and Advances to a Officer of the company	188,425	165,925
Other Loans and Advances		
Balances with Statutory Government authorities	18,906,263	18,803,569
Inter Corporate Loan	-	2,062,911
Loans and advances to other parties	2,860,563	2,585,563
Advances recoverable in cash or kind or for value to be received	12,972,640	9,196,473
	40,153,663	39,746,227
19. Other Current Assets		
Unsecured, considered good unless otherwise stated		
Current maturities of Fixed deposits with Bank with original maturity of more than 12 months	7,003,197	937,709
Unamortized premium on forward contract in foreign currency	-	729,901
Interest accrued but not due on Bank Deposits	2,655,614	1,448,068
Interest accrued and due on Loans	1,226,456	538,301
Interest accrued on Security Deposits with MSEB	154,163	23,914
Interest Subsidy Receivable	1,103,087	1,179,329
Trade Discount Receivable	515,584	-
Import Entitlements	914,537	630,160
	13,572,638	5,487,382

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	For the Year ended 31-03-2015 ₹	For the Year ended 31-03-2014 ₹
20. Revenue from Operations		
a) Sale of products [Refer Note No. 20(a)(i)]	1,468,699,804	845,585,111
	1,468,699,804	845,585,111
b) Other Operating Revenue		
Dividend on Traded Shares	4,011	3,343
Excise Duty Rebate	91,340	-
Export Entitlement	891,505	46,193
Interest Subsidy	333,686	506,505
Commission	32,665	1,375,641
	1,353,207	1,931,682
Revenue from Operations	1,470,053,011	847,516,793
Note No. 20(a)(i):		
Details of Sale of products		
Chemicals	1,430,451,239	823,409,311
Textiles	18,403,715	11,340,520
Wind Energy	11,060,995	10,835,280
Others	8,783,855	-
	1,468,699,804	845,585,111
21. Other Income		
Interest income		
From Bank	1,438,109	961,150
From Others	1,757,916	811,095
	3,196,025	1,772,245
Other non-operating income (net of expenses directly attributable to such income) ₹ 441,377 (31 st March, 2014: ₹ Nil)	2,639,505	6,238,733
	5,835,529	8,010,978
22. Cost of Materials consumed [Refer Note No. 22(a)]		
Inventory at the beginning of the year	16,847,152	857,756
Add: Purchases	234,088,889	93,168,204
	250,936,041	94,025,960
Less: Inventory at the end of the year	31,283,901	16,847,152
	219,652,140	77,178,808
Note No. 22(a):		
(i) Details of Materials consumed		
Chemical	210,956,561	72,263,366
Yarn	5,574,628	4,444,893
Fabrics	3,120,951	470,549
	219,652,140	77,178,808
(ii) Details of Inventory of raw materials		
Chemical	28,942,603	12,023,716
Yarn	1,623,198	1,735,954
Fabric	718,100	3,087,482
	31,283,901	16,847,152
23. Purchase of Traded Goods		
Chemicals	1,017,181,681	762,583,225
Textiles	3,417,767	3,591,336
Others	5,217	-
	1,020,604,664	766,174,561

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	For the Year ended 31-03-2015 ₹	For the Year ended 31-03-2014 ₹
24. (Increase)/Decrease in Inventories		
Opening Traded Goods	158,385,396	78,872,720
Consumed in Manufacturing	2,673,785	-
Closing Traded Goods [Refer Note No. 24(a)(i)]	95,163,561	158,385,396
	60,548,049	(79,512,676)
Opening Work-in-progress	5,446,466	1,435,581
Closing Work-in-progress [Refer Note No. 24(a)(ii)]	20,454,018	5,446,466
	(15,007,552)	(4,010,885)
Opening Finished Goods	5,165,165	556,502
Closing Finished Goods [Refer Note No. 24(a)(iii)]	4,317,700	5,165,165
	847,465	(4,608,663)
Total (Increase)/Decrease in Inventories	46,387,962	(88,132,224)
Note No. 24(a)		
Details of inventories at the end of the year		
(i) Traded Goods		
Chemicals	92,953,412	154,137,683
Textiles	865,530	185,778
Others	1,344,619	4,061,935
	95,163,561	158,385,396
(ii) Work-in-progress		
Chemical	16,217,739	3,613,136
Textiles	4,236,279	1,833,330
	20,454,018	1,833,330
(iii) Finished Goods		
Chemical	1,839,014	3,324,134
Textiles	2,477,782	1,840,128
Others	903	903
	4,317,700	5,165,165
25. Employee Benefit expenses		
Salaries, Wages and Bonus	26,047,638	19,111,283
Contribution to Provident fund and other funds	1,238,172	928,131
Staff Welfare expenses	642,965	411,130
	27,928,775	20,450,544
26. Finance Costs		
Interest on borrowings	44,822,266	21,378,394
Bill Discounting Charges	23,690	58,693
Bank Charges on facilities	518,924	330,619
Applicable loss on foreign currency transactions and translation	3,304,916	5,687,952
	48,669,795	27,455,658
27. Depreciation and Amortization Expenses		
Depreciation of Tangible Assets	20,818,908	17,752,416
Amortization of Tangible Assets	5,264	5,264
Amortization of Intangible Assets	6,962,535	3,792,485

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	For the Year ended 31-03-2015 ₹	For the Year ended 31-03-2014 ₹
	27,786,707	21,550,165
28 Other Expenses		
Power and Fuel	9,401,618	3,149,944
Rent	1,992,928	2,375,527
Rates and Taxes	1,292,262	407,537
Insurance	1,142,738	999,865
Repairs and Maintenance		
- Plant and Machinery	1,344,317	135,331
- Buildings	381,942	316,974
- Others	215,252	325,647
Legal and Professional fees	18,146,763	5,728,969
Payment to auditor [Refer Note No. 28(a)]	424,470	299,440
Exchange difference (net) other than considered in finance cost	-	6,879,100
Sundry Balance written off	-	63,915
Selling and Distribution expenses	7,700,445	3,366,193
Brokerage expenses	3,829,762	4,642,782
Windmill Maintenance Charges	1,487,912	1,406,414
Travelling and Conveyance	4,770,284	4,167,131
Communication costs	1,006,893	1,022,565
Prior Period Items	99,645	-
Printing and Stationery	415,743	245,562
Labour and Jobwork Charges	6,911,496	4,027,568
Loss on Sale of Assets	646,800	-
Packing Material consumed	14,954,987	2,713,139
Export expenses	1,546,569	571,734
Security Charges	763,180	332,100
Corporate office expenses	1,177,256	1,349,729
Office Expenses	1,902,160	1,444,449
Office Electricity Expenses	307,490	697,195
Warehousing Charges	2,512,236	1,992,812
Vehicle expenses	1,422,373	1,391,439
Share Trading expenses	17,471	9,756
Donation	21,000	28,500
Bank Charges	3,194,255	3,105,057
Logistics expenses	400,560	808,315
Miscellaneous expenses	2,087,802	1,610,663
	91,518,609	55,615,352
Note No. 28(a):		
Details of Payment to Auditor		
As Auditor		
Audit Fees	250,000	110,000
Tax Audit Fees	55,000	40,000
Limited Review	45,000	30,000
In Other capacity		
Certification Fees	-	60,000
Reimbursement of expenses including service tax	46,380	29,664
	396,380	269,664
Cost Auditor		
As Audit fees	25,000	26,500
Reimbursement of service tax	3,090	3,276
	28,090	29,776
	424,470	299,440

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
29 Disclosures as per AS-15 (Revised) - Employee Benefits
Gratuity and other post employment benefit plans

- (a) The gratuity charged to the statement of profit and loss for the year as per the actuarial valuation as per the requirement of Accounting Standard 15 - (Revised).

The actuarial valuation is done at the year end using 'Projected Unit Credit' method and it covers all regular employees.

The following table sets out the status of the gratuity plan as required under AS-15 (Revised)

(As certified by actuary)

(i) Assumptions

Discount Rate (p.a.)	7.96%	9.31%
Rate of escalation in Salary (p.a.)	5.00%	5.00%
Attrition Rate	2.00%	2.00%
Retirement age	60 Years	60 Years

(ii) Obligation at beginning of the year

Service cost	1,049,275	842,416
Interest Cost	205,664	151,893
Benefits settled	97,688	69,499
Actuarial (gains)/losses	(435,617)	(316,560)
	315,087	302,027

Obligation at end of the year

	1,232,097	1,049,275
--	------------------	------------------

(iii) Expenses/(Income) recognised in statement of Profit & Loss.

Service cost	205,664	151,893
Interest cost	97,688	69,499
Actuarial (gain)/loss	315,087	302,027

Net gratuity cost

	618,439	523,419
--	----------------	----------------

(iv) Amount recognised in Balance Sheet

Liability at the beginning of the period	1,049,275	842,416
Expenses/(Income) recognised in statement of Profit and Loss	618,439	523,419
Benefits paid	435,617	316,560

Net amount recognised in Balance Sheet

	1,232,097	1,049,275
--	------------------	------------------

- (b) Provision for leave salary has been made on actuarial valuation as per the requirement of Revised Accounting Standard 15.

- (c) The above actuarial valuation does not include gratuity and leave salary payable to Executive Director Mr.Anup Jatia.

