

## FORM A

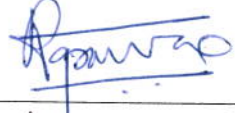
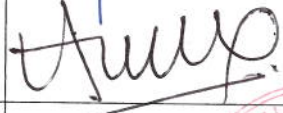


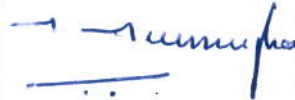
**Submission of Annual Audit Report as per Clause 31 (a) of the Listing Agreement for the Financial Year 31<sup>st</sup> March, 2015**

**Name of the Company** : **Bombay Rayon Fashions Limited**

**Annual Financial Statement for the year ended** : **31<sup>st</sup> March, 2015**

**Type of Audit Observation** : **Un-qualified**

**Frequency of Observation** : **NA**

Name	Designation	Signature
Mr. Prashant Agrawal	Managing Director	
Mr. A. R. Mundra	Chief Financial Officer	
Mr. K.V. Beswal	Partner, M/s V.K. Beswal & Associates Statutory Auditor	 
Mr. A. Arumugham	Chairman, Audit Committee	



**BRFL**  
Bombay Rayon Fashions Limited

**Bombay Rayon Fashions Limited**  
**Annual Report**  
**2014-15**

## Content

Corporate Information .....	1
Directors' Report .....	2
Report on Corporate Governance .....	26
Management Discussion & Analysis .....	40
Independent Auditor's Report .....	44
Balance Sheet .....	48
Statement of Profit & Loss .....	49
Cash Flow Statement .....	50
Notes to Financial Statements .....	51
Independent Auditor's Report on the Consolidated Financial Statemen .....	70
Consolidated Balance Sheet .....	74
Consolidated Statement of Profit & Loss .....	75
Consolidated Cash Flow Statement .....	76
Notes to Consolidated Financial Statements .....	77
Notice .....	94

# Corporate Information

## Board of Directors

Mr. Janardhan Agrawal - Chairman

Mr. Aman Agrawal - Vice Chairman

Mr. Naseer Ahmed - Joint Vice Chairman

Mr. Prashant Agrawal - Managing Director

Mr. A.R. Mundra - Executive Director-Finance

Mr. Suresh Vishwasrao - Director

Mr. M. M. Agrawal - Director

Mr. A. Arumugham - Director

Mr. Mukul Sarkar - Nominee Director-Exim Bank  
(Vacated w.e.f. 28th October, 2014)

Mr. Babu Nambiar - Nominee Director-IDBI Bank  
(Vacated w.e.f. 30th January, 2015)

Mr. John Mathew - Additional Director  
(Appointed w.e.f. 22nd May, 2015)

Ms. Prachi Deshpande - Additional Director  
(Appointed w.e.f. 01st June, 2015)

## Company Secretary & Compliance officer

Ms. Prachi Deshpande

## Auditors

V. K. Beswal & Associates, Chartered Accountants

## Registered Office

Bombay Rayon Fashions Limited  
D-1st Floor, Oberoi Garden Estates,  
Chandivali Farms Road, Chandivali,  
Andheri (East), Mumbai-400 072  
Tel: 022 - 3985 8800 Fax: 022 - 3985 8700  
CIN: L17120MH1992PLC066880  
E-mail: investors@bombayrayon.com  
Website: www.bombayrayon.com

## Registrar & Share Transfer Agent

Link Intime India Private Limited.  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup, Mumbai-400 078.  
Tel: +91 22 2596 3838 Fax: +91 22 2594 6969  
Website: www.linkintime.co.in  
E-mail: rnt.helpdesk@linkintime.co.in

## Bankers/Term Lenders

Axis Bank Limited  
Allahabad Bank  
Bank of India  
Bank of Maharashtra  
Central Bank of India  
Corporation Bank  
Dena Bank  
Export-Import Bank of India  
Indian Bank  
IDBI Bank Limited  
Indian Overseas Bank Limited  
ICICI Bank Limited  
Karnataka Bank Limited  
Karur Vysya Bank Ltd  
Oriental Bank of Commerce  
Punjab National Bank  
State Bank of Bikaner & Jaipur  
State Bank of India  
State Bank of Hyderabad  
State Bank of Mysore  
State Bank of Patiala  
State Bank of Travancore  
Standard Chartered Bank  
Union Bank of India

## Listing of Equity Shares

The Company's shares are listed on:

- National Stock Exchange of India Limited ("NSE") and
- BSE Limited ("BSE")

# Directors' Report

Dear Members,

Your Directors have pleasure in presenting the Twenty Second Annual Report of the Company together with the Audited Annual Accounts for the year ended 31st March, 2015.

## 1. FINANCIAL AND OPERATIONAL PERFORMANCE:

### a. Financial Results

Financial and Operational Results of the Company for the year ended 31st March, 2015 as compared to the previous financial year, is summarized below:

(₹ in crores)

Particulars	31-03-15	31-03-14
Revenue from Operations	3532.67	2907.36
<b>Profit before Interest, Depreciation and Tax</b>	<b>602.88</b>	451.65
<b>Less: Interest</b>	<b>557.60</b>	450.19
<b>Profit before Depreciation and Tax</b>	<b>45.28</b>	1.46
<b>Less: Depreciation</b>	<b>166.33</b>	275.76
<b>Profit / (Loss) before Extraordinary Items and Tax</b>	<b>(121.05)</b>	(274.30)
<b>Exceptional Items – Prior Period items (net)</b>	–	3.80
<b>Extra Ordinary Items</b>		
– Stock valuation difference written off	–	(258.36)
– Foreign Exchange Rate fluctuation Loss	–	(90.92)
<b>Less: Provision for taxes (Deferred Tax)</b>	<b>42.31</b>	209.91
<b>Profit / (Loss) after tax</b>	<b>(78.74)</b>	(409.87)

### b. Operations:

The total sales of the Company for the year increased to ₹ 3533.04 Crores. Though the exports have declined to ₹ 395.55 Crores in comparison to ₹ 473.20 Crores in 2013-14, the domestic sales was higher by 31.21% from ₹ 2285.87 Crores to ₹ 2999.32 Crores. The net loss for the year has come down to ₹ 78.74 Crores for the year in comparison to ₹ 409.87 Crores for the year 2013-14.

### c. Report on Performance of Subsidiaries:

A report on the performance and financial position of each of the subsidiaries for the year ended 31st March 2015 is provided as Annexure - I and forms part of this report.

None of the Company's Subsidiaries ceased to be a subsidiary during the year under report.

### Additional information on Subsidiary companies:

#### (i) Bombay Rayon Holdings Limited (BRHL).

BRHL holds 100% Equity of foreign subsidiaries BRFL Europe B.V., Netherlands & BRFL Italia S.r.l., Italy.

BRHL has registered a Net Profit of ₹ 1.82 crores for the year ended March 31, 2015.

#### (ii) DPJ Clothing Ltd, U.K.

DPJ Clothing Limited is engaged in business of wholesale marketing and distribution of clothing products. The said subsidiary is assisting in getting many mid-size retailers of Europe by providing the services either by direct import or by import and delivery basis.

DPJ Clothing Ltd has registered loss of ₹ 1.73 crores for the year ended March 31, 2015.

#### (iii) BRFL Europe B.V., Netherlands.

BRFL Europe B.V. at Netherlands curtailed its operations to save costs and most of the larger customers are directly dealt from well-established service facilities from India offices.

BRFL Europe B.V. has registered a loss of ₹ 0.04 crores for the year ended March 31, 2015.

#### (iv) BRFL Italia S.r.l, Italy.

The Company owns the popular 'GURU' brand and is into the business of retailing of ready-made garments as well as other accessories in Europe.

The retail operations being not viable in the current prevailing economic scenario, are totally closed and the brand 'GURU' is put on license model for various popular products.

BRFL Italia S.r.l, Italy has registered a net loss of ₹ 4935.26 lacs of for the year ended December 31, 2014.

#### (v) STI India Limited (STI).

The Company is running the unit of STI on job work basis for the manufacturing of yarn and knitted fabric. The part of manufactured yarn is used for captive consumption and balance is sold.

STI has incurred a net Loss of ₹ 4.78 crores for the year ended March 31, 2015.

#### (vi) BRFL Bangladesh Private Limited (BRFL Bangladesh).

The Company has not taken up any operations yet.

### d. Dividend:

Considering the loss incurred in the current financial year, your Directors have not recommended any dividend for the financial year ended March 31, 2015.

### 2. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal

Auditors of the Company for inefficiency or inadequacy of such controls.

### 3. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. None of the transactions entered in to by the Company with related party were material in nature exceeding the limit 10% of annual standalone/consolidated turnover of the company.

The particulars of contracts or arrangements with related parties are forming part of notes to Accounts in this Annual Report.

All Related party transactions are placed before the Audit Committee and subsequently before the Board for its approval. Omnibus approval is obtained on a yearly basis for transactions which are of repetitive nature as per the policy on Materiality of and Dealing with Related Party Transactions. The policy on related party transactions as approved by the Board of Directors has been uploaded on the website of the Company.

### 4. INCREASE OF BORROWING LIMITS AND LIMITS FOR PLEDGE/HYPOTHECATION/ MORTGAGE OF COMPANY'S ASSETS/PROPERTIES:

With a view to accommodate the need for long term/short term borrowings for working capital requirement for the business the Company proposes to increase its borrowing limits and consequently the limits for pledge/hypothecation/ mortgage of its assets/properties upto ₹ 7000 crores pursuant to the provisions of Section 180(1) (a) and Section 180(1) (c) of the Companies Act, 2013 by seeking your approval by way of passing the Special Resolution at the ensuing Annual General Meeting of the Company.

### 5. INCREASE IN AUTHORISED CAPITAL:

In order to keep the provision for issue of new shares as may be required to meet the requirement of minimum public shareholding, it is proposed to increase Authorised Capital of the Company from the present, ₹ 150,00,00,000 (Rupees One Hundred Fifty Crores only) divided into 15,00,00,000 (Fifteen Crores) Equity Shares of ₹ 10/- each to ₹ 200,00,00,000 (Rupees Two Hundred Crores only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of ₹ 10/, ranking pari passu with the existing shares in the Company

### 6. PAYMENT TO BANKERS AND STATUTORY AUTHORITIES:

During the year under review, there were delays in payment of dues to Bankers as well as to statutory authorities.