30 Segment Accounting (AS-17)

The Company's segment reporting are as follows:

Segment Revenue

Sales/Income	31 st March, 2015 ₹	31 st March, 2014 ₹
Textiles	18,403,715	11,340,520
Chemicals	1,431,466,749	824,831,146
Renewable Energy	11,394,681	11,341,785
Others	8,787,866	3,343
Total Segment Revenue	1,470,053,011	847,516,794

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31 st March, 2015 ₹	31 st March, 2014 ₹
Segment Results		
Profit before interest and tax		
Textiles	2,554,881	366,557
Chemicals	51,126,084	18,640,407
Renewable Energy	6,924,836	718,741
Others	6,567,853	-
Total Segment Results	67,173,654	19,725,705
Less: Finance Cost	48,669,795	27,457,657
Other unallocable expenses net off		
unallocable income	25,163,972	17,033,580
Total Profit before Tax	(6,660,113)	(24,765,532)
Capital Employed		
Segment Assets less Segment Liabilities		
Textiles	29,827,648	28,703,654
Chemicals	117,966,353	124,577,417
Renewable Energy	41,115,731	36,557,617
Add: Unallocable corporate assets net off		
unallocable corporate liabilities	4,043,252	(2,788,852)
Total Capital Employed	192,952,984	187,049,836

31 Disclosure of Related Party Transactions

(As certified by the Management and relied upon by the Auditors)

a) Information about related parties

- | | |
|--|--|
| (i) Holding company | Wedgewood Holdings Limited, Mauritius |
| (ii) Wholly-owned foreign subsidiary company | B.R.Chemicals Co. Limited, Osaka, Japan |
| (iii) Key Management Personnel | Anup Jatia, Executive Director |
| (iv) Enterprises owned or significantly influenced by any management personnel or their relatives. | 1) Black Rose Trading Private Limited
2) Tozai Safety Private Limited
3) Tozai Enterprises Private Limited
4) Accent Industries Limited
5) Fukui Accent Trading (India) Private Limited
6) Wedgewood Holdings LLP |

b) Related parties transactions

Nature of Transactions	Holding Co.	Subsidiary Co.	Key Management Personnel	Other related parties as in 31(a)(iv)
Sales	-	-	-	26,678,435
	-	-	-	(34,782,966)
Purchase	-	-	-	7,405,669
	-	-	-	(7,821,716)
Rent Paid	-	-	-	480,000
	-	-	-	(480,000)
Directors Remuneration	-	-	3,000,000	-
	-	-	(3,000,000)	-
Interest Paid	-	-	3,333,356	1,286,473
	-	-	(1,312,500)	(1,380,156)
Interest Received	-	-	-	-
	-	-	-	(55,392)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Nature of Transactions	Holding Co.	Subsidiary Co.	Key Management Personnel	Other related parties as in 31(a)(iv)
Rent Received	-	-	-	738,000
	-	-	-	(738,000)
Unsecured Deposit Received	-	-	39,100,000	-
	-	-	(450,000)	-
Unsecured Deposit Repaid	-	-	200,000	-
	-	-	(450,000)	-
Reimbursement of Expenses Paid	-	-	172,931	783,431
	-	-	(388,830)	(717,433)
Reimbursement of Expenses Received	-	-	-	1,363,359
	-	-	-	(2,573,677)
Balance as at 31st March, 2015	Holding Co.	Subsidiary Co.	Key Management Personnel	Other related parties as in 31(a)(iv)
Security Deposit Payable	-	-	-	1,500,000
	-	-	-	(1,500,000)
Security Deposit Receivable	-	-	-	-
	-	-	-	(1,650,000)
Trade Receivables	-	-	-	1,554,485
	-	-	-	(3,500,416)
Trade Payables	-	-	-	225,539
	-	-	-	(678,120)
Unsecured Deposit Payable	-	-	38,900,000	-
	-	-	(10,500,000)	(11,000,000)
Trade Deposit Payable	-	-	-	-
	-	-	-	(2,000,000)
Directors Remuneration Payable	-	-	-	-
	-	-	(188,000)	-
Interest Payable (Net of T.D.S.)	-	-	1,099,479	-
	-	-	(291,267)	(105,103)

Notes:

- The above Related Party relationships are given by the management and relied upon by the auditor.
- Figures of previous year are given in brackets.

32 Leases (AS-19)

- The company has given part of its lease hold factory building on operating lease basis for a period of 5 years. The lease agreement is of non-cancellable in nature and renewable at the end of the expiry period at the option of both the lessor and the lessee, and there are no exceptional/restrictive covenants in the lease agreements. There is no contingent rent.
- Particulars of Asset given on lease:

	31 st March, 2015 ₹	31 st March, 2014 ₹
Assets - Factory Building		
(i) Gross carrying amount at the end of the year	138,284,417	137,695,306
(ii) Accumulated depreciation at the end of the year	21,518,260	16,983,563
(iii) Depreciation charged to statement of profit and loss for the period.	4,534,697	2,713,589

Note : The figures given above are for whole of the asset as per books of account and not for the part area of the asset given on lease.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31 st March, 2015 ₹	31 st March, 2014 ₹
(c) The lease rental recognised income in the statement of profit and loss during the current financial year is ₹ 732,000/- (P.Y. ₹ 732,000/-)		
(d) Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	488,000	732,000
Later than one year and not later than five years	-	671,000
	488,000	1,403,000

33 Earnings per share (AS-20)

Details of the profit and No. of Equity Shares used in the basic and diluted EPS computations:

Total operation for the year

Profit after tax	5,525,208	(27,464,048)
Weighted average number of shares outstanding at the year end	Nos.	Nos.
Equity shares outstanding at the beginning of the year	51,000,000	38,720,000
Add: Shares issued during the year.	-	12,280,000
Total Weighted average Equity shares outstanding at the end of the current year	51,000,000	47,097,315
Basic and diluted earnings per share (₹)	0.11	(0.58)
Face value per share (₹)	1	1

34 Impairment of Assets (AS-28)

Based on exercise of impairment of assets undertaken by the management in due cognizance of paragraphs 5 to 13 of AS 28. The Company has concluded that no impaired loss is required to be booked.

35 Contingent Liabilities

Contingent liabilities not provided for in respect of :-

- Bank Guarantee given to Government authorities ₹ 15,000/- (P.Y. ₹ 15,000/-)
- Central Sales Tax liability of ₹ 6,030,980/- (P.Y. ₹ 2,140,665/-) as per MVAT Audit completed in the current financial year, as the said liability is on account of non receipt of 'C' forms from various payable customers and the company is awaiting the receipt of said forms. The liabilities if any will be accounted in the books of account in the year in which the final liability is determined.
- Disputed Income Tax demands of ₹ 231,686/- (P.Y. ₹ 231,686/-) for which company has gone in appeal. The management is of the opinion that the said demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

36 Capitalisation of Expenditure

The company has capitalised the following revenue expenses by debiting to statement of profit and loss and transferring the same to capital work-in-progress (CWIP) account for its project at Jhagadia, Gujarat. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company.

	31 st March, 2015 ₹	31 st March, 2014 ₹
Interest	-	22,427,302
Project related Expenses	-	97,137,219
	-	119,564,521

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

During the previous year, project at Jhagadia was completed and consequently all pre-operative expenses lying under capital work-in-progress were apportioned to the assets created upon completion of project.

- 37 The Company has not received any intimation from suppliers regarding their 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 has not been given.

38 Value of Imports calculated on CIF basis	31 st March, 2015 ₹	31 st March, 2014 ₹
Raw Materials	115,468,380	8,010,955
Capital Goods	1,758,438	30,138,500
	117,226,817	38,149,455

39 Expenditure in Foreign Currency		
Interest on short term borrowings	787,199	716,251
Royalty	12,038,900	1,453,182
Travelling	154,856	565,219
	12,980,955	2,734,652

40 Imported and indigenous raw materials, components consumed	% of total consumption 31 st March, 2015 ₹	Value 31 st March, 2015 ₹	% of total consumption 31 st March, 2014 ₹	Value 31 st March, 2014 ₹
Raw Materials				
Imported	39.34%	86,412,526	2.33%	1,800,989
Indigenously obtained	60.66%	133,239,614	97.67%	75,377,818
	100.00%	219,652,140	100.00%	77,178,807

41 Earnings in foreign currency	31 st March, 2015 ₹	31 st March, 2014 ₹
Exports at F.O.B. Value	19,187,224	9,749,615
Commission Income	-	1,229,578
Others	-	8,850
	19,187,224	10,988,043

42 Details of Derivative instruments and unhedged foreign currency exposure
a) Derivatives outstanding as at the balance sheet date
Particulars
Forward contract to sell

	For Hedging of foreign currency sales Amount in EURO	Amount in ₹	No. of Contracts
As on 31.03.2015	3,642	244,451	1
As on 31.03.2014	-	-	-

Forward contract to buy

	For Hedging of foreign currency purchases Amount in US\$	Amount in ₹	No. of Contracts
As on 31.03.2015	1,393,866	87,123,576	12
As on 31.03.2014	1,083,136	64,901,509	13

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**b) Particulars of unhedged foreign currency exposure as at the balance sheet date**

Particulars	As on 31.03.2015		As on 31.03.2014	
	Amount in US\$	Amount in ₹	Amount in US\$	Amount in ₹
Trade Payable	3,746,909	234,181,819	506,300	30,337,482
Secured Trade Credit	1,434,864	89,679,000	964,437	57,789,077
Trade receivable	-	-	46,042	2,758,837

- 43** In the Opinion of the Board of Directors, the Current Assets, Loans and Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The Provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
- 44** The balances of debtors, creditors and deposits are subject to confirmation and reconciliation.
- 45** (i) Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.
- (ii) Figures have been rounded off to the nearest rupee.

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

For and on behalf of the Board of Directors

Viral Joshi

Partner

Membership No. 137686

Shivhari Halan

Director

DIN : 00220514

Anup Jatia

Executive Director

DIN : 00351425

Place: Mumbai

Date: May 29, 2015

C. P. Vyas

Company Secretary

Ratan Agrawal

Chief Financial Officer

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To The Board of Directors of

BLACK ROSE INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the attached Consolidated financial statements **BLACK ROSE INDUSTRIES LIMITED** ('the Company') and its one foreign subsidiary (together referred to as "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and the Consolidated 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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

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

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2015;
- b) In the case of the Consolidated Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

We did not audit the financial statement of one foreign subsidiary Company, whose financial statements reflect total assets of Rs.46.39 Lacs as at March 31, 2015, total revenue of Rs.4895.49 Lacs and Net Loss of Rs. 2.34 Lacs. These financial statements have not been audited and our opinion in so far as it relates to the amounts included in respect of this subsidiary is based solely on the information and explanation provided by the management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the group, none of the directors of the Group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) There were no pending litigations which would impact the consolidated financial position of the Group
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

(Viral Joshi)
Partner
Membership No. 137686

192, Dr. D. N. Road
Mumbai - 400001
Dated: May 29, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report to the members of BLACK ROSE INDUSTRIES LIMITED, ('the Company') and its one foreign subsidiary (together referred to as "Group") for the year ended on March 31, 2015. We report that:-

- i. In respect of its fixed assets:
 - (a) The Group has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All the assets have not been physically verified by the management during the year but there is a regular programme of physical verification of fixed assets which is, in our opinion, reasonable having regard to the size of the Group and the nature of its assets. In accordance with this programme, certain fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- ii. In respect of its inventories:
 - (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Group and the nature of its business.
 - (c) On the basis of our examination of the records of inventory, we are of the opinion that the Group is maintaining proper records of inventory. There were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii. The Group has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence provisions of paragraph 3(iii) of the aforesaid Order are not applicable to the Group.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Group and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls system. There is no sale of services.
- v. In our opinion and according to the information and explanations given to us, the Group has not accepted deposits from the public to which provisions of Sections 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 are applicable. No Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. We have broadly reviewed the cost records maintained by the Group specified by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie 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.
- vii. (a) According to the records of the Group, the Group is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at 31-03-2015, for a period of more than six months from the date they became payable except for the following:

Nature of dues	Financial year	Amount (Rs)
Central Sales - tax	2007 - 08	68,690/-
Central Sales - tax	2008 - 09	27,046/-
Central Sales - tax	2009 - 10	74,568/-

- (c) According to the records of the Group and information and explanations given to us, following are the particulars of disputed dues on account of Income Tax and Central Excise Duty/cess that have not been deposited:

Name of the Statute	Nature of Dues	Amount of Demand net of deposits (Rs.)	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Demand of Penalty raised u/s 271(1)(C)	2,31,686/-	A.Y. 2005-06	CIT (Appeals)

- (d) No amount is required to be transferred to Investor's Education and Protection Fund in accordance with Section 205C(2) of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- viii. The Group does not have accumulated losses. The Group has not incurred any cash losses during the financial year covered by our audit but it has incurred cash losses in the immediately preceding financial year.
- ix. Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Group has not defaulted in repayment of dues to financial institutions and bank.
- x. The Group has not given any guarantee for loans taken by others from Bank or financial institution, and accordingly requirement of Paragraph 3(x) of the aforesaid Order are not applicable to the Group.
- xi. In our opinion and according to the information and explanations given to us by the management, term loans outstanding at the beginning of the year and those raised during the year were prima-facie applied for the purpose for which the loans were obtained.
- xii. Based upon the audit procedures performed and information and explanations given to us by the management, no fraud on or by the Group has been noticed or reported during the year.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

(Viral Joshi)
Partner
Membership No. 137686

192, Dr. D. N. Road
Mumbai - 400001
Dated: May 29, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

	Note No.	As At 31-03-2015 ₹	As At 31-03-2014 ₹
I. EQUITY AND LIABILITIES			
1 Shareholders' Fund			
Share Capital	2	51,000,000	51,000,000
Reserves and Surplus	3	141,955,122	136,235,731
		192,955,122	187,235,731
2 Non-Current Liabilities			
Long Term Borrowings	4	206,061,917	176,274,347
Deferred Tax Liabilities (Net)	5	10,409,106	22,539,775
Long Term Provisions	6	1,364,008	876,366
		217,835,031	199,690,488
3 Current Liabilities			
Short Term Borrowings	7	195,930,344	176,777,426
Trade Payables	8	273,489,302	292,764,635
Other Current Liabilities	9	35,592,993	38,633,916
Short Term Provisions	10	1,907,572	2,895,767
		506,920,211	511,071,744
Total		917,710,364	897,997,963
II. ASSETS			
1 Non Current Assets			
Fixed Assets	11		
Tangible Assets		389,324,186	396,460,406
Intangible Assets		17,418,016	24,370,051
		406,742,202	420,830,457
Long Term Loans and Advances	12	7,283,605	7,042,735
Other Non-Current Assets	13	5,962,717	4,590,978
		13,246,322	11,633,713
2 Current Assets			
Inventories	14	157,207,897	188,294,136
Trade Receivables	15	277,746,002	223,467,628
Cash and Bank Balances	16	6,330,525	8,429,811
Short Term Loans and Advances	17	42,656,441	39,620,856
Other Current Assets	18	13,780,975	5,721,363
		497,721,840	465,533,794
Total		917,710,364	897,997,963

Significant Accounting Policies 1
Notes on accounts are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of
KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

For and on behalf of the Board of Directors

Viral Joshi
Partner
Membership No. 137686

Shivhari Halan
Director
DIN : 00220514

Anup Jatia
Executive Director
DIN : 00351425

Place: Mumbai
Date: May 29, 2015

C. P. Vyas
Company Secretary

Ratan Agrawal
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Note No.	For the year ended 31-03-2015 ₹	For the year ended 31-03-2014 ₹
INCOME			
Revenue from Operations	19	1,959,563,021	1,151,655,866
Other Income	20	5,874,202	8,013,777
Total Revenue		1,965,437,223	1,159,669,643
EXPENDITURE			
Cost of materials consumed	21	219,652,140	77,178,808
Purchase of traded goods	22	1,500,767,458	1,060,061,231
Changes in inventories of finished goods, work- in- progress and traded goods	23	46,170,230	(89,762,459)
Employee benefits expense	24	29,328,131	22,583,312
Finance cost	25	48,669,795	27,455,658
Depreciation and amortization expenses	26	27,786,707	21,550,165
Other expenses	27	99,956,750	65,084,182
Total Expenditure		1,972,331,211	1,184,150,897
Profit Before Tax		(6,893,988)	(24,481,254)
Less: Tax Expenses			
Current Tax		-	-
Deferred Tax		(12,312,184)	1,934,770
Wealth Tax		9,326	18,427
Earlier years adjustments		117,537	745,758
		(12,185,321)	2,698,955
Profit for the period		5,291,333	(27,180,209)
Earnings per Equity Share (Nominal Value of share ₹ 1/- each)	33		
Basic		0.10	(0.58)
Diluted		0.10	(0.58)

Significant Accounting Policies 1

Notes on accounts are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of
KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

For and on behalf of the Board of Directors
Viral Joshi

Partner

Membership No. 137686

Shivhari Halan

Director

DIN : 00220514

Anup Jatia

Executive Director

DIN : 00351425

Place: Mumbai

Date: May 29, 2015

C. P. Vyas

Company Secretary

Ratan Agrawal

Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	2014-2015	2013-2014
	₹	₹
A. Cash Flow From Operating Activities		
Net profit before tax and extraordinary items	(6,893,988)	(24,481,254)
Adjustments for:		
Depreciation	27,786,707	21,550,165
(Profit)/Loss on sale of fixed assets	646,800	-
Increase/(Decrease) in foreign currency translation reserve	114,608	14,174
Interest expenses	45,364,878	21,767,706
Interest income	(3,196,284)	(1,772,343)
Unrealised foreign exchange (Gain)/Loss	(3,487,530)	(6,051,592)
Provision for expenses, gratuity & leave encashment	633,027	5,606,537
Excess provisions written back	(94,279)	(35,782)
Rental income	(738,000)	(738,000)
Sundry balances written off	(1,665,096)	(768,149)
Operating profit before working capital changes	58,470,842	15,091,462
Adjustments for:		
(Increase)/Decrease in trade and other receivables	(64,311,652)	(53,599,445)
(Increase)/Decrease in inventories	31,086,239	(106,493,973)
Increase/(Decrease) in trade and other payables	(18,862,188)	137,146,721
Cash generated from operating activities	6,383,240	(7,855,233)
Less : Direct taxes(net of refund)	297,100	4,892,928
Total cash generated from operating activities	6,086,140	(12,748,161)
Cash generated from prior period items (net)	-	-
Net cash flow from / (used in) operating activities	6,086,140	(12,748,161)
B. Cash Flow From Investing Activities		
Sale of fixed assets	-	-
Purchase of fixed assets/Capital work in progress	(14,979,352)	(185,046,751)
Increase in Share Capital		76,750,000
Interest income	760,626	450,250
Rental income	738,000	738,000
Cash generated from investing activities	(13,480,726)	(107,108,500)
Less : Income-tax paid at source	73,800	73,800
Net Cash flow from/(used in) investing activities	(13,554,526)	(107,182,300)
C. Cash Flow from Financing activities		
Proceeds from borrowings	48,940,488	137,728,119
Interest expenses	(43,571,937)	(20,377,024)
Net cash flow/(used in) from financing activities	5,368,551	117,351,095
Net increase in cash and cash equivalents (A+B+C)	(2,099,834)	(2,579,367)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	8,430,615	11,009,984
Cash and cash equivalent as at 31.3.2015 (Closing Balance)	6,330,781	8,430,615

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	2014-2015	2013-2014
	₹	₹
Notes:		
1) Reconciliation of cash and cash equivalents		
As per Balance Sheet - Note - 16	6,330,525	8,429,811
Add:- Foreign exchange loss on revaluation of foreign currency	256	807
As per Cash flow statement	6,330,781	8,430,617
2) Cash and cash equivalents comprises of		
a) Cash in hand	454,126	243,307
b) Bank balance in current accounts	2,106,384	3,511,113
c) Unpaid dividend account	95,619	95,689
d) In fixed deposit account	3,674,652	4,580,508
	6,330,781	8,430,617
3) Direct Tax paid are treated as arising from operating activity and not bifurcated in investment and financing activities.		
4) Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.		
5) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 Cash Flow Statements.		
6) Figures in brackets represent outflows.		

As per our report of even date attached

For and on behalf of
KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

Viral Joshi
Partner
Membership No. 137686

Place: Mumbai
Date: May 29, 2015

For and on behalf of the Board of Directors

Shivhari Halan
Director
DIN : 00220514

C. P. Vyas
Company Secretary

Anup Jatia
Executive Director
DIN : 00351425

Ratan Agrawal
Chief Financial Officer

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**1 SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS****Principles of consolidation**

The consolidated financial statements relate to Black Rose Industries Limited ('the Company') and its subsidiary company B.R.Chemicals Co., Limited (collectively referred to as 'the Group'). The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements".
- b) In case of financial statements of non integral foreign operations, the assets and liabilities are translated at the closing exchange rate. Income and Expense items are translated at average exchange rates and all resulting exchange differences are accumulated in foreign exchange fluctuation reserves on consolidation until the disposal of the investment.
- c) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as holding company's separate financial statements, as far as possible, except as specifically mentioned in the Notes to Accounts.
- d) The financial statements of the subsidiary company used into the consolidation are drawn upto the same reporting date as that of the company.