### 7. MATTERS RELATED TO CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL AND DECLARATION BY INDEPENDENT DIRECTORS:

#### a. Changes in Board of Directors & Key Managerial Personnel:

##### I. Vacation of Office

##### A. Directors -

During the Financial Year 2014-2015 following nominee directors vacated the office due to withdrawal of nomination:-

- (i) Mr. Mukul Sarkar with effect from 28th November, 2014 on account of withdrawal of his nomination by Export-Import Bank of India;
- (ii) Mr. Babu Nambiar with effect from 30th January, 2015 on account of withdrawal of his nomination by IDBI Bank Limited.

##### B. Company Secretary

Ms. Shivangi Sharma was appointed as the Company Secretary & Compliance Officer of the Company with effect from 12th February, 2015, and subsequently tendered her resignation on 20th March, 2015.

### II. Appointments

- (i) Mr. John Mathew (DIN: 01632626), appointed as an Additional Director (Independent category) on the Board with effect from 22nd May, 2015 to hold office upto the date of ensuing Annual General Meeting;
- (ii) Ms. Prachi Deshpande (DIN: 0295271) was appointed as an additional Director on the Board designated as Director - Secretarial & Corporate Affairs with effect from 1st June, 2015 to hold office upto the date of ensuing Annual General Meeting.

Ms. Prachi Deshpande was also appointed as the Company Secretary & Compliance Officer of the Company, Pursuant to the provisions of Section 203 (1) (ii) of the Companies Act, 2013.

The Company has received notices from shareholders along with requisite deposit proposing the candidature of Mr. John Mathew and Ms. Prachi Deshpande for their appointment as Directors at the ensuing Annual General Meeting.

### III. Directors Retiring by Rotation

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Janardhan Agrawal and Mr. A. R. Mundra will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment. In accordance with the provisions of the Act, none of the Independent Directors is liable to retire by rotation.

### IV. Application to Central Government

The Company is in the process of submitting application as required pursuant to Section 197 read with Schedule V of the Companies Act, 2013 with regard to remuneration payable to Mr. Aman Agrawal & Mr. Prashant Agrawal.

#### b. Declaration by Independent Directors:

The Company has received and taken on record the declarations received from all the Independent Directors of the Company in accordance to Section 149(6) of the Companies Act, 2013 confirming their independence vis-a-vis the Company.

### 8. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

#### a. Board Meetings:

Four meetings of Board of Directors were convened during the financial year under review i.e. on 5th June, 2014, 30th July, 2014, 11th November, 2014, and 12th February, 2015.

#### b. Director's Responsibility Statement:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited Annual Financial Statements of the

# Bombay Rayon Fashions Limited

Company for the year ended 31st March, 2015, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015, and of the loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **c. Committees :**

### **(I) Audit Committee:**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Clause 49(III)(A) of the Listing Agreement.

The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of:

1. Mr. A. Arumugham, Chairman, Independent Director
2. Mr. Suresh Vishwasrao, Independent Director
3. Mr. Naseer Ahmed, Independent Director\*
4. Mr. A. R. Mundra, Executive Director- Finance
5. Mr. John Mathew, Independent Director\*\*

\* till 22nd May, 2015

\*\* Appointed on 22nd May, 2015

The scope and terms of reference of the Audit Committee have been amended in accordance with the Act and the Listing Agreement entered into with the Stock Exchanges. During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

### **(II) Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company is in accordance with the requirements of Section 178 of the Act.

The composition of the committee is as under:

1. Mr. Naseer Ahmed, Chairman, Independent Director
2. Mr. Suresh Vishwasrao, Independent Director
3. Mr. A. Arumugham, Independent Director
4. Mr. John Mathew, Independent Director\*

\* Appointed on 22nd May, 2015

The Board, on recommendation of the Nomination and Remuneration Committee, has approved a policy setting out the criteria for review of responsibilities of the Directors positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees in accordance with the provisions of Section 178 of the Act.

### **(III) Stakeholders Relationship Committee:**

The Stakeholder Relationship Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013.

The composition of the committee is as under:

1. Mr. Janardhan Agrawal, Chairman
2. Mr. Prashant Agrawal, Managing Director
3. Mr. A.R. Mundra, Executive Director- Finance

The Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee.

## **d. Policies:**

### **(I) Vigil Mechanism Policy:**

In compliance of the requirements of section 177 of the companies Act, 2013, Clause 49 of the listing Agreement and as measure of good Corporate Governance practice, the Board has formulated a Vigil Mechanism Policy. The policy comprehensively provides an opportunity for any employee/ Director of the Company to raise any issue concerning breaches, accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy is a adequate safeguard against victimization.

The Board of Directors of the Company has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and Employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc. and the same is also hosted on the website of the Company.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

### **(II) Risk Management Policy:**

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

### (III) Corporate Social Responsibility Policy:

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as under:

1. Mr. Suresh Vishwasrao - Independent Director (Chairman)
2. Mr. A. Arumugham- Independent Director
3. Mr. A. R. Mundra - Executive Director

The Company has drafted the Corporate Social Responsibility Policy which may be accessed on the web-site of the Company i.e. [www.bombayrayon.com](http://www.bombayrayon.com).

Since, the Company has incurred losses in FY 2013-14 & FY 2014-15, the Company has not spent any amount towards Corporate Social Responsibility activities.

#### e. Annual Evaluation of Directors, Committee and Board:

Independent Directors had reviewed the performance of the Chairman and Executive Directors considering the performance of the Company during the FY 2014-15. Board of Directors in their meeting has reviewed the contribution made by each Independent Director in the performance of the Company by way of their timely advice. Due to losses for FY 2014-15 there is no change in the remuneration payable to the Directors for next FY 2015-16 neither the Chairman will receive any commission.

#### f. Details with Respect to the Programme for Familiarisation of Independent Directors:

The details of programme for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company.

#### g. Internal Control Systems:

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

### 9. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Pursuant to the Provisions 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, the requisite details are annexed herewith vide Annexure II and are also available at the Registered Office of Company for inspection during its working hours and any member interested in obtaining such information may directly write to the Company Secretary of Company and the same shall be provided on such request.

### 10. AUDITORS AND REPORTS:

#### a. Statutory Auditors:

The observations made by the Statutory Auditors in their Report read with the relevant notes as given in the Notes

to Accounts for the year ended March 31, 2015, are self-explanatory and therefore do not call for any further comments under Section 134(3) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation and adverse remark.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. V.K. Beswal & Associates, Chartered Accountants, Mumbai (Firm Registration Number: 101083W), the Statutory Auditors of the Company, hold office upto the conclusion of the ensuing Annual General Meeting. The consent of the Auditors along with certificate under Section 139 of the Act have been obtained from the Auditors to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company. The Board recommends the appointment of M/s. V.K. Beswal & Associates, Chartered Accountants, Mumbai (Firm Registration Number: 101083W), as the Statutory Auditors of the Company for the financial year 2015-2016.

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

#### b. Secretarial Audit Report for the year ended 31st March, 2015:

The Board had appointed Rathi & Associates, Company Secretaries as Secretarial auditors for the financial year 2014-15. Secretarial Audit Report issued by Rathi & Associates in form MR-3 for the FY 2014-15 forms part of this report and marked as Annexure III.

As mentioned hereinabove in this report the Company is in the process of submitting application as required pursuant to Section 197 read with Schedule V of the Companies Act, 2013 with regard to remuneration payable to Vice Chairman & Managing Director.

The company and the promoters are in the process to take action to comply with the regulations of Securities and Exchange Board of India related to Minimum public Shareholding (MPS) to increase the public shareholding to 25%.

#### c. 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, as per the recommendation of the Audit Committee, the Board of Directors at their meeting dated 22nd May, 2015, appointed M/s. K. S. Kamalakara & Company, Cost Accountants as the Cost Auditors of the Company for the financial year 2015-16 at annual audit fee of ₹ 5,00,000/- .

#### d. Internal Audit and Control:

M/s Venkatram & Co., Firm Registration No. 004656S, Chartered Accountants, Internal Auditors of the Company have carried out internal audit and the findings of the Internal Auditors in their reports are discussed on an on-going basis in the meetings of the Audit Committee and corrective actions are taken as per the directions of the Audit Committee.

### 11. OTHER DISCLOSURES:

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:



# Bombay Rayon Fashions Limited

## a. Extract of Annual Return:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2015 made under the provisions of Section 92(3) of the Act is attached as Annexure IV which forms part of this Report.

## b. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in Annexure V which forms part of this Report.

## c. Corporate Governance and Management Discussion & Analysis Reports:

The Company is committed to maintain the high standards of Corporate Governance and adheres to its requisites set out by the respective authorities. The report on Corporate Governance as stipulated under the Listing Agreement is annexed vide Annexure VI and forms an integral part of this Annual Report.

Requisite certificate from the Auditors of the Company M/s V. K. Beswal & Associates, Chartered Accountants, (Firm Registration Number: 101083W), confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of Listing Agreement is appended herewith vide Annexure VI(A) and forms an integral part of this Annual Report.

Certificate issued by Managing Director and Executive Director of Company with regard to certification on Audited Financial Statement of the Company for F.Y. 2014-15 is also annexed herewith vide Annexure VI (B) and forms an integral part of this Annual Report.

The Company has suitably laid down the Code of Conduct for all Board Members and Senior Management personnel of the Company. The declaration by CEO i.e. Managing Director of company related to the compliance of aforesaid Code of Conduct is also attached herewith vide Annexure VI(C) and forms an integral part of this Annual Report.

Management Discussion and Analysis Report for the year under review, as required pursuant to the provisions of Clause 49 of the Listing Agreement, is annexed herewith vide Annexure VII and forms part of this Annual Report.