Other Significant Accounting Policies:**a) Nature of Operations**

The Group is engaged in manufacturing and trading of chemicals and manufacturing of gloves and fabrics. The Group is also in the business of power generation by setting up Windmills in the State of Rajasthan and Gujarat.

b) Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 year.

c) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

d) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

(i) Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Group collects sales

taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

(ii) Export entitlement

Export entitlement by the way of duty draw back/DEPB are recognised as income of the year on accrual basis. In case of utilisation for Import purpose the same is recognised as raw material cost in the year of import.

(iii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(iv) Dividends

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

e) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a first in first out (FIFO) method.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

f) Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

g) Tangible Fixed Assets

(i) All Fixed Assets are stated at cost less accumulated depreciation.

(ii) Leasehold Land is amortised equally on straight-line basis over the period of lease.

(iii) All costs including borrowing costs in accordance with the provision of Accounting Standard 16 - Borrowing Costs (issued by ICAI) including exchange gain or loss on foreign currency loan to the extent considered as adjustment to interest cost utilised for the acquisition and installation of fixed assets, till commencement of commercial production, are capitalized.

h) Depreciation on Tangible Fixed Assets

Consequent to the enactment of the Companies Act, 2013 ('the Act') and its applicability for the period commencing on or after April 1, 2014, the Company has re-worked depreciation with reference to the useful life of Fixed Assets as prescribed by PART C of the Schedule II of the Act. Where remaining useful life of the Asset is Nil, the carrying amount of the assets after retaining the residual value (Net of Deferred Tax), as on April 1, 2014, has been adjusted to the Retained Earnings. In other cases, the carrying values have been depreciated over the remaining useful life of the Asset using Straight Line Method and the same is recognised in the Statement of Profit and Loss.

i) Intangible Assets

- (i) All intangible fixed assets are stated at cost less amortisation cost.
- (ii) All costs including borrowing costs in accordance with the provision of Accounting Standard 16 - Borrowing Costs (issued by ICAI) including exchange gain or loss on foreign currency loan to the extent considered as adjustment to interest cost utilised for the acquisition and installation of fixed assets, till commencement of commercial production, are capitalized.
- (iii) Licensed Software is amortised prorata, on straight line basis over the estimated useful life of the asset which is estimated at 5 years.

j) Foreign Currency Transactions and Balances**(i) Initial recognition**

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

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

In case of foreign subsidiaries, being non integral foreign operations, the assets and liabilities are translated at the closing exchange rate. Income and Expense items are translated at average exchange rates and all resulting exchange differences are accumulated in foreign exchange fluctuation reserves on consolidation.

k) Forward exchange contracts entered into hedge foreign currency risk of an existing asset/liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange difference on such contracts, except the contracts which are long-term foreign currency monetary items, are recognised in the statement of profit and loss in the period in which the exchange rates change. Any gain or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense, as the case may be, on such occurrence.

l) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

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

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

m) Retirement and other employee benefits**(i) Retirement Benefits**

Contributions to the Provident Fund are made at a pre-determined rate and charged to the statement of Profit and Loss.

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The liability so provided is

represented substantially by creation of separate fund and is considered sufficient to meet the liability as and when it accrues for payment in future.

(ii) Leave Encashment

Provision for Leave encashment is made as per actuarial valuation as at the year end and is charged to the statement of Profit and Loss.

n) Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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

o) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilit, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

q) Income Taxes

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

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date or as on date of approval of Statement of Accounts whichever is later. The deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

r) Impairment of Tangible and Intangible Assets

The carrying amount of cash generating unit/assets are reviewed at Balance sheet date to determine whether there is any indication of impairment. If any such indication exist, the recoverable amount is estimated as the higher of net selling price and value in use. Impairment loss is recognized wherever carrying amount exceeds recoverable amount.

s) Provision, Contingent Liabilities and Contingent Assets

Provision involving substantial degree of estimates in measurement are recognised when there is a present obligation as a result of past event 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015 ₹	31-03-2014 ₹
2 Share Capital		
Authorised Shares		
80,000,000 (31 st March, 2014: 80,000,000)	80,000,000	80,000,000
Equity Shares of ₹ 1/- each		
	80,000,000	80,000,000
Issued, Subscribed and fully paid up Shares		
51,000,000 (31 st March, 2014: 51,000,000)	51,000,000	51,000,000
Equity Shares of ₹ 1/- each		
	51,000,000	51,000,000

a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

	31-03-2015		31-03-2014	
Equity Shares	Nos.	₹	Nos.	₹
At the beginning of the period	51,000,000	51,000,000	38,720,000	38,720,000
Add: Shares issued during the year	-	-	12,280,000	12,280,000
Outstanding at the end of the period	51,000,000	51,000,000	51,000,000	51,000,000

b) Terms/Rights attached to equity shares

The company has only one class of equity share having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share and dividend per share on pari passu basis. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors except interim dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2015, the amount of per share dividend recognised as distributions to equity shareholders was ₹ Nil (31st March, 2014 ₹ Nil).

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 proportion to the number of equity shares held by the shareholders.

c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

	31-03-2015 Nos.	31-03-2014 Nos.
Holding Company		
Name of the Company		
Wedgewood Holdings Limited, Mauritius.		
Equity Shares of ₹ 1/- each fully paid	28,800,000	28,800,000
	28,800,000	28,800,000

d) Details of shareholders holding more than 5% share in the company

	31-03-2015		31-03-2014	
Equity shares of ₹1/ each fully paid	Nos.	% of holding	Nos.	% of holding
Name of the shareholder :				
Wedgewood Holdings Limited, Mauritius	28,800,000	56.47	28,800,000	56.47
Triumph Worldwide Limited	9,210,000	18.06	9,210,000	18.06
Shravan Kumar Todi	3,070,000	6.02	3,070,000	6.02

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015	31-03-2014
	₹	₹
3 Reserve and Surplus		
a) Capital Reserve	3,000,000	3,000,000
b) General Reserve	6,240,000	6,240,000
c) Securities Premium Reserves		
Balance as per the last financial statements	64,470,000	-
Add: Amount received on issue of shares	-	64,470,000
	64,470,000	64,470,000
d) Foreign exchange fluctuation reserves on consolidation		
Balance as per the last financial statements	114,608	100,434
Add : Exchange gain on translation during the year	50,118	14,174
Closing Balance	164,726	114,608
e) Surplus in the statement of profit and loss		
Balance as per the last financial statements	62,411,123	89,591,332
Profit for the year:	5,291,333	(27,180,209)
Less: Appropriations		
Adjustment on account of Depreciation as per Schedule II of the Companies Act, 2013	(377,940)	-
Net surplus in the statement of profit and loss	68,080,396	62,411,123
Total Reserves and Surplus	141,955,122	136,235,731
4. Long Term Borrowings		
Secured		
a) Term Loans		
Loan from bank [Refer Note No. 4(a)(i)]	176,548,774	153,734,418
Loan from other party [Refer Note No. 4(a)(ii)]	9,683,453	16,955,684
Total Secured	186,232,226	170,690,102
Unsecured		
b) Deposits [refer note no-4(b)(i)]	38,900,000	21,500,000
c) Trade Deposit from related party		
Inter Body Corporate Deposit [Refer Note No. 4(c)(i)]	-	2,000,000
d) Other Loans and Advances		
Interest Free Security Deposits [Refer Note No. 4(d)(i)]	1,500,000	1,500,000
Total Unsecured	40,400,000	25,000,000
	226,632,226	195,690,102
Less: Current maturities of long term borrowings disclosed under the head "other current liabilities" (Refer Note No. 9)	(20,570,309)	(19,415,755)
	206,061,917	176,274,347

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**Note 4(a):****Secured Loan:****Vehicle Loan****(i) From ICICI Bank Ltd.**Nature of security

Secured by hypothecation of vehicles

Rate of Interest

The rate of interest is 11.08% p.a. (P.Y. 11.08% p.a.)

Terms of Repayment

Equated monthly installment of ₹ 45,260/- commencing from 1st October, 2012 and ending on 1st April, 2015.

From Kotak Mahindra Bank Bank Ltd.Nature of security

Secured by hypothecation of vehicles

Rate of Interest

The rate of interest is 10.27 % p.a. (P.Y. 10.27% p.a.)

The rate of interest is 10.23 % p.a. (P.Y. N.A.)

Terms of Repayment

Equated monthly installment of ₹ 19,360/- commencing from 10th August, 2013 and ending on 10th June, 2016.

Equated monthly installment of ₹ 134,862/- commencing from 1st December, 2014 and ending on 1st October, 2017.

From Bank of BarodaNature of security

- a) Hypothecation of stock and book debts of the company.
- b) Hypothecation of goods purchased/imported under L.C.
- c) Composite hypothecation agreement of Stocks and Book Debts, Plant and Machinery of the company, both present & future as well as other fixed assets of the company.

Rate of Interest

The rate of interest is 12.70 % p.a.(P.Y. 12.70 % p.a.)

Terms of Repayment

Repayable in 84 months as under:

F.Y. 2015 - 12 monthly installments of ₹ 10.00 Lacs

F.Y. 2016 - 12 monthly installments of ₹ 13.33 Lacs

F.Y. 2017 - 12 monthly installments of ₹ 16.67 Lacs

F.Y. 2018 - 12 monthly installments of ₹ 29.33 Lacs

F.Y. 2019 - 12 monthly installments of ₹ 29.33 Lacs

F.Y. 2020 - 12 monthly installments of ₹ 29.33 Lacs

F.Y. 2021 - 12 monthly installments of ₹ 28.51 Lacs

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
(ii) Loan from other party

From Tata Capital Financial Services Limited.

Nature of security

- First and exclusive Charge by way of hypothecation of the windmills along with its accessories etc. installed at Tiwri, Location No. 38, Village - Indroka, Dist : Jodhpur, Rajasthan and Location No. 311, Samana Site, Village Paddaval, Taluka - Upleta, Dist : Rajkot, Gujarat-360 007 by mortgage of the Land.
- First and exclusive charge by way of hypothecation on all trade receivables.
- Unconditional and irrevocable personal guarantee of a Executive Director, Mr.Anup Jatia.

Rate of Interest

The rate of interest is 14.75% p.a. (P.Y. 14.75% p.a.)

Terms of Repayment

Equated monthly installment of ₹ 560,738/- commencing from 10th October, 2010 and ending on 10th September, 2016

Note 4(b):
(i) Unsecured Loan:

Public Deposits

Received from related party (Refer Note No. 30)

Received from others

31-03-2015	31-03-2014
₹	₹
38,900,000	10,500,000
-	11,000,000
38,900,000	21,500,000

Rate of Interest

The rate of interest is 12.50% p.a. (P.Y. 12.50% p.a.)

Terms of Repayment

Repayable on or after 36 months

38,900,000	21,500,000
38,900,000	21,500,000

Note No. 4(c):
(i) Trade Deposit from related party

Inter Body Corporate Deposit

Black Rose Trading Private Limited

-	2,000,000
---	------------------

Terms of Repayment

Repayable anytime on or after 16.02.2014 but before 16.02.2015

Note No. 4(d):
Other Loans and Advances
(i) Security Deposits

Received from related party (Refer Note No. 30)

1,500,000	1,500,000
------------------	------------------

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015 ₹	31-03-2014 ₹
5 Deferred Tax Liabilities (Net) (Disclosure as per AS-22) <u>Items leading to deferred tax liability</u> Difference in depreciation in block of fixed assets as per tax books and financials books Less: <u>Items leading to deferred tax assets</u> Carry Forward of Business Losses Expenses allowable on Payment basis Net (Deferred Tax Liability)	41,431,914 (30,352,378) (670,430) 10,409,106	39,146,961 (15,643,441) (963,745) 22,539,775
Amount to be charged to Statement of Profit and Loss before adjustment Adjustment on account of Depreciation as per Schedule II of the Companies Act, 2013 Amount to be charged to Statement of Profit and Loss after adjustment	12,130,669 181,515 12,312,184	1,934,770 - 1,934,770
6 Long Term Provisions a) Provisions for employees benefits Provision for gratuity (Refer Note No. 28) Provisions for leave benefits (Refer Note No. 28)	1,198,202 165,806 1,364,008	727,319 149,047 876,366
7 Short Term Borrowings a) Secured [Refer Note No. 7(a)(i)] <u>Repayable on demand</u> Cash Credit from banks Short Term Working Capital Demand Loan from Bank Trade Credit	115,231,260 10,000,000 55,620,949 180,852,209	93,756,954 10,000,000 25,132,677 128,889,631
b) Unsecured Deposits [Refer Note No. 7(b)(i)] <u>Repayable on demand</u> Inter Corporate Deposits Deposit from Public Loan from others	15,000,000 - 78,135 15,078,135 195,930,344	37,000,000 10,800,000 87,795 47,887,795 176,777,426
Note No. 7(a)(i): <u>Secured</u> Cash Credit from ING Vysya Bank Limited Cash Credit from Yes Bank Cash Credit from Bank of Baroda WCDL from Yes Bank Trade Credit from ING Vysya Bank Limited Trade Credit from Yes Bank	23,020,237 26,828,750 65,382,273 10,000,000 32,575,106 23,045,843 180,852,209	47,586,668 32,118,309 14,051,977 10,000,000 12,005,308 13,127,369 128,889,631

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
Nature of security

Hypothecation of stocks and book debts of the company, present and future, and pledge of office premises and corporate guarantee of Black Rose Trading Pvt. Ltd.

The above charges rank pari passu for all intents and purposes.

Rate of Interest

Effective cost for the above loans are in the range of 12.50% p.a. to 14.00% p.a. (P.Y. 12.50 % p.a. to 14.00% p.a.)

	31-03-2015	31-03-2014
	₹	₹
Note No. 7(b)(i):		
Rate of Interest	15.00%-16.00%	12.50%
8 Trade payables		
Trade payables (Refer Note No. 37)	273,489,302	292,764,635
	273,489,302	292,764,635
9 Other Current Liabilities:		
Current maturities of long term borrowings (Refer Note No. 4)	20,570,309	19,415,755
Interest accrued but not due on borrowings	1,152,599	311,445
Interest accrued and due on borrowings (including deposits from public)	619,385	1,165,637
Unpaid Dividend *	95,619	95,689
Provision for Mark to Market Loss on Open Forward Contract	448,585	3,342,319
Payable for other expenditure	5,249,051	6,785,979
Other non-trade liabilities	-	219,203
Advance from Customers	3,100,095	2,854,053
VAT/CST Payable	2,675,477	2,737,021
TDS payable	1,635,053	1,667,361
Rates & Taxes payable	46,820	39,454
	35,592,993	38,633,916
* Amount due to be credited to Investor Education and Protection Fund is ₹ Nil		
10 Short Term Provisions		
Provisions for employee benefits		
Salary and Reimbursements	1,660,762	2,275,052
Contribution to Provident Fund	193,490	191,807
Gratuity	33,895	321,956
Leave benefits	19,425	106,952
	1,907,572	2,895,767

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

11. Fixed Assets

Particular	GROSS BLOCK			DEPRECIATION / AMORTIZATION				NET BLOCK	
	Cost as at 01.04.2014	Additions / Disposals	Other Adjustments	Cost as at 31.03.2015	As at 01.04.2014	For the year	Adjustment on Disposals	Cost as at 31.03.2015	As at 31.03.2015
TANGIBLE ASSETS									
Leasehold Land [Refer Note No. 11(a)]	33,014,903	2,079,888	-	35,094,791	5,264	5,264	-	10,528	33,009,639
Factory Building *	137,695,306	589,111	-	138,284,417	16,983,563	4,534,697	-	21,518,260	120,711,743
Office Equipments	1,790,303	192,543	-	1,982,846	308,065	433,878	-	741,943	1,482,238
Electric Installation	5,041,079	11,000	-	5,052,079	4,999,890	4,015	-	5,003,905	41,189
Factory Equipments	305,388	210,597	-	515,985	301,264	9,073	-	310,337	205,648
Plant & Machinery	188,399,781	5,560,427	-	193,960,208	6,855,950	10,373,093	-	17,229,043	181,543,831
Furniture & Fittings	4,479,780	230,058	-	4,709,838	1,872,915	341,516	-	2,214,431	2,606,865
Computers	3,049,878	102,700	-	3,152,578	1,932,615	272,567	-	2,205,182	1,117,263
Printer	29,578	-	-	29,578	2,391	10,875	-	13,266	27,187
Vehicles	10,747,087	5,992,528	5,584,158	11,155,457	4,972,352	2,053,550	(4,303,258)	2,722,644	5,774,735
Wind Mills [Refer Note No. 11(b)]	87,351,734	-	-	87,351,734	37,210,143	2,785,644	-	39,995,787	50,141,591
Total (A)	471,904,816	14,968,852	5,584,158	481,289,510	75,444,410	20,824,172	(4,303,258)	91,965,324	396,460,406
INTANGIBLE ASSETS									
Software	1,367,426	10,500	-	1,377,926	393,485	222,535	-	616,020	973,941
Technical Know-how	26,960,000	-	-	26,960,000	3,563,890	6,740,000	-	10,303,890	23,396,110
Total (B)	28,327,426	10,500	-	28,337,926	3,957,375	6,962,535	-	10,919,910	24,370,051
Total (A+B)	500,232,242	14,979,352	5,584,158	509,627,436	79,401,785	27,786,707	(4,303,258)	102,885,234	420,830,457
Previous Year	137,788,795	362,443,448	-	500,232,243	57,851,622	21,550,165	-	79,401,787	420,830,456

Note No 11(a)

Leasehold land cost is stated at balance of original cost less amount amortised upto 31.03.2015.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015 ₹	31-03-2014 ₹
12 Long Term Loans and Advances		
Other Loans and Advances		
(Unsecured, considered good)		
Security Deposit to Government authorities and others	3,160,787	3,158,787
Prepaid Expenses		-
Advance Income Tax (Net of provision for taxation) [Refer Note No. 12(a)]	1,763,673	1,524,803
MAT Credit Entitlement [Refer Note No. 33]	2,359,145	2,359,145
	7,283,605	7,042,735
Note 12(a):		
Provision for taxes (net of Deposits) comprises of:		
Income Tax Deposits	1,763,673	18,113,403
Less: Provision for Taxation	-	(16,588,600)
	1,763,673	1,524,803
13 Other Non-Current Assets		
Fixed deposits with Bank with original maturity of more than 12 months [Refer Note No. 16]	11,412,682	4,819,820
Less: Current maturities of Fixed deposits with Bank with original maturity of more than 12 months [Refer Note No. 18]	(7,003,197)	(937,709)
	4,409,485	3,882,111
FPS Licence receivable	579,559	-
Duty Drawback receivable	973,673	708,867
	5,962,717	4,590,978
14 Inventories		
(valued at lower of cost or net realisable value) (As certified by the management)		
Raw Materials and components [includes in transit ₹ Nil (31 st March, 2014: ₹ Nil)] [Refer Note No. 21(a)(ii)]	31,283,901	16,847,152
Work-in-progress [Refer Note No. 23(a)(ii)]	20,454,018	5,446,465
Finished Goods [Refer Note No. 23(a)(iii)]	4,403,965	5,165,165
Traded Goods [includes in transit ₹ 32,657,631/- (31 st March, 2014: ₹ 38,677,348/-) [Refer Note No. 23(a)(i)]	96,875,780	160,015,631
Stores and spares and Packing Materials	4,190,232	819,723
	157,207,897	188,294,136
15 Trade receivable [Refer Note no 15(a)]		
Unsecured, Considered good unless stated otherwise:		
Outstanding for a period exceeding six months from date they are due for payment	11,870,329	5,337,429
Others	265,875,673	218,130,199
Doubtful	-	862,139
	277,746,002	224,329,767
Allowances for doubtful receivables	-	(862,139)
	277,746,002	223,467,628