## d. General Disclosures:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to these matters during F.Y. 2014-15:

- Details relating to acceptance of deposits covered under Chapter V of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares and ESOS) to employees of the Company under any scheme.

- Instances with respect to voting rights not exercised directly by employees of the Company.
- There was no revision of the financial statements for the year under review.
- During the financial year company has neither provided any loans and guarantees nor made any investments.

Your Directors further state that:

- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of the subsidiary Company.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this Annual Report.
- There was no change in the nature of business of company during F.Y. 2014-15.
- Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, no case pertaining to sexual harassment at workplace has been reported to company during F.Y. 2014-15.

## 12. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

Your Directors records with sincere appreciation the valuable contribution made by employees at all levels and looks forward to their continued commitment to achieve further growth and take up more challenges that the Company has set for the future.

**For and on behalf of the Board of Directors**

**Janardhan Agrawal**  
**Chairman**  
**DIN:00019497**

**Place: Mumbai**  
**Date: August 14, 2015**

### Registered Office Address:

D 1st Floor, Oberoi Garden Estates, Chandivali Farms,  
Chandivali, Andheri (East), Mumbai - 400072  
CIN:L17120MH1992PLC066880  
TEL No: +91 22 39858800  
Fax No : 39858700  
Mail:investors@bombayrayon.com  
Website: www.bombayrayon.com

## Annexure I

### Detail of Subsidiary Companies

(₹ In lacs)

	Particulars	Subsidiary Companies					
		Bombay Rayon Holding Limited	STI India Limited	DPJ Clothing Limited	BRFL Europe B.V.	BRFL Italia S.r.l.	BRFL Bangladesh
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March 2015	31st March 2015	31st March 2015	31st March 2015	31st December 2014	31st March 2015
2	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	₹	₹	1 GBP = 96.25 INR	1 Euro = 66.89 INR	1 Euro = 66.89 INR	1 Taka = 0.67 INR
3	Share capital	3,514.00	2,900.00	0.61	161.13	3,349.00	12.00
4	Reserves and Surplus	951.88	-5302.01	586	579.29	-33124.17	-13.00
5	Total Assets	43701.12	9661.59	1952	741.65	32418.81	-
6	Total Liabilities	52930.56	8459.51	1365	1.23	62194.42	-
7	Investments	13,695.57	1199.93	-	-	-	-
8	Turnover/other income	552	6047.09	1167	-	2153.36	-
9	Profit before taxation	301.69	-496.93	-173	-4.14	-4935.26	-
10	Provision for taxation	119.70	-18.13	-	-	-	-
11	Profit after taxation	181.99	-478.80	-173	-4.14	-4935.26	-
12	Proposed Dividend	-	-	-	-	-	-
13	% of shareholding	100%	75%	70%	100%*	100%*	100%

\* Held by Bombay Rayon Holding Limited

## Annexure II

### The Companies Act, 2013, read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- I. Ratio of the remuneration of each Director & Key Managerial Personnel (KMP) to the Median Remuneration of the Employees (MRE) of the Company for the financial year 2014-15 against the performance of the Company are as under:

Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2014-15 (₹ in Crore)	% increase in Remuneration in the Financial Year 2014-15	Ratio of Remuneration of each Director to MRE for Financial Year 2014-15
Mr. AMAN AGRAWAL	2.57	N.A	142.70
Mr. PRASHANT AGRAWAL	2.57	N.A	142.70
Mr. ASHARAM MUNDRA	0.39	N.A	21.65

- II. The Median Remuneration of Employees (MRE) of the Company during the financial year was ₹180099/- previous period it was ₹ 185412/-
- III. There is no increase in the remuneration of above employees in the F.Y 2014-15.
- IV. There were 12823 permanent employees on the roll of Company as on March 31, 2015.
- V. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

(₹ In Crore)

Aggregate remuneration of Key Managerial Personnel (KMP)	2.96
Revenue	3572.75
Remuneration of KMPs (as % of revenue)	0.08%
Profit / (Loss) before tax (PBT)	(121.05)
Remuneration of KMP (as% of PBT)	N.A.

- VI. • Variations in the market capitalization of the Company: The market capitalization as on March 31, 2015 was ₹ 2001.50 Crore as against 2919.47 Crore as on March 31, 2014.
- Price Earnings ratio of Equity Shares of the Company was 25.42 as on March 31, 2015 and was 7.12 as on March 31, 2014
- VII. Decrease in the salaries of employees other than the managerial personnel in the F.Y 2014-15 is due to reduction in number of employees, whereas there was no increase in the managerial remuneration for the same financial period.
- VIII. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- IX. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

## Annexure III

# SECRETARIAL AUDIT REPORT

[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]

**FOR THE YEAR ENDED 31ST MARCH, 2015**

To  
The Members,  
**Bombay Rayon Fashions Limited**  
Mumbai

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Bombay Rayon Fashions 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 Company’s Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the year ended on 31st March, 2015 complied with the statutory provisions listed hereunder, **except as stated otherwise**, 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 maintained by **Bombay Rayon Fashions Limited** (“the Company”) for the year ended on 31st March, 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under for all the Sections notified and effective on and from 1st April, 2014;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - iii. The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993; and
  - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company under the period of audit:-

- i. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
- ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. List of Acts, Laws and Regulations under the major Group and Head as applicable to the Company are as under:

- (i) Water (Prevention & Control of Pollution) Act, 1974;

## Bombay Rayon Fashions Limited

- (ii) Air (Prevention & Control of Pollution) Act, 1981;
- (iii) Hazardous Waste (Management & Handling Rules, 1989);
- (iv) Factories Act, 1948; and
- (v) Environment (Protection) Act, 1986

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a. The public shareholding of the Company is less than that prescribed under Clause 40 of the Listing Agreement; and
- b. The remuneration paid to the Vice Chairman and Managing Director exceeds the limits prescribed under the provisions of Schedule XIII of the Companies Act, 1956 / Schedule V of the Companies Act, 2013.

### **We further report that:**

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors and Non-Executive Directors. The Company's Board, however:

- appointed a Woman Director on 1st June, 2015, which was beyond the time period prescribed by the revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges and Section 149 of the Companies Act, 2013; and
- comprised of Independent Directors lesser than that prescribed in revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges, during the period from 1st October, 2014 to 30th January, 2015.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in accordance with the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period the Company has not undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **RATHI & ASSOCIATES**  
COMPANY SECRETARIES

**NEHA LAHOTY**  
PARTNER  
ACS No. 20434  
C.P. No. 10286

Place: Mumbai  
Date: 14.08.2015

## ANNEXURE IV

### 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 Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

CIN	:	L17120MH1992PLC066880
Registration Date	:	21/05/1992
Name of the Company	:	BOMBAY RAYON FASHIONS LIMITED
Category / Sub-Category of the Company	:	Company Limited by shares. / Indian Non-Government Company.
Address of the Registered office and contact details	:	D-1st Floor, Oberoi Gardens Estates, Chandivali Farms Road, Chandivali, Andheri (East), Mumbai-400072
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Link Intime India Private Limited. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai-400078.

#### 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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	BRFL is a vertically integrated textile company, engaged in the manufacture of a wide range of fabrics and garments from state of the art production facilities.	18101	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

Sr. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
1	Bombay Rayon Holdings Limited, Add: D-1st Floor, Oberoi Gardens Estates, Chandivali Farms Road, Chandivali, Andheri (East), Mumbai-400072	U17291MH2007PLC168067	Subsidiary Company	100%	2(87)
2	STI India Ltd., Add: Rau-Pithampur Link Road, Tehsil Mhow, Indore - 453332	L27105MP1984PLC002521	Subsidiary Company	75%	2(87)
3	DPJ Clothing Ltd., UK Add: 17-19, Church Road, Northfield, Birmingham, B31 2JZ	-	Subsidiary Company	70%	2(87)
4	BRFL Bangladesh Pvt. Ltd., Add: Siaam Tower, Level - 12, Plot - 5, Sector - 3, Uttara, Dhaka -1230 (Bangladesh)	-	Subsidiary Company	100%	2(87)

# Bombay Rayon Fashions Limited

## IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

### i. Category-wise Share Holding as on 31st March, 2015:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	22226218	0	22226218	16.51	22226218	0	22226218	16.51	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	50972707	0	50972707	37.87	50738474		50738474	37.70	-0.17
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total(A)(1):</b>	<b>73198925</b>	<b>0</b>	<b>73198925</b>	<b>54.38</b>	<b>72964692</b>	<b>0</b>	<b>72964692</b>	<b>54.21</b>	<b>-0.17</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	51000400	0	51000400	37.89	51000400	0	51000400	37.89	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(2):</b>	<b>51000400</b>	<b>0</b>	<b>51000400</b>	<b>37.89</b>	<b>51000400</b>	<b>0</b>	<b>51000400</b>	<b>37.89</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>124199325</b>	<b>0</b>	<b>124199325</b>	<b>92.27</b>	<b>123965092</b>	<b>0</b>	<b>123965092</b>	<b>92.10</b>	<b>-0.17</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	681873	0	681873	0.51	681873	0	681873	0.51	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	240718	0	240718	0.18	233647	0	233647	0.17	-0.01
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):</b>	<b>922591</b>	<b>0</b>	<b>922591</b>	<b>0.69</b>	<b>915530</b>	<b>0</b>	<b>915530</b>	<b>0.68</b>	<b>-0.01</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	7302145	0	7302145	5.43	7813201	0	7813201	5.80	0.37
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	588865	4304	593169	0.44	709890	4304	714194	0.53	0.09
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1225784	0	1225784	0.91	640305	0	640305	0.48	-0.43

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
(i) Clearing Member	301184	0	301184	0.22	414671	0	414671	0.31	0.09
(ii) NRIs(Repeat)	54728	0	54728	0.04	54948	0	54948	0.04	0.00
(iii) NRIs(Non Repeat)	1074	0	1074	0.00	2059	0	2059	0.00	0.00
(iv) Foreign portfolio Investor Corporate	0	0	0	0.00	80000	0	80000	0.06	0.06
<b>Sub-total(B)(2):</b>	<b>9473780</b>	<b>4304</b>	<b>9478084</b>	<b>7.04</b>	<b>9715074</b>	<b>4304</b>	<b>9719378</b>	<b>7.22</b>	<b>0.18</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>10396371</b>	<b>4304</b>	<b>10400675</b>	<b>7.73</b>	<b>10630604</b>	<b>4304</b>	<b>10634908</b>	<b>7.90</b>	<b>0.17</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>134595696</b>	<b>4304</b>	<b>134600000</b>	<b>100.00</b>	<b>134595696</b>	<b>4304</b>	<b>134600000</b>	<b>100.00</b>	<b>0.00</b>

## ii. Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	AAA United B.V	510,00,400	37.89	0	51,000,400	37.89	0	0
2	Ashwell Holding Company Pvt. Ltd	28,420,000	21.11	0	28,420,000	21.11	0	0
3	Reynold Shirting Limited	13,449,947	9.99	8.66	13,215,714	9.82	8.48	-0.18
4	Janardhan Agrawal	7,576,140	5.63	0.76	7,576,140	5.63	0.76	0
5	Bombay Rayon Clothing Limited	6,602,760	4.91	4.9	6,602,760	4.91	4.9	0
6	Prashant Agrawal	6,162,994	4.58	4.56	6,162,994	4.58	4.56	0
7	Vinita Agrawal	3,815,980	2.84	2.82	3,815,980	2.84	2.82	0
8	Aman Agrawal	3,338,404	2.48	2.41	3,338,404	2.48	2.41	0
9	B. R. Machine Tools Pvt. Ltd.	2,500,000	1.86	1.86	2,500,000	1.86	1.86	0
10	Bimla Devi Agrawal	413,200	0.31	0	413,200	0.31	0	0
11	Vedant Aman Agrawal	320,000	0.24	0	320,000	0.24	0	0
12	Payal Chaudhary	179,300	0.13	0	179,300	0.13	0	0
13	Janardhan Biseshwarlal Agrawal	156,000	0.12	0	156,000	0.12	0	0
14	Aayush Prashant Agrawal	120,000	0.09	0	120,000	0.09	0	0
15	Sushila Mukesh Agrawal	100,000	0.07	0	100,000	0.07	0	0
16	Priyanka Agrawal	44,200	0.03	0	44,200	0.03	0	0
	<b>Total</b>	<b>124,199,325</b>	<b>92.27</b>	<b>25.97</b>	<b>123,965,092</b>	<b>92.1</b>	<b>25.8</b>	<b>-0.18</b>



# Bombay Rayon Fashions Limited

## iii. Change in Promoters' Shareholding (Please Specify, If there is no Change):

Sl. No.	Shareholder's Name	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	
1.	AAA United B.V					
	At the beginning of the year	51000400	37.89	51000400	37.89	
	At the End of the year	51000400	37.89	51000400	37.89	
2.	Ashwell Holding Company Pvt. Ltd					
	At the beginning of the year	28420000	21.11	28420000	21.11	
	At the End of the year	28420000	21.11	28420000	21.11	
3.	Reynold Shirting Limited					
	At the beginning of the year	13449947	9.99			
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ sweat equity etc)	20/06/2014	-34277	-0.03	13415670	9.97
		04/07/2014	-56101	-0.04	13359569	9.93
		11/07/2014	-26533	-0.02	13333036	9.91
		30/09/2014	61848	0.05	13271188	9.86
		03/10/2014	-13890	-0.01	13257298	9.85
		17/10/2014	-2167	0.00	13255131	9.85
		21/11/2014	-31407	-0.02	13223724	9.82
		12/12/2014	-6366	0.00	13217358	9.82
		19/12/2014	-13217358	-9.82	0	0.00
		02/01/2015	13215714	9.82	13215714	9.82
At the End of the year	13215714					
4.	Janardhan Agrawal					
	At the beginning of the year	7576140	5.63	7576140	5.63	
	At the End of the year	7576140	5.63	7576140	5.63	
5.	Bombay Rayon Clothing Limited					
	At the beginning of the year	6602760	4.91	6602760	4.91	
	At the End of the year	6602760	4.91	6602760	4.91	
6.	Prashant Agrawal					
	At the beginning of the year	6162994	4.58	6162994	4.58	
	At the End of the year	6162994	4.58	6162994	4.58	
7.	Vinita Agrawal					
	At the beginning of the year	3815980	2.84	3815980	2.84	
	At the End of the year	3815980	2.84	3815980	2.84	
8.	Aman Agrawal					
	At the beginning of the year	3338404	2.48	3338404	2.48	
	At the End of the year	3338404	2.48	3338404	2.48	
9.	B. R. Machine Tools Pvt. Ltd.					
	At the beginning of the year	2500000	1.86	2500000	1.86	
	At the End of the year	2500000	1.86	2500000	1.86	
10.	Bimla Devi Agrawal					
	At the beginning of the year	413200	0.31	413200	0.31	
	At the End of the year	413200	0.31	413200	0.31	
11.	Vedant Aman Agrwal					
	At the beginning of the year	320000	0.24	320000	0.24	
	At the End of the year	320000	0.24	320000	0.24	

Sl. No.	Shareholder's Name	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
12.	Payal Chaudhary				
	At the beginning of the year	179300	0.13	179300	0.13
	At the End of the year	179300	0.13	179300	0.13
13.	Janardhan Biseshwarlal Agrawal				
	At the beginning of the year	156000	0.12	156000	0.12
	At the End of the year	156000	0.12	156000	0.12
14.	Aayush Prashant Agrawal				
	At the beginning of the year	120000	0.09	120000	0.09
	At the End of the year	120000	0.09	120000	0.09
15.	Sushila Mukesh Agrawal				
	At the beginning of the year	100000	0.07	100000	0.07
	At the End of the year	100000	0.07	100000	0.07
16.	Priyanka Agrawal				
	At the beginning of the year	44200	0.03	44200	0.03
	Date wise	No Change during the year	-	-	-
	At the End of the year	44200	0.03	44200	0.03

Note: Except Reynold Shirting Limited there was no Increase/ Decrease in Promoters Shareholding during the year.

#### iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	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	
1.	<b>SICOM LIMITED</b>					
	At the beginning of the year	681850	0.51	681850	0.51	
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-	
	At the End of the year	681850	0.51	681850	0.51	
2.	<b>EPOCH SYNTHETICS PVT LTD</b>					
	At the beginning of the year	437451	0.33	437451	0.33	
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	04/04/2014	27823	0.02	465274	0.35
		11/04/2014	-244305	-0.18	220969	0.16
		18/04/2014	90499	0.07	311468	0.23
		25/04/2014	500	0.00	311968	0.23
		09/05/2014	262731	0.20	574699	0.43
		16/05/2014	1400	0.00	576099	0.43
		23/05/2014	-100	0.00	575999	0.43
		30/05/2014	96347	0.07	672346	0.50
		06/06/2014	506	0.00	672852	0.50
		20/06/2014	360	0.00	673212	0.50
		30/06/2014	198428	0.15	871640	0.65

## Bombay Rayon Fashions Limited

Sl. No.	Shareholder's Name	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	
		04/07/2014	-1284	0.00	870356	0.65
		11/07/2014	-376488	-0.28	493868	0.37
		18/07/2014	374898	0.28	868766	0.65
		25/07/2014	-92628	-0.07	776138	0.58
		01/08/2014	-60582	-0.05	715556	0.53
		08/08/2014	-77357	-0.06	638199	0.47
		15/08/2014	2934	0.00	641133	0.48
		22/08/2014	-11132	-0.01	630001	0.47
		29/08/2014	-351918	-0.26	278083	0.21
		05/09/2014	577	0.00	278660	0.21
		12/09/2014	3053	0.00	281713	0.21
		19/09/2014	9150	0.01	290863	0.22
		30/09/2014	1270	0.00	292133	0.22
		03/10/2014	3670	0.00	295803	0.22
		10/10/2014	806	0.00	296609	0.22
		07/11/2014	-4437	0.00	292172	0.22
		14/11/2014	583192	0.43	875364	0.65
		21/11/2014	-7366	-0.01	867998	0.64
		28/11/2014	-400514	-0.30	467484	0.35
		19/12/2014	-290342	-0.22	177142	0.13
		02/01/2015	514376	0.38	691518	0.51
		09/01/2015	-432204	-0.32	259314	0.19
		16/01/2015	437432	0.32	696746	0.52
		30/01/2015	300	0.00	697046	0.52
		06/02/2015	-948	0.00	696098	0.52
		13/02/2015	184178	0.14	880276	0.65
		20/02/2015	4048	0.00	884324	0.66
		27/02/2015	-5266	0.00	879058	0.65
		06/03/2015	-1760	0.00	877298	0.65
		13/03/2015	7529	0.01	884827	0.66
		20/03/2015	3980	0.00	888807	0.66
		27/03/2015	-8334	-0.01	880473	0.65
		31/03/2015	-3132	0.00	877341	0.65
	At the End of the year		877341	0.65	-	-
3.	<b>ROPLAS DEALCOMM PVT LTD</b>					
	At the beginning of the year		404610	0.30	404610	0.30
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	04/04/2014	-4610	-0.003	400000	0.30
		30/06/2014	192984	0.143	592984	0.44
		30/09/2014	46	0.000	593030	0.44
		19/12/2014	-593030	-0.441	0	0.00
		02/01/2015	593055	0.441	593055	0.44
		31/03/2015	220	0.00	593275	0.44
	At the End of the year		593275	0.44		