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015 ₹	31-03-2014 ₹
Note No. 15(a):		
Of the above amount shown in Others Trade receivables includes, amount due from companies in which company's director is interested as director		
Black Rose Trading Pvt. Ltd.	52,912	153,652
Tozai Safety Pvt. Ltd.	737,737	872,440
Accent Industries Ltd.	763,836	2,474,324
	1,554,485	3,500,416
16 Cash and Bank Balances		
Cash and Cash equivalents		
Cash on hand	453,870	242,501
Other Bank Balances		
In Current Accounts	2,106,384	3,511,113
In Unpaid dividend account	95,619	95,689
In Fixed Deposits account		
Fixed Deposits with original maturity for less than 3 months*	870,000	-
Other Bank Balances		
Deposits with original maturity for more than 3 months but less than 12 months*	2,804,652	4,580,508
Deposits with original maturity for more than 12 months*	11,412,682	4,819,820
	17,743,207	13,249,631
Less:		
Amount disclosed under non-current assets:		
Deposit with original maturity of more than 12 months. (Refer Note No. 14)	(11,412,682)	(4,819,820)
	6,330,525	8,429,811
* Out of the above Fixed Deposits:		
Given as Margin money for Trade Credit and L/C facilities.	15,016,840	9,329,833
Given against Bank Guarantee	10,000	10,000
Given to Sales Tax Authority Gujarat	60,494	60,494
	15,087,334	9,400,327
17 Short Term Loans and Advances		
Unsecured, considered good unless otherwise stated		
Security Deposit to Government authorities and others	2,319,386	568,200
Security Deposit to related parties		1,650,000
Prepaid Expenses	4,041,284	2,878,586
Loans and advances to staff	890,937	1,835,000
Loans and Advances to a Officer of the company	188,425	165,925
Other Loans and Advances		
Balances with Statutory Government authorities	18,906,263	18,678,198
Inter Body Corporate loan	-	2,062,911
Loans and advances to other parties	2,860,563	2,585,563
Advances recoverable in cash or kind or for value to be received	13,449,583	9,196,473
	42,656,441	39,620,856

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31-03-2015 ₹	31-03-2014 ₹
18. Other Current Assets		
Unsecured, considered good unless otherwise stated		
Current maturities of Fixed deposits with Bank with original maturity of more than 12 months	7,003,197	937,709
Unamortized Expenditure		
Unamortized premium on forward contract in foreign currency	-	729,901
Pre-Operative Expenses of subsidiary company	208,237	233,981
Other Assets		
Interest accrued but not due on Bank Deposits	2,655,614	1,448,068
Interest accrued and due on Loans	1,226,456	538,301
Interest accrued on Security Deposits with MSEB	154,163	23,914
Interest Subsidy Receivable	1,103,187	1,179,329
Trade Discount Receivable	515,584	-
Import Entitlements	914,537	630,160
	13,780,975	5,721,363
	For the Year ended 31-03-2015 ₹	For the Year ended 31-03-2014 ₹
19. Revenue from Operations		
a) Sale of products [Refer Note No. 19(a)(i)]	1,958,209,814	1,149,724,184
	1,958,209,814	1,149,724,184
b) Other Operating Revenue		
Dividend on Traded Shares	4,011	3,343
Excise Duty Rebate	91,340	-
Export Entitlement	891,505	46,193
Interest Subsidy	333,686	506,505
Commission	32,665	1,375,641
	1,353,207	1,931,682
Revenue from Operations	1,959,563,021	1,151,655,866
Note No. 19(a)(i)		
Details of Sale of products		
Chemicals	1,919,961,250	1,127,548,384
Textiles	18,403,715	11,340,520
Wind Energy	11,060,995	10,835,280
Others	8,783,855	-
	1,958,209,814	1,149,724,184
20. Other Income	31-03-2015 ₹	31-03-2014 ₹
Interest income		
From Bank	1,438,109	961,150
From Others	1,758,175	811,193
	3,196,284	1,772,343
Other non-operating income (net of expenses directly attributable to such income) ₹ 441,377 (31 st March, 2014: ₹ Nil)	2,677,918	6,241,434
	5,874,202	8,013,777

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	For the Year ended 31-03-2015 ₹	For the Year ended 31-03-2014 ₹
21. Cost of materials consumed [Refer Note No. 21(a)]		
Inventory at the beginning of the year	16,847,152	857,756
Add: Purchases	234,088,889	93,168,204
	250,936,041	94,025,960
Less: Inventory at the end of the year	31,283,901	16,847,152
	219,652,140	77,178,808
Note No. 21(a)		
(i) Details of materials consumed		
Chemical	210,956,561	72,263,366
Yarn	5,574,628	4,444,893
Fabrics	3,120,951	470,549
	219,652,140	77,178,808
(ii) Details of Inventory of raw materials		
Chemical	28,942,603	12,023,716
Yarn	1,623,198	1,735,954
Fabric	718,100	3,087,482
	31,283,901	16,847,152
22. Purchase of Traded Goods		
Chemicals	1,497,344,475	1,056,469,895
Textiles	3,417,767	3,591,336
Others	5,217	-
	1,500,767,458	1,060,061,231
23. (Increase)/Decrease in Inventories		
Opening Traded Goods	160,015,631	78,872,720
Consumed in Manufacturing	2,673,786	-
Closing Traded Goods [Refer Note No. 23(a)(i)]	97,011,529	160,015,631
	60,330,317	(81,142,911)
Opening Work-in-progress	5,446,466	1,435,581
Closing Work-in-progress [Refer Note No. 23(a)(ii)]	20,454,018	5,446,466
	(15,007,552)	(4,010,885)
Opening Finished Goods	5,165,165	556,502
Closing Finished Goods [Refer Note No. 23(a)(iii)]	4,317,700	5,165,165
	847,465	(4,608,663)
Total (Increase)/Decrease in Inventories	46,170,230	(89,762,459)
Note No. 23(a)		
Details of inventories at the end of the year		
(i) Traded Goods		
Chemicals	94,801,379	155,767,918
Textiles	865,530	185,778
Others	1,344,619	4,061,935
	97,011,529	160,015,631

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	For the Year ended 31-03-2015 ₹	For the Year ended 31-03-2014 ₹
(ii) Work-in-progress		
Chemical	16,217,739	3,613,136
Textiles	4,236,279	1,833,330
	20,454,018	5,446,466
(iii) Finished Goods		
Chemical	1,839,014	3,324,134
Textiles	2,477,782	1,840,128
Others	903	903
	4,317,700	5,165,165
24. Employee Benefit Expenses		
Salaries, Wages and Bonus	27,446,994	21,244,051
Contribution to Provident fund and other funds	1,238,172	928,131
Staff Welfare expenses	642,965	411,130
	29,328,131	22,583,312
25. Finance Costs		
Interest on borrowings	44,822,266	21,378,394
Bill Discounting Charges	23,690	58,693
Bank Charges on facilities	518,924	330,619
Applicable loss on foreign currency transactions and translation	3,304,916	5,687,952
	48,669,795	27,455,658
26. Depreciation and Amortization Expenses		
Depreciation of Tangible Assets	20,818,908	17,752,416
Amortization of Tangible Assets	5,264	5,264
Amortization of Intangible Assets	6,962,535	3,792,485
	27,786,707	21,550,165
27 Other Expenses		
Power and Fuel	9,401,618	3,149,944
Rent	2,921,834	2,736,829
Rates and Taxes	1,366,668	452,391
Insurance	1,236,393	1,004,678
Repairs and Maintenance		
- Plant and Machinery	1,344,317	135,331
- Buildings	381,942	316,974
- Others	215,252	325,647
Legal and Professional fees	18,230,058	5,801,677
Payment to auditor [Refer Note No. 27(a)]	424,470	299,440
Exchange difference (net) other than considered in finance cost	-	6,809,718
Sundry Balance written off	-	63,915
Selling and Distribution expenses	12,697,467	11,305,877
Brokerage expenses	3,829,762	4,642,782
Windmill Maintenance Charges	1,487,912	1,406,414
Travelling and Conveyance	5,390,372	4,745,088

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	For the Year ended 31-03-2015 ₹	For the Year ended 31-03-2014 ₹
Communication costs	1,088,370	1,151,703
Prior Period Items	99,645	-
Entertainment Expenses	116,671	39,713
Pre- Operative expenses written off	-	121,108
Printing and Stationery	421,514	252,366
Labour and Jobwork Charges	6,911,496	4,027,568
Loss on Sale of Assets	646,800	-
Packing Material consumed	14,954,987	2,713,139
Export expenses	1,546,569	571,734
Security Charges	763,180	332,100
Corporate office expenses	1,177,256	1,349,729
Office Expenses	1,902,160	1,444,449
Office Electricity Expenses	307,490	697,195
Warehousing Charges	2,512,236	1,992,812
Vehicle expenses	1,422,373	1,391,439
Share Trading expenses	17,471	9,756
Donation	21,000	28,500
Bank Charges	3,677,852	3,217,388
Logistics expenses	400,560	808,315
Miscellaneous expenses	3,041,056	1,738,463
	99,956,750	65,084,182
Note No. 27(a):		
Details of Payment to Auditor		
As Auditor		
Audit Fees	250,000	110,000
Tax Audit Fees	55,000	40,000
Limited Review	45,000	30,000
In Other capacity		
Certification Fees	-	60,000
Reimbursement of expenses including service tax	46,380	29,664
	396,380	269,664
Cost Auditor		
As Audit fees	25,000	26,500
Reimbursement of service tax	3,090	3,276
	28,090	29,776
	424,470	299,440