Sl. No.	Shareholder's Name	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
4.	<b>RELIGARE FINVEST LTD</b>				
	At the beginning of the year	396500	0.29	396500	0.29
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	04/04/2014 -47500	-0.04	349000	0.26
		25/04/2014 553103	0.41	902103	0.67
		23/05/2014 -420000	-0.31	482103	0.36
		30/05/2014 245000	0.18	727103	0.54
		13/06/2014 141573	0.11	868676	0.65
		30/06/2014 29905	0.02	898581	0.67
		04/07/2014 5000	0.00	903581	0.67
		11/07/2014 334995	0.25	1238576	0.92
		22/08/2014 -2000	0.00	1236576	0.92
		17/10/2014 665231	0.49	1901807	1.41
		24/10/2014 577005	0.43	2478812	1.84
		21/11/2014 -5000	0.00	2473812	1.84
		19/12/2014 -2473812	-1.84	0	0.00
		02/01/2015 2473812	1.84	2473812	1.84
		13/03/2015 -870000	-0.65	1603812	1.19
		20/03/2015 -400000	-0.30	1203812	0.89
		31/03/2015 -300000	-0.22	903812	0.67
	At the End of the year	903812	0.67		
5.	<b>RELIGARE SECURITIES LTD</b>				
	At the beginning of the year	354468	0.26	354468	0.26
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	04/04/2014 146763	0.11	501231	0.37
		11/04/2014 -204378	-0.15	296853	0.22
		18/04/2014 -16039	-0.01	280814	0.21
		25/04/2014 27980	0.02	308794	0.23
		02/05/2014 -24947	-0.02	283847	0.21
		09/05/2014 177	0.00	284024	0.21
		16/05/2014 2874	0.00	286898	0.21
		23/05/2014 410830	0.31	697728	0.52
		30/05/2014 52655	0.04	750383	0.56
		06/06/2014 -7045	-0.01	743338	0.55
		13/06/2014 238547	0.18	981885	0.73
		20/06/2014 367	0.00	982252	0.73
		30/06/2014 -170680	-0.13	811572	0.60
		04/07/2014 2444	0.00	814016	0.60
		11/07/2014 8989	0.01	823005	0.61
		18/07/2014 -2122	0.00	820883	0.61
		25/07/2014 -327	0.00	820556	0.61
		01/08/2014 184	0.00	820740	0.61
		08/08/2014 12508	0.01	833248	0.62
		15/08/2014 3699	0.00	836947	0.62
		22/08/2014 -5328	0.00	831619	0.62
		29/08/2014 -1072	0.00	830547	0.62
		05/09/2014 -137993	-0.10	692554	0.51

## Bombay Rayon Fashions Limited

Sl. No.	Shareholder's Name	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	
		12/09/2014	-983	0.00	691571	0.51
		19/09/2014	-1050	0.00	690521	0.51
		30/09/2014	-14324	-0.01	676197	0.50
		03/10/2014	38087	0.03	714284	0.53
		10/10/2014	46893	0.03	761177	0.57
		17/10/2014	-760568	-0.57	609	0.00
		24/10/2014	130	0.00	739	0.00
		31/10/2014	-50	0.00	689	0.00
		07/11/2014	6513	0.00	7202	0.01
		21/11/2014	-50	0.00	7152	0.01
		28/11/2014	-6405	0.00	747	0.00
		05/12/2014	-43	0.00	704	0.00
		12/12/2014	-100	0.00	604	0.00
		19/12/2014	-604	0.00	0	0.00
		02/01/2015	470	0.00	470	0.00
		09/01/2015	50	0.00	520	0.00
		16/01/2015	35	0.00	555	0.00
		23/01/2015	-5	0.00	550	0.00
		30/01/2015	50	0.00	600	0.00
		06/02/2015	4421	0.00	5021	0.00
		13/02/2015	-30	0.00	4991	0.00
		20/02/2015	-50	0.00	4941	0.00
		27/02/2015	1073	0.00	6014	0.00
		06/03/2015	4093	0.00	10107	0.01
		13/03/2015	869224	0.65	879331	0.65
		20/03/2015	384758	0.29	1264089	0.94
		27/03/2015	-868	0.00	1263221	0.94
		31/03/2015	-507476	-0.38	755745	0.56
	At the End of the year		755745	0.56		
6.	<b>INOX TRADE PRIVATE LIMITED</b>					
	At the beginning of the year		313343	0.23	313343	0.23
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	04/04/2014	10000	0.01	323343	0.24
		11/04/2014	7019	0.01	330362	0.25
		18/04/2014	29813	0.02	360175	0.27
		25/04/2014	-299955	-0.22	60220	0.04
		02/05/2014	4355	0.00	64575	0.05
		11/07/2014	13591	0.01	78166	0.06
		18/07/2014	16038	0.01	94204	0.07
		08/08/2014	4	0.00	94208	0.07
		22/08/2014	12	0.00	94220	0.07
		29/08/2014	31	0.00	94251	0.07
		12/09/2014	1008	0.00	95259	0.07
		03/10/2014	1838	0.00	97097	0.07
		17/10/2014	55662	0.04	152759	0.11

Sl. No.	Shareholder's Name	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	
		24/10/2014	-20000	-0.01	132759	0.10
		21/11/2014	20000	0.01	152759	0.11
		19/12/2014	-152759	-0.11	0	0.00
		02/01/2015	152759	0.11	152759	0.11
		13/03/2015	-152500	-0.11	259	0.00
		20/03/2015	5000	0.00	5259	0.00
		27/03/2015	152500	0.11	157759	0.12
		31/03/2015	175000	0.13	332759	0.25
	At the End of the year		332759	0.25		
7.	<b>LIFELINE PROJECTS PRIVATE LIMITED</b>					
	At the beginning of the year		306574	0.23	306574	0.23
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	11/04/2014	10000	0.01	316574	0.24
		18/04/2014	21130	0.02	337704	0.25
		25/04/2014	1807	0.00	339511	0.25
		02/05/2014	8193	0.01	347704	0.26
		20/06/2014	23	0.00	347727	0.26
		30/06/2014	124	0.00	347851	0.26
		17/10/2014	-347000	-0.26	851	0.00
		19/12/2014	-851	0.00	0	0.00
		02/01/2015	851	0.00	851	0.00
		31/03/2015	347000	0.26	347851	0.26
	At the End of the year		347851	0.26		
8.	<b>LEENA INVESTMENTS CONSULTANCY LLP</b>					
	At the beginning of the year		96860	0.07	96860	0.07
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	11/04/2014	-55000	-0.04	41860	0.03
		18/04/2014	-40000	-0.03	1860	0.00
		19/12/2014	-2	0.00	1858	0.00
		02/01/2015	2	0.00	1860	0.00
		27/02/2015	-702	0.00	1158	0.00
		27/03/2015	659000	0.49	660158	0.49
	At the End of the year		660158	0.49		
9.	<b>NEW BERRY CAPITALS PRIVATE LIMITED</b>					
	At the beginning of the year		76000	0.06	76000	0.06
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	20/06/2014	22000	0.02	98000	0.07
		18/07/2014	-22000	-0.02	76000	0.06
		22/08/2014	53454	0.04	129454	0.10
		29/08/2014	16126	0.01	145580	0.11
		05/09/2014	2600	0.00	148180	0.11
		12/09/2014	5000	0.00	153180	0.11
		30/09/2014	-105752	-0.08	47428	0.04
		10/10/2014	28900	0.02	76328	0.06

## Bombay Rayon Fashions Limited

Sl. No.	Shareholder's Name	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	
		17/10/2014	4500	0.00	80828	0.06
		24/10/2014	22720	0.02	103548	0.08
		31/10/2014	100	0.00	103648	0.08
		14/11/2014	1747	0.00	105395	0.08
		21/11/2014	29047	0.02	134442	0.10
		28/11/2014	6000	0.00	140442	0.10
		19/12/2014	28455	0.02	168897	0.13
		31/12/2014	579	0.00	169476	0.13
		02/01/2015	2734	0.00	172210	0.13
		16/01/2015	8447	0.01	180657	0.13
		06/02/2015	140000	0.10	320657	0.24
		13/02/2015	25000	0.02	345657	0.26
		27/02/2015	69500	0.05	415157	0.31
		06/03/2015	-22000	-0.02	393157	0.29
		27/03/2015	33561	0.02	426718	0.32
		31/03/2015	17645	0.01	444363	0.33
	At the End of the year		444363	0.33		
10.	<b>SCOTTS GARMENTS LTD</b>					
	At the beginning of the year		0	0.00	0	0.00
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	18/07/2014	692000	0.51	692000	0.51
		19/12/2014	-692000	-0.51	0	0.00
		02/01/2015	692000	0.51	692000	0.51
	At the End of the year		692000	0.51		

### V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	For each of the Directors and KMP	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
1.	<b>Mr. Janardhan Agrawal</b>				
	At the beginning of the year	7576140	5.63%	7576140	5.63%
	At the End of the year	7576140	5.63%	7576140	5.63%
2.	<b>Mr. Aman Agrawal</b>				
	At the beginning of the year	3338404	2.48%	3338404	2.48%
	At the End of the year	3338404	2.48%	3338404	2.48%
3	<b>Mr. Prashant Agrawal</b>				
	At the beginning of the year	6162994	4.58%	6162994	4.58%
	At the End of the year	6162994	4.58%	6162994	4.58%
4	<b>Mr. A.R. Mundra</b>				
	At the beginning of the year	NIL	--	NIL	--
	At the End of the year	NIL	--	NIL	--

Sl. No.	For each of the Directors and KMP	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
5.	<b>Mr. Mukul Sarkar</b> (Ceased to be Director as on 28.10.2014)				
	At the beginning of the year	NIL	--	NIL	--
	At the End of the year	NIL	--	NIL	--
6.	<b>Mr. Babu Nambir</b> (Ceased to be Director as on 30.01.2015)				
	At the beginning of the year	NIL	--	NIL	--
	At the End of the year	NIL	--	NIL	--
7.	<b>Ms. Prachi Deshpande</b> (Ceased to be Company Secretary 31.07.2014)				
	At the beginning of the year	75	00	75	00
	At the End of the year	NIL	--	NIL	--
8.	<b>Mrs. Shivangi Sharma</b> (Ceased to be Company Secretary 20.03.2015)				
	At the beginning of the year	NIL	--	NIL	--
	At the End of the year	NIL	--	NIL	--

Note: There was no Increase / Decrease in Shareholding of Directors and Key Managerial Personnel during the year.

#### VI. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment. 31.03.2015

(₹ In Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 01/04/2014</b>				
i) Principal Amount	4465.67	42.90	--	4508.57
ii) Interest due but not paid	58.66	11.02	--	69.68
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>4524.33</b>	<b>53.92</b>	<b>--</b>	<b>4578.25</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	829.88	387.99	--	1217.87
• Reduction	182.17	390.15	--	572.32
<b>Net Change</b>	<b>647.71</b>	<b>(2.16)</b>		<b>645.55</b>
<b>Indebtedness at the end of the financial year 31/03/2015</b>				
i) Principal Amount	5113.38	40.74	--	5154.12
ii) Interest due but not paid	85.38	5.75	--	91.13
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>5198.76</b>	<b>46.49</b>	<b>--</b>	<b>5245.25</b>



# Bombay Rayon Fashions Limited

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager			Total Amount
		Mr. Aman Agrawal (Whole-Time Director)	Mr. Prashant Agrawal (Managing Director)	Mr. A.R. Mundra (Whole-Time Director)	
1	Gross salary				
	(c) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14391000	14391000	2151000	30933000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	–	–
	© 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	–	–	–	–
	Leave Travel Allowance	1199256	1199256	179256	2577768
	Medical Allowance	15000	15000	15000	45000
	Bonus	1199250	1199250	179250	30933000
	House Rent Allowance	7195500	7195500	1075500	15466500
	<b>Total (A)</b>	<b>24000006</b>	<b>24000006</b>	<b>3600006</b>	<b>51600018</b>
	Ceiling as per the Act	₹ 4,00,000/- per month (As per the Schedule XIII of the Companies Act, 1956).			

### B. Remuneration to Other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Suresh Vishwasrao	Mr. Naseer Ahmed	Mr. A. Arumugham	Mr M.M. Agrawal	
1.	Independent Directors					
	• Fee for attending board / committee meetings	110000	30000	90000	40000	270000
	• Commission	–	–	–	–	–
	• Others, please specify	–	–	–	–	–
	Total (1)	110000	30000	90000	40000	270000
2.	Other Non-Executive Directors	Mr. Mukul Sarkar (Ceased as on 28th October, 2014)	Mr. Babu Nambiar (Ceased as on 30th January, 2015)	–	–	–
	• Fee for attending board / committee meetings	20000	20000	–	–	40000
	• Commission	–	–	–	–	–
	• Others, please specify	–	–	–	–	–
	Total (2)	–	–	–	–	–
	Total (B)=(1+2)	–	–	–	–	–
	Total Managerial Remuneration	–	–	–	–	–
	Overall Ceiling as per the Act	N.A				

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total	
		CEO	Company Secretary			CFO
			Ms Prachi Deshpande (Ceased to be Company Secretary 01.08.2014)	Ms. Shivangi Sharma (Ceased to be Company Secretary 20.03.2015)		
1	Gross salary	–			–	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		2,28,088	1,74,239	402,327	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	91,236	69,695	160,931	
	© 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	–	–	–	–	
	Special Allowance	–	1,65,988	1,24,180	290,168	
	Leave Travel Allowance	–	19,008	14,519	33527	
	Medical Allowance	–	5,000	4556	9556	
	Bonus	–	22,689	14,520	37209	
	<b>Total</b>		<b>532009</b>	<b>401709</b>	<b>933718</b>	

**VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no such cases of Penalties/ Punishment/ Compounding of Offences faced by the Company.

# Bombay Rayon Fashions Limited

## Annexure V

### 1) Conservation of Energy:

#### a) Energy conservation measures taken by the Company

##### (i) Electrical Energy:

- Reducing the maximum demand by evenly distributing the load throughout the day and increasing efficiency of plant and equipment.
- Improving power factor by optimum choice of power factor improvement capacitors.
- Monitoring the overall energy consumption.

b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy. The Company is reviewing various proposals for reduction in consumption of energy, mainly by way of replacement of existing equipment by modern & energy efficient equipment.

c) Impact of measures (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods as per Form A

d) Total energy consumption per unit of production as per Form A

### FORM A

	Year Ended 31/03/2015		Year Ended 31/03/2014	
	Fabrics	Garments	Fabrics	Garments
<b>A Power and fuel consumption</b>				
a) Electricity				
Purchase				
Unit (Lacs)	800.82	34.99	840.03	59.00
Total Amount (Lacs)	5137.57	293.64	4278.94	449.59
Rate/unit	6.42	8.39	5.09	7.62
b) Own generation (Through D.G.. Set)				
Diesel Oil Consumed (Lacs)	1.39	1.67	1.4296	2.56
Total Amount (₹ Lacs)	83.43	100.20	82.14	145.61
Avg. Per Ltr. (₹)	60.02	60.00	57.46	56.88
c) Bio Fuel				
Quantity (M.T)	7201.74	5,094.97	5150.92	6754.16
Amount (in lacs)	337.98	160.79	266.56	239.90
d) Coal				
Quantity (M.T)	92544.84	–	20114.72	0.00
Amount (in lacs)	3735.86	–	3976.14	0.00
<b>B. Consumption Per unit of Production</b>				
Production (Million)	181.26 mn mtrs	14.29 mn pcs	156.79 mn mtrs	18.51 mn pcs
Electricity (₹)	5.13 mtr	3.88 pcs	5.49/ mtr	4.51/ pcs

### 2) Technology Absorption:

The Disclosure of particulars with respect to Technology absorption as per Form “B”.

**FORM B**

**Disclosure of particulars with respect to absorption**

**I. Research and development (R & D)**

**1. Specific areas in which R & D carried out by the company:**

Product and quality improvement, development of new designs, products, cost control and energy conservation.

**2. Benefits derived as a result of the above R & D:**

Product quality has improved and new products have been introduced.

**3. Future plan of action:**

The Company continues to focus its efforts on innovations in textile development processes.

**4. Expenditure on R & D: NIL**

**II. Technology absorption, adaptation and innovation**

**1. Efforts, in brief, made towards technology absorption, adaptation and innovation:**

The Company has been developing in-house modifications/ improvements in process technology in its various manufacturing sections which, when found suitable, are integrated into the regular manufacturing operation.

**2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc. :**

High Product quality and increased business potential

**3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:**

- a) Technology imported:
- b) Year of import:
- c) Has technology been fully absorbed?
- d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.

} Not Applicable as no imported technology is put to use.

**III. Foreign Exchange Earnings and Outgo:**

Activities relating to exports; initiatives taken to increase exports, development of new export markets for products and services; and export plans.

The Company exports its textile products. All efforts of the Company are geared to increase the business of textile exports in different products and markets.

A detailed bifurcation on the Foreign Exchange earnings and outgo is contained in note No. 31, 32 & 33 of and Note to Financial Statements

**For and on behalf of the Board**

**Place: Mumbai  
Date: August 14, 2015**

**Janardhan Agrawal  
Chairman**

### ANNEXURE VI

# Report on Corporate Governance

Bombay Rayon Fashions limited (“the Company”) strives to follow the best corporate governance practices, develop best policies/guidelines, communicate and train all its employees in order to foster a culture of compliance and obligation at every level of the organization. The Company is in compliance with the provisions of Corporate Governance specified in the Listing Agreement with the BSE Limited & the National Stock Exchange of India Limited.

## 1. Company’s Philosophy on Corporate Governance

Your Company is committed to the principles of good Corporate Governance. In keeping view with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review, strengthen and upgrade its systems and processes so as to bring in transparency and efficiency in its various business segments.

Through its corporate governance measures, the Company aims to maintain transparency in its financial reporting and keep all its stakeholders informed about its policies, performance and developments. Bombay Rayon Fashions Limited (“BRFL”) will contribute to sustain stakeholder confidence by adopting and continuing good practices, which is at the heart of effective corporate governance.

Your Company’s Board has empowered responsible persons to implement policies and guidelines related to the key elements of corporate governance viz. transparency, disclosure, supervision, internal controls, risk management, internal and external communications, high standards of safety, accounting fidelity, product and service quality. It has also set up adequate review processes.

## 2. Board of Directors

### a) Composition of the Board:

The Company has an optimum combination of Executive and Non-Executive Directors. As on March 31, 2015, the Board comprised of 8 Directors, of which 3 Directors are Executive Directors and 5 Directors are Non-Executive Directors, of which 4 are independent directors.

### b) Board Meetings and Annual General Meeting:

During the year under review, 4 (four) Meetings of the Board of Directors of the Company were convened on the following dates:

- 28th May 2014 adjourned and held on 5 June 2014
- 30th July 2014
- 11th November 2014
- 12th February 2015

The Company Secretary prepares the agenda and the explanatory notes, in consultation with the Managing Director and Executive Director - Finance and circulates the same in advance to the Directors. Every Director is free to suggest inclusions of items in the agenda. The Board meets at least once every quarter to review, inter alia, the quarterly results together with the Operations and Performance of the Company. Additional Meetings are held, whenever considered necessary. The draft minutes containing the proceedings of the Meeting of the Board, after incorporating the comments, if any, of the Directors are confirmed by the Board Members at their next Meeting and signed by the Chairman of the meeting. Senior Management Personnel are called to provide additional inputs for the items being discussed by the Board of Directors whenever necessary. The items in the Agenda are backed by comprehensive background information so as to enable the Board to take appropriate decisions. In addition to the information required as per Clause 49 of the Listing Agreement, approvals of the Board are taken for all major events. The Board also reviews the Compliance report of all laws applicable to the Company. The Managing Director keeps the Board appraise of the overall performance of the Company.