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31 st March, 2015 ₹	31 st March, 2014 ₹
28 Disclosures as per AS-15 (Revised) - Employee Benefits		
Gratuity and other post employment benefit plans.		
(a) The gratuity charged to the statement of profit and loss for the year includes provision as per the actuarial valuation as per the requirement of Accounting Standard 15 - (Revised) as notified under Companies (Accounting Standards) Rules 2006 as well as payment made for the year towards gratuity. The actuarial valuation is done at the year end using 'Projected Unit Credit' method and it covers all regular employees.		
The following table sets out the status of the gratuity plan as required under AS-15 (Revised): (As certified by actuary)		
(i) Assumptions		
Discount Rate (p.a.)	7.96%	8.75%
Rate of escalation in Salary (p.a.)	5.00%	5.00%
Attrition Rate	2.00%	2.00%
Retirement age	60 Years	60 Years
(ii) Obligation at beginning of the year	1,049,275	842,416
Service cost	205,664	151,893
Interest Cost	97,688	69,499
Benefits settled	(435,617)	(316,560)
Actuarial (gains)/losses	315,087	302,027
Obligation at end of the year	1,232,097	1,049,275
(iii) Expenses/(Income) recognised in statement of Profit and Loss		
Service cost	205,664	151,893
Interest cost	97,688	69,499
Actuarial (gain)/loss	315,087	302,027
Net gratuity cost	618,439	523,419
(iv) Amount recognised in Balance Sheet		
Liability at the beginning of the period	1,049,275	842,416
Expenses/(Income) recognised in statement of Profit and Loss	618,439	523,419
Benefits paid	435,617	316,560
Net amount recognised in Balance Sheet	1,232,097	1,049,275
(b) Provision for leave salary has been made on actuarial valuation as per the requirement of Revised Accounting Standard 15.		
(c) The above actuarial valuation does not include gratuity and leave salary payable to Executive Director Mr. Anup Jatia.		
29 Segment Accounting (AS-17)		
The Company's segment reporting are as follows		
SEGMENT REVENUE		
Sales/Income		
Textiles	18,403,715	11,340,520
Chemicals	1,920,976,760	1,128,970,218
Renewable Energy	11,394,681	11,341,785
Others	8,787,866	3,343
Total Segment Revenue	1,959,563,022	1,151,655,867

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31st March, 2015	31st March, 2014
	₹	₹
SEGMENT RESULTS		
Profit before interest and tax		
Textiles	2,554,881	366,557
Chemicals	50,893,000	18,923,001
Renewable Energy	6,924,836	718,741
Others	6,567,853	-
Total Segment Results	66,940,570	20,008,299
Less: Finance Cost	48,669,795	27,456,057
Other unallocable expenses net off unallocable income	25,164,763	17,033,580
Total Profit before Tax	(6,893,988)	(24,481,338)
CAPITAL EMPLOYED		
Segment Assets less Segment Liabilities		
Textiles	29,827,648	28,703,654
Chemicals	117,968,490	126,268,922
Renewable Energy	41,115,731	36,557,617
Add: Unallocable corporate assets net off unallocable corporate liabilities	4,043,252	(4,294,463)
Total Capital Employed	192,955,122	187,235,730

30 Disclosure of Related Party Transactions (In accordance with AS-18 and as required by clause 32 of listing agreement with the stock exchange)

(As certified by the Management and relied upon by the Auditors)

a) Information about related parties:

List of related parties and relationships:

- | | |
|---|--|
| (i) Holding company | Wedgewood Holdings Limited, Mauritius |
| (ii) Key Management Personnel | Anup Jatia, Executive Director |
| (iii) Enterprises owned or significantly influenced by any management personnel or their relatives. | <ol style="list-style-type: none"> 1) Black Rose Trading Private Limited 2) Tozai Safety Private Limited 3) Tozai Enterprises Private Limited 4) Accent Industries Limited 5) Fukui Accent Trading (India) Private Limited 6) Wedgewood Holdings LLP |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
b) Related parties transactions

Nature of Transactions	Holding Co.	Key Management Personnel	Other related parties as in 31(a)(iii)
Sales	-	-	26,678,435
	-	-	(34,782,966)
Purchase	-	-	7,405,669
	-	-	(7,821,716)
Rent Paid	-	-	480,000
	-	-	(480,000)
Directors Remuneration	-	3,000,000	-
	-	(3,000,000)	-
Interest Paid	-	3,333,356	1,286,473
	-	(1,312,500)	(1,380,156)
Interest Received	-	-	-
	-	-	(55,392)
Rent Received	-	-	738,000
	-	-	(738,000)
Unsecured Deposit Received and Repaid	-	39,100,000	-
	-	(450,000)	-
Unsecured Deposit Repaid		200,000	
		(450,000)	
Reimbursement of Expenses Paid	-	172,931	783,431
	-	(388,830)	(717,433)
Reimbursement of Expenses Received	-	-	1,363,359
	-	-	(2,573,677)
Balance as at 31 st March, 2015	Holding Co.	Key Management Personnel	Other related parties as in 31(a)(iv)
Security Deposit Payable	-	-	1,500,000
	-	-	(1,500,000)
Security Deposit Receivable	-	-	-
	-	-	(1,650,000)
Trade Receivables	-	-	1,554,485
	-	-	(3,500,416)
Advance given Against Purchases			-
			-
Trade Payables	-	-	225,539
	-	-	(678,120)
Inter Body Corporate Loan Receivable	-	-	-
	-	-	-
Unsecured Deposit Payable	-	38,900,000	-
	-	(10,500,000)	(11,000,000)
Trade Deposit Payable	-	-	-
	-	-	(2,000,000)
Directors Remuneration Payable	-	-	-
	-	(188,000)	-
Interest Receivable (Net of T.D.S.)	-	-	-
	-	-	-
Interest Payable (Net of T.D.S.)	-	1,099,479	-
	-	(291,267)	(105,103)

Notes :

1. The above Related Party relationships are given by the management and relied upon by the auditor.
2. Figures of previous year are given in brackets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
31 Leases (AS-19)

- (a) The company has given part of its lease hold factory building on operating lease basis for a period of 5 years. The lease agreement is of non-cancellable in nature and renewable at the end of the expiry period at the option of both the lessor and the lessee, and there are no exceptional/restrictive covenants in the lease agreements. There is no contingent rent.

- (b) Particulars of Asset given on lease:

	31 st March, 2015	31 st March, 2014
	₹	₹
Assets - Factory Building		
(i) Gross carrying amount at the end of the year	138,284,417	137,695,306
(ii) Accumulated depreciation at the end of the year	21,518,260	16,983,563
(iii) Depreciation charged to statement of profit and loss for the period	4,534,697	2,713,589

Note: The figures given above are for whole of the asset as per books of account and not for the part area of the asset given on lease.

- (c) The lease rental recognised income in the statement of profit and loss during the current financial year is ₹ 732,000/- (P.Y. ₹ 732,000/-)
- (d) Future minimum rentals receivable under non-cancellable operating leases are as follows:

Not later than one year	488,000	732,000
Later than one year and not later than five years	-	671,000
	488,000	1,403,000

32 Earnings per share (AS-20)

Details of the profit and No. of Equity Shares used in the basic and diluted EPS computations:

Total operation for the year

Profit after tax	5,291,333	(27,180,209)
------------------	-----------	--------------

Weighted average number of shares outstanding at the year end.

	Nos.	Nos.
Equity shares outstanding at the beginning of the year	51,000,000	38,720,000
Add: Shares issued during the year		12,280,000
Total Weighted average Equity shares outstanding at the end of the current year	51,000,000	47,097,315
Basic and diluted earnings per share (₹)	0.10	(0.58)
Face value per share (₹)	1	1

33 Impairment of Assets (AS-28)

Based on exercise of impairment of assets undertaken by the management in due cognizance of paragraphs 5 to 13 of AS 28. The Company has concluded that no impaired loss is required to be booked.

34 Contingent Liabilities

Contingent liabilities not provided for in respect of :-

- (i) Bank Guarantee given to Government authorities ₹ 15,000/- (P.Y. ₹ 15,000/-)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- (ii) Central Sales Tax liability of ₹ 6,030,980/- (P.Y. ₹ 2,140,665/-) as per MVAT Audit completed in the current financial year, as the said liability is on account of non receipt of 'C' forms from various payable customers and the company is awaiting the receipt of said forms. The liabilities if any will be accounted in the books of account in the year in which the final liability is determined.
- (iii) Disputed Income Tax demands of ₹ 231,686/- (P.Y. ₹ 231,686/-) for which company has gone in appeal. The management is of the opinion that the said demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

36 Capitalisation of Expenditure

During the year, the company has capitalised the following revenue expenses by debiting to statement of profit and loss and transferring the same to capital work-in-progress (CWIP) account for its on going project at Jhagadia, Gujarat. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the company.

	31st March, 2015	31st March, 2014
	₹	₹
Interest	-	22,427,302
Project related Expenses	-	97,137,219
	-	119,564,521

During the year, project at Jhagadia was completed and consequently all pre-operative expenses lying under capital work-in-progress were apportioned to the assets created upon completion of project.

- 37** The Company has not received any intimation from suppliers regarding their 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 has not been given.

38 Value of Imports calculated on CIF basis

	31st March, 2015	31st March, 2014
	₹	₹
Raw Materials	115,468,380	8,010,955
Capital Goods	1,758,438	30,138,500
	117,226,817	38,149,455

39 Expenditure in Foreign Currency

Interest on short term borrowings	787,199	716,251
Royalty	12,038,900	1,453,182
Travelling and others	154,856	565,219
	12,980,955	2,734,652

40 Imported and indigenous raw materials, components consumed

	% of total consumption	Value	% of total consumption	Value
	31st March, 2015	31st March, 2015	31st March, 2014	31st March, 2014
	₹	₹	₹	₹
Raw Materials				
Imported	39.34%	86,412,526	2.33%	1,800,989
Indigenously obtained	60.66%	133,239,614	97.67%	75,377,818
	100.00%	219,652,140	100.00%	77,178,807

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

41 Earnings in foreign currency	31st March, 2015	31st March, 2014
	₹	₹
Exports at F.O.B. Value	19,187,224	16,111,543
Commission Income	-	1,229,578
Others	-	8,850
	19,187,224	17,349,971

42 Details of Derivative instruments and unhedged foreign currency exposure
a) Derivatives outstanding as at the balance sheet date
Particulars
Forward contract to sell
For Hedging of foreign currency sales

	Amount in EURO	Amount in ₹	No. of Contracts
As on 31.03.2015	3,642	244,451	1
As on 31.03.2014	-	-	-

Forward contract to buy
For Hedging of foreign currency purchases

	Amount in US\$	Amount in ₹	No. of Contracts
As on 31.03.2015	1,393,866	87,123,576	12
As on 31.03.2014	1,083,136	64,901,509	13

b) Particulars of unhedged foreign currency exposure as at the balance sheet date

Particulars	As on 31.03.2015		As on 31.03.2014	
	Amount in US\$	Amount in ₹	Amount in US\$	Amount in ₹
Trade Payable	3,746,909	234,181,819	506,300	30,337,482
Secured Trade Credit	1,434,864	89,679,000	964,437	57,789,077
Trade receivable	-	-	46,042	2,758,837

43 The Consolidated Financial Statements comprises of the results of Black Rose Industries Limited (Holding Company) and Subsidiary Company viz.