The composition of the Board and other relevant details relating to Directors are given below:

Name of Director & DIN	Category	No. of Board meetings attended during the year	Whether previous AGM attended	No. of other		
				Directorships	Committee Memberships	Committee Chairmanships
Mr. Janardhan Agrawal (Chairman) DIN: 00019497	Promoter, Non-Executive; Non- Independent (Chairman)	1	No	3	–	–
Mr. Naseer Ahmed DIN: 00027095	Non-Executive; Independent	1	No	2	–	1
Mr. Aman Agrawal DIN: 00019534	Promoter, Executive; Non- Independent (Vice- Chairman)	2	Yes	5	–	–
Mr. Prashant Agrawal (Managing Director) DIN: 00019464	Promoter, Executive; Non- Independent	4	Yes	5	–	–
Mr. A. R. Mundra DIN: 00019234	Executive; Non-Independent	4	Yes	1	–	–
Mr. Suresh Vishwasrao DIN: 00837235	Non-Executive; Independent	4	Yes	1	–	–
Mr. M. M. Agrawal DIN: 00681433	Non-Executive; Independent	4	No	6	3	1
Mr. A. Arumugham DIN: 00350163	Non-Executive; Independent	3	No	2	1	2
Mr. Mukul Sarkar (Nominee Director)* DIN: 00893700	Non-Executive; Independent	2	No			
Mr. Babu Namibar (Nominee Director)** DIN: 06697737	Non-Executive; Independent	2	No			

Note: Except that Mr. Aman Agrawal & Mr. Prashant Agrawal being sons of Mr. Janardhan Agrawal, no other director is related whether directly or indirectly to any other director listed above.

\* Directorships in Private Companies, Foreign Companies and the Companies under Section 8 of the Companies Act, 2013 are excluded.

# Memberships and Chairmanships of Audit Committee and Shareholders' Grievance Committee have been considered.

\* Mr. Mukul Sarkar (Nominee of EXIM Bank Ltd.) resigned from the Company w.e.f. October 28, 2014

\*\* Mr. Babu Namibar, (Nominee of IDBI Bank Ltd.) resigned from the Company w.e.f. January 30, 2015

**c) Appointment / re-appointment of Directors:**

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Janardhan Agrawal and Mr. A. R. Mundra, Directors will retire by rotation at the ensuing Annual General Meeting and the necessary details of the said directors provided in Annexure "A" of this Report.

**d) Non-Executive Directors' compensation and disclosures:**

Apart from sitting fees for attending Board & Committee meetings, no other fees or commission is paid to the Non-Executive Independent Directors during the financial year.

In accordance with the Special resolution passed by Shareholders of the Company at their Annual General Meeting held on September 15, 2011, Mr. Janardhan Agrawal, the Non - Executive Chairman is entitled for a commission @ 1% of the net profits. However, in view of loss incurred for the financial year ended March 31, 2015, no commission has been paid.

The detail of sitting fees paid to Independent Director is provided separately in this Report.

## 3. Audit Committee

### a) Constitution of Audit Committee:

The Audit Committee of the Company has been constituted and its composition is in accordance with the provisions of Section 177 of the Companies Act, 2013, and in terms with Clause 49 of the Listing Agreement with Stock Exchanges.

### b) Composition of Audit Committee and Number of Meetings Attended:

During the financial year 2014-15, five Audit Committee Meetings were held on:

- April 16, 2014
- June 05, 2014
- July 30, 2014
- November 11, 2014
- February 12, 2015

The composition of the Audit Committee and number of meetings attended is as under:

Name of the Committee Member	Designation	No. of meeting held during the year	No. of meetings attended
Mr. A. Arumugham	Chairman	5	4
Mr. Suresh Vishwasrao	Member	5	5
Mr. Mukul Sarkar*	Member	5	2
Mr. A. R. Mundra	Member	5	5
Mr. Naseer Ahmed**	Member	5	1

\*Mr. Mukul Sarkar resigned with effect from 28 October 2015

\*\* Nominated as Member w.e.f. 11.11.2014

### c) Attendees:

The Audit Committee invites Senior Executives, Representatives of the Statutory Auditors of the Company & Head of the Internal Audit Department, whenever it considers appropriate, in the meetings. The Company Secretary of the Company acted as the Secretary of the Committee for the year 2014-2015.

### d) The Terms of Reference of the Audit Committee:

- I. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- II. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- III. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- IV. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of provisions of Section 134 of the Companies Act, 2013.
  - (b) Changes, if any, in accounting policies and practices and reasons for the same.
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - (d) Significant adjustments made in the financial statements arising out of audit findings.
  - (e) Compliance with listing and other legal requirements relating to financial statements.
  - (f) Disclosure of any related party transactions.
  - (g) Qualifications in the draft audit report.
- V. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- VI. Reviewing, with the management, the Statement of uses/application of funds raised through an issue (public issue, right issue, Preferential issue, etc) the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue and making appropriate recommendation to the Board to take up steps in this matter.

- VII. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- VIII. Reviewing the adequacy of internal audit function, if any, 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.
- IX. Discussion with internal auditors on any significant findings and follow up there on.
- X. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- XI. Discussion 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.
- XII. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- XIII. Review and monitor the Auditors' independence and performance, and effectiveness of the audit process
- XIV. Approval of any subsequent modification of transactions of the Company with Related Parties.
- XV. Scrutiny of inter-corporate loans and investments
- XVI. Valuation of undertakings or assets of the Company, whenever necessary.
- XVII. Evaluation of internal financial controls and risk management systems
- XVIII. Review of information as prescribed under Clause 49 (III) (E) of the Listing Agreement.

**e) Powers of the Audit Committee:**

The Audit Committee is entrusted with the following powers:

1. Investigating any activity within its terms of reference as above, or in relation to the items specified in Section 177 of the Companies Act, 2013, or as may be referred to it by the Board, from time to time and for this purpose, it shall have full access to information contained in the records of the Company and external professional advice, if necessary.
2. To seek information from any employee.
3. To obtain from outside legal or other professional advice, if necessary.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

## 4. Nomination and Remuneration Committee

**a) Re-Constitution of Nomination and Remuneration Committee:**

Pursuant to Clause 49 of the Listing Agreement and Section 178 of the Act, the Board has re-constituted and renamed the Remuneration Committee as Nomination and Remuneration Committee and adopted new terms of reference.

**b) Composition of Nomination and Remuneration Committee and the number of meetings attended:**

The Nomination and Remuneration Committee of the Company has been constituted and its composition is in accordance with the provisions of Section 178 of the Companies Act, 2013, and in terms with Clause 49 of the Listing Agreement with Stock Exchanges.

The composition of the Remuneration Committee as on 31st March 2015 is as under:

Sr.No.	Committee Members	Designation
1.	Mr. Suresh Vishwasrao	Chairman
2.	Mr. A. Arumugham	Member
3.	Mr. Naseer Ahmed	Member

**Meeting Details:**

During the period under review, the Nomination and Remuneration Committee met twice on 30, July 2014 and 12 February 2015. The details of attendance of the said Committee Meetings by members are as under:



## Bombay Rayon Fashions Limited

Committee Members	Category	No of Meeting Attended
Mr. Suresh Vishwasrao	Chairman- Independent Director	2
Mr. A. Arumugham	Member- Independent Director	2
Mr. Nasser Ahmed	Member- Independent Director	1

### c) Terms of reference:

The Committee has the mandate to review and recommend compensation payable to the Managing Director, Whole-time Directors and Senior Management of the Company. Its function also includes administering of the Company's Stock Option Plans, if any, including the review and grant of the Stock Options to eligible employees under plans, as and when necessary. The Committee reviews the performance of the Whole-time Directors and for the said purpose may have requisite parameters as it may deem fit.

Other roles include;

- I. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors KMPs and other employees.
- II. Formulation of criteria for evaluation of Independent Director and the Board.
- III. Devising a policy on Board Diversity
- IV. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### d) Remuneration Policy:

#### i) Management Staff:

Remuneration of employees largely consists of basic remuneration and perquisites. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his individual performance, etc.

#### ii) Non-Executive Directors:

Except the Chairman of the Company, all the Non-executive Directors receive sitting fees of ₹ 10,000/- for attending Board Meetings, Audit Committee Meetings and Nomination and Remuneration Committee Meetings. The sitting fees paid, are within the limits prescribed under the Companies Act, 2013 read with the relevant Rules.

Details of the Sitting fees paid during the year 2014-15 together with the details of Shareholding of the Non-executive Directors as on March 31, 2015 are as under:

Name of the Director	Sitting fees paid (Amount in ₹)		
	Board Meeting	Nomination and Remuneration Committee	Audit Committee
Mr. Naseer Ahmed	10000	10000	10000
Mr. Suresh Vishwasrao	40000	20000	50000
Mr. M. M. Agrawal	40000	–	–
Mr. A. Arumugham	30000	20000	40000
Mr. Mukul Sarkar (Nominee Director)*	20000	–	20000
Mr. Babu Namibar (Nominee Director)*	20000	–	–

\*Mr. Mukul Sarkar and Mr. Babu Namibar resigned w.e.f. 28 October 2014 and January 30 2015 respectively.

Mr. Janardhan Agrawal, the Chairman of the Company is entitled to receive Commission of 1% of the net profits of the Company as per the approval received from shareholders of the Company. However, In view of loss incurred for the year ended March 31, 2015, no commission was paid to the Chairman.

#### iii) Executive Directors:

Mr. Aman Agrawal, Vice Chairman, Mr. Prashant Agrawal, Managing Director, and Mr. A. R. Mundra, Executive Director - Finance are the Executive Directors of the Company. The tenure of all the aforesaid Executive Directors is up to 31st May, 2016.

Details of remuneration paid to the Executive Directors of the Company during the year ended March 31, 2015 is as under:

(₹ in lacs)

Name of the Executive Director	Designation	Salary & Allowances	Contribution to PF	Total
Mr.Aman Agrawal	Vice-Chairman	240.00	17.26	257.26
Mr.Prashant Agrawal	Managing Director	240.00	17.26	257.26
Mr. A. R. Mundra	Executive Director-Finance	36.00	2.58	38.58

## 5. Stakeholder's Grievance Committee

Pursuant to clause 49 of the listing agreement and section 178 of the Companies Act, 2013, the board has renamed Shareholders' / Investors' Grievances Committee as the Stakeholders Relationship Committee.