Name of the subsidiary
Country of Incorporation **Proportion of ownership interest**

B.R.Chemicals Co., Limited	Japan	100%
----------------------------	-------	------

44 The financial statements of the subsidiary company is unaudited figures and have been taken as approved by the Board of Directors of the subsidiary company.

45 The net loss for the period of the subsidiary company after considering all the income and expenses for the 12 months period 1st April, 2014 to 31st March, 2015 is ₹ 233,875/- (P.Y. Profit of ₹ 283,844/-).

46 The unaudited financial statements of foreign subsidiary have been prepared in accordance with the Generally Accepted Accounting Principle of the County of Incorporation. The difference in accounting policies of the Company and its subsidiary is not material and there is no material transaction from 1st April, 2014 to 31st March, 2015 in respect of subsidiary having financial year ended 31st March, 2015.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- 47** In the Opinion of the Board of Directors, the Current Assets, Loans and Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The Provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
- 48** The balances of debtors, creditors and deposits are subject to confirmation and reconciliation.
- 49** (i) Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.
- (ii) Figures have been rounded off to the nearest rupee.

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

Viral Joshi

Partner

Membership No. 137686

Place: Mumbai

Date: May 29, 2015

For and on behalf of the Board of Directors

Shivhari Halan

Director

DIN : 00220514

C. P. Vyas

Company Secretary

Anup Jatia

Executive Director

DIN : 00351425

Ratan Agrawal

Chief Financial Officer

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCAITE COMPANIES / JOINT VENTURES

PART "A" : SUBSIDIARIES

Sl. No.	Particulars	Name of Subsidiary Company		
		B.R. Chemicals Co., Ltd.		
1	Financial year ending on		3/31/2015	3/31/2014
2	Reporting Currency		JPY (¥)	JPY (¥)
3	Exchange Rate on the last date of financial year	₹	0.5209	0.5853
4	% of shareholding	%	100	100
5	No. of Shares		60	60
			₹ in lacs	
6	Share Capital		16.21	16.21
7	Reserves & Surplus		0.02	1.86
8	Total Assets		46.39	40.05
9	Total Liabilities		46.39	40.05
10	Investments		-	-
11	Turnover		4,895.10	3,041.39
12	Profit/(Loss) before Taxation		(2.34)	2.84
13	Provision for Taxation			-
14	Profit/(Loss) after Taxation		(2.34)	2.84
15	Proposed Dividend			-

Notes:

- The assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date, and the income and expense items are translated at the average rates of exchange for the year.
- The reporting period of the subsidiary is same as that of the holding company i.e. 1st April, 2014 to 31st March, 2015.
- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year - NIL

Since the company does not have any Associates or Joint Ventures, information pertaining to Part "B" to this form relating to Assocaites and Joint Ventures is not given.

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

Viral Joshi

Partner

Membership No. 137686

Place: Mumbai

Date: May 29, 2015

For and on behalf of the Board of Directors

Shivhari Halan

Director

DIN : 00220514

C. P. Vyas

Company Secretary

Anup Jatia

Executive Director

DIN : 00351425

Ratan Agrawal

Chief Financial Officer

**BLACK ROSE INDUSTRIES LIMITED****CIN:** L17120MH1990PLC054828**Registered Office:** 145/A, Mittal Tower, Nariman Point, Mumbai - 400021**Tel:** +91 22 4333 7200 • **Fax:** +91 22 2287 3022**Email:** info@blackrosechemicals.com • **Website:** www.blackrosechemicals.com**BALLOT FORM FOR VOTING ON ANNUAL GENERAL MEETING RESOLUTIONS**

1	Name & Registered Address of the Sole / First named shareholder	
2	Name(s) of joint holder(s), if any.	
3	Registered Folio No./ DP ID No./Client ID No.* *(Applicable to investors holding shares in dematerialised form)	
4	Number of Shares(s) held	

I/We hereby exercise my/our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Annual General Meeting dated August 6, 2015 (25th AGM to be held on September 29, 2015), by sending my/our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Resolution Number	Resolutions	No. of Shares	I/We assent to the resolution	I/We dissent to the resolution
			For	Against
ORDINARY BUSINESS				
1	Adoption of Audited Profit and Loss Account, Balance Sheet, Report of Directors and Auditors along with Consolidated Financials for the year ended 31 st March, 2015.			
2	Appointment of Mr. Anup Jatia, who has consented to retires by rotation.			
3	Ratification of appointment of Messrs. Karnavat & Co., Chartered Accountants as Statutory Auditors of the Company.			
SPECIAL BUSINESS				
4	Revision in Salary of Mr. Anup Jatia, Executive Director of the Company.			
5	Re-appointment of Mr. Anup Jatia as an Executive Director.			
6	Appointment of Mrs. Garima Tibrawalla as an Independent Director.			
7	Appointment of Messrs Poddar & Co., Cost Accountants as Cost Auditors of the Company.			

Place:

Date:

Signature of Member or Authorised Representative

- Notes:
- (i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
 - (ii) Last date for receipt of this form is Monday, September 28, 2015 (5:00 p.m.).
 - (iii) Please read carefully the instructions printed overleaf before exercising your vote.

Instructions

General Instructions

1. Shareholders have option to vote either through e-voting i.e. electronic means or to convey assent/dissent in physical form. If a shareholder has opted for this Physical Ballot Form, then he/she should not vote by e-voting. However, in case shareholders cast their vote through both physical ballot form and e-voting, then vote cast through e-voting shall be considered, subject to it being found to be valid and vote cast through this form shall be treated as invalid.
2. The notice of Annual General Meeting will be dispatched/e-mailed to the members whose name appear on the Register of Members as on August 21, 2015 and voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholders as on the said date.
3. Voting through this form cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representative with proof of their authorization, as stated below.

Instruction for voting physically on Ballot Form

4. A member desiring to exercise vote by Ballot should complete this form (no other form or photocopy thereof is permitted) and send it to the **Scrutiniser, Mr. Sunil Bhora, Partner, M/s. P.C. Surana & Co., Chartered Accountants, 205 - 6, Standard House, 83, Maharshi Karve Road, Marine Lines, Mumbai – 400 002, Maharashtra** to reach on or before the **close of working hours i.e. 5:00 p.m. on September 28, 2015**. All forms received after this date will be strictly treated as if the reply from such members has not been received.
5. This form should be completed and signed by the shareholders (as per the specimen signature registered with the company / depository participants). In case of joint holding, this form should be completed and signed by the first named shareholder and in his absence, by the next named shareholder.
6. In respect of shares held by corporate and institutional shareholders (companies, trust, societies, etc), the completed form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorisation, with the specimen signature(s) of the authorised signatory(ies) duly certified.
7. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column in the form. The assent or dissent received in any other form shall not be considered valid.
8. Members are requested to fill the form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
9. There will be one form for every folio/client id irrespective of the number of joint holders.
10. A member may request for duplicate form, if so required, and the same duly completed should reach the Scrutiniser not later than the date specified under instruction no. 4 above.
11. Members are requested not to send any other paper along with this form. They are also requested not to write anything in the form except giving their assent or dissent and putting their signature. If such other paper is sent, the same will be destroyed by the Scrutiniser.
12. The Scrutiniser's decision on the validity of the form will be final and binding.
13. Incomplete, unsigned or incorrectly ticked forms will be rejected.



BLACK ROSE INDUSTRIES LIMITED

CIN: L17120MH1990PLC054828

Registered Office: 145/A, Mittal Tower, Nariman Point, Mumbai - 400021

Tel: +91 22 4333 7200 • **Fax:** +91 22 2287 3022

Email: info@blackrosechemicals.com • **Website:** www.blackrosechemicals.com

PROXY FORM

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

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

or failing him / her

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

or failing him / her

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on Tuesday, September 29, 2015 at 2:00 p.m. at Kilachand Conference Room, 2nd Floor, Indian Merchant Chambers', IMC Marg, Churchgate, Mumbai - 400020, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Vote		
		For	Against	Abstain
Ordinary Business				
1	Adoption of Audited Profit and Loss Account, Balance Sheet, Report of Directors and Auditors along with Consolidated Financials for the year ended 31st March, 2015.			
2	Appointment of Mr. Anup Jatia, who has consented to retires by rotation.			
3	Ratification of appointment of Messrs. Karnavat & Co., Chartered Accountants as Statutory Auditors of the Company.			
Special Business				
4	Revision in Salary of Mr. Anup Jatia, Executive Director of the Company.			
5	Re-appointment of Mr. Anup Jatia as an Executive Director.			
6	Appointment of Mrs. Garima Tibrawalla as an Independent Director.			
7	Appointment of Messrs Poddar & Co., Cost Accountants as Cost Auditors of the Company.			

Signed this _____ day of _____, 2015

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Affix Rs. 1/-
Revenue
Stamp

Notes:

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.

To,

If undelivered, please return to

BLACK ROSE INDUSTRIES LIMITED

CIN: L17120MH1990PLC054828

145/A, Mittal Tower

Nariman Point

Mumbai - 400 021

Tel: +91 22 4333 7200 | Fax: +91 22 2287 3022

E-mail ID: info@blackrosechemicals.com

www.blackrosechemicals.com



BLACK ROSE INDUSTRIES LIMITED

CIN: L17120MH1990PLC054828

Registered Office: 145/A, Mittal Tower, Nariman Point, Mumbai - 400021

Tel: +91 22 4333 7200 • **Fax:** +91 22 2287 3022

Email: info@blackrosechemicals.com • **Website:** www.blackrosechemicals.com

ATTENDANCE SLIP

Client ID*

Folio No.

DP ID*

No. of Shares

I hereby record my presence at the 25th Annual General Meeting of the Company held on Tuesday, September 29, 2015 at 2:00 p.m. at Kilachand Conference Room, 2nd Floor, Indian Merchant Chambers', IMC Marg, Churchgate, Mumbai - 400020, Maharashtra.

Full Name of the Shareholder/Proxy

Signature

Note: Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

* Applicable for Investors holding shares in electronic form.

ROUTE MAP TO AGM VENUE

Kilachand Conference Room, 2nd Floor, Indian Merchant Chambers',
IMC Marg, Churchgate, Mumbai - 400020, Maharashtra.