The Stakeholder's Grievance Committee looks into members services like transfer/transmission of shares, Dematerialization / Rematerialization requests and various investor complaints like - non-receipt of refund, declared dividends, etc. and takes necessary steps for redressal thereof.

The Committee is a Board committee headed by Mr. Janardhan Agrawal, Chairman. The Members of Stakeholder's Grievance Committee Meetings met four times during the financial year 2014-15:

- June 05, 2014
- July 30, 2014
- November 11, 2014
- February 12, 2015

The composition of the Stakeholder's Grievance Committee and the number of meetings attended were as under:

Name of Committee Members	Designation	No. of meetings attended
Mr. Janardhan Agrawal	Chairman	1
Mr. Prashant Agrawal	Member	4
Mr. A. R. Mundra	Member	4

Details of Investors' Grievances received, solved and pending during the year.

Quarter Ended	Pending at the beginning of the quarter	Received during the quarter	Disposed of during the quarter	Remaining during the quarter
30th June 2014	NIL	NIL	NIL	NIL
30th September 2014	NIL	1	1	NIL
31st December 2014	NIL	1	1	NIL
31st March 2015	NIL	1	1	NIL

- The Company Secretary is also the Compliance Officer for the committee.
- Share Transfers in Physical Mode:

Shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are in order. The Shareholders' Committee of the Company meets as often as required.

## 6. Independent Directors Meeting:

During the year under review, a separate meeting of Independent Directors was held on February 12, 2015 and the details of attendance at the meeting are as follows:

Name	Designation	No. of Meetings attended
Mr. Suresh Vishwasrao	Chairman	1
Mr. A. Arumugham	Member	1
Mr. M.M. Agrawal	Member	1
Mr. Naseer Ahmed	Member	1

## 7. General Body Meetings

- i) Venue, time and date of holding of the last three Annual General Meetings (AGM) together with the Special resolutions passed thereat are as under:

Year	Date	Time	Venue	Special Resolutions passed
2013-14	27/09/2014	12.30 P.M.	Kilachand Conferenece Room, Indian Merchant Chambers, Churhgate, Mumbai-400 020	a. To Change of Articles of Association as per new The Companies Act, 2013.
2012-13	27/09/2013	4.00 P.M.	Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai 400 020	a. Re-appointment of Mr. Aman Agrawal as a Whole-time Director designated as Vice-Chairman of the Company. b. Re-appointment of Mr. Prashant Agrawal as a Managing Director of the Company c. Re-appointment of Mr. Uday Mogre as a Whole-time Director designated as executive Director of the Company. d. Re-appointment of Mr. A. R. Mundra as a Whole-time Director designated as executive Director of the Company.
2011-12	28/09/2012	4.30 P.M	Kilachand Conference Room, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai 400 020	–

- ii) No resolution was passed by Shareholders through Postal Ballot during the year ended March 31, 2015. No Special Resolution has been proposed to be passed by way of Postal Ballot.

## 8. Disclosures

- a) The Company did not have any significant material related party transactions, i.e. transactions of the Company of material nature, with its promoters, Directors or the Management, their subsidiaries or relatives, etc., which may have potential conflict with the interests of the Company at large. Related Party transactions have been disclosed in the Notes to Accounts in the financial statements as at March 31, 2015.
- b) Details of Shares held by Non-Executive Directors as on March 31, 2015:

Sr. No	Name of the Non-Executive Director	No. of Shares held
1.	Mr. Janardhan Agrawal	75,76,140

Note: None of the Non-executive Director other than those specified above, holds any Share or Voting Rights of the Company.

- c) The Company has a Whistle Blower Policy in place whereby the Company's personnel have access to the Chairman of the Audit Committee to express concerns regarding unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee and there are no instances of any such access.
- d) The Managing Director (CEO) & the Executive Director - Finance (CFO) have certified to the Board at their meeting held on May 22, 2015 in accordance with Clause 49 (V) of the Listing Agreement pertaining to CEO & CFO Certification for the financial year ended March 31, 2015.
- e) The Company has complied with the mandatory requirements of the Corporate Governance Clause of Listing Agreement.
- f) The Company has laid down procedures for risk assessment and minimization. This is reviewed by Board to ensure that the management manages the risk through a properly defined framework. h) The Standalone as well as Consolidated Financial Statements of the Company are unqualified.
- g) The Code of Conduct for prevention of Insider trading has also been amended from time to time in line with the amendments prescribed by Securities and Exchange Board of India (SEBI) Regulations in this regard. All the Directors on the Board as well as senior level Employees/ Designated Officers of the Company who could be privy to unpublished price sensitive information of the Company are governed by this Code.

h) The Company does not have any material un-listed Indian subsidiary Company. The Audit Committee and Board reviews the minutes, financial statements together with the significant transactions and working of Un-listed subsidiaries of the Company.

i) Transfer of unclaimed IPO shares to Suspense account

In accordance with the requirements of Circular No. SEBI/ CFD/ DIL/LA/1/2009/24/04 and pursuant to the Clause 5A of the Listing Agreement with the Stock Exchanges, the Company has opened a Demat account wherein the unclaimed shares issued under the Initial Public Issue have been credited. Brief particulars in this regard are as under:

Unclaimed Shares as on April 1, 2014		Details of Shareholders approached during the Financial Year 2013-14 for the claiming of shares		Details of Shareholders to whom the shares have been transferred during the Financial Year 2013-14		Unclaimed Shares as on March 31, 2015	
No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holders	No. of Shares
6	634	–	–	–	–	6	634

\* Note: The Shareholders may please note that the voting rights on the said shares shall remain frozen till the rightful owner of such shares claims the same.

## 9. Means of Communication

- The quarterly, half yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.
- The quarterly, half yearly and yearly financial results of the Company are also published in following newspapers within 48 hours of its approval by the Directors:

Date of Board Meeting	Date of Publication	Name of Newspaper	Language	Publication
Annual Financial Result for the FY 2013-14	05-06-2014	07-06-2014	The Economic Times	English
			The Maharashtra Times	Marathi

FY 2014-15	Date of Board Meeting	Date of Publication	Name of Newspaper	Language
First Quarter	30-07-2014	01-08-2014	Financial Express	English
			Navshakti	Marathi
Second Quarter	11-11-2014	13-11-2014	The Economic Times	English
			Maharashtra Times	Marathi
Third Quarter	12-02-2015	14-02-2015	The Economic Times	English
			Maharashtra Times	Marathi

- The Company uploads its results together with all the official news releases and the presentations made to Institutional Investors and Analysts, if any, on its web-site of the Company - [www.bombayrayon.com](http://www.bombayrayon.com)
- Management Discussion and Analysis Report forms a part of this Annual Report.

## 10. General Shareholder Information

a) **Date, Time and Venue**

Date: September 29, 2015

Day: Tuesday

Time: 4.00 P.M.

Venue: Sheila Raheja Hall

Rotary Service Centre, Rotary Chowk, Jn. of Juhu Tara Road & Juhu Koliwada, Santacruz West, Mumbai 400054.

b) **Financial Calendar**

April 01, 2015 to March 31, 2016

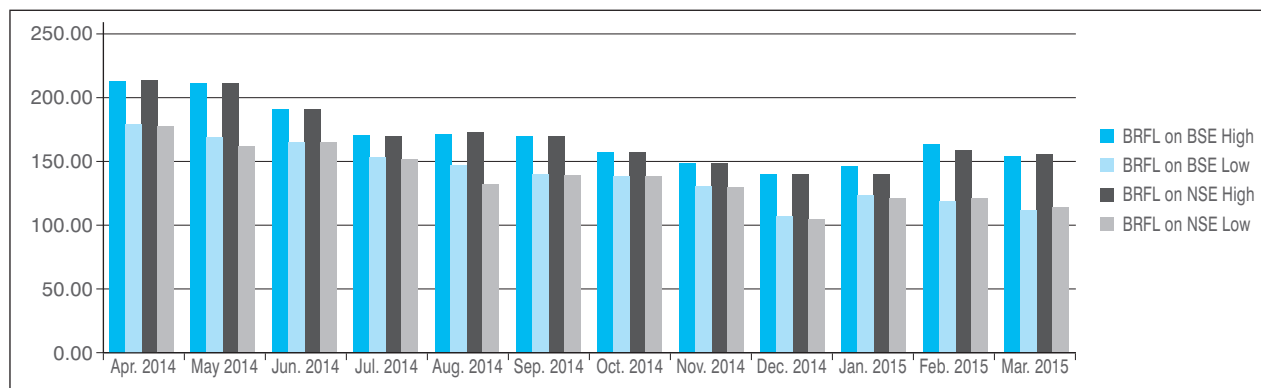
# Bombay Rayon Fashions Limited

- c) **Date of Book Closures** (both days inclusive) 22nd September 2015 Tuesday to 29th September, 2015 Tuesday
- d) **Registered Office** D - 1st Floor, Oberoi Garden Estates, Chandivali Farms Road, Chandivali, Andheri (E), Mumbai - 400 072  
E-mail: investors@bombayrayon.com  
Web-site: www.bombayrayon.com
- e) **Listing on Stock Exchanges and fees paid** National Stock Exchange of India Limited; and BSE Limited  
  
The Company has paid Annual Listing fees for year 2015-2016 to both the Stock Exchanges.
- f) **Stock Code** NSE: BRFL  
BSE: 532678
- g) **Tentative calendar of Board Meetings for the financial year 2015-16** Calendar Financial reporting for Quarter ended:  
June 30, 2015 By Aug 14, 2015  
Sept 30, 2015 By Nov 14, 2015  
Dec 31, 2015 By Feb 14, 2016  
Mar 31, 2016 By May 30, 2016
- h) **ISIN** INE589G01011
- i) **Corporate Identification Number (CIN)** L17120MH1992PLC066880
- j) **Market Price Data:**  
The monthly high and low quotations of shares traded on the BSE Limited and National Stock Exchange of India Limited are as follows:

## A. BSE LIMITED & NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Month	BRFL ON BSE		BRFL ON NSE	
	High	Low	High	Low
April, 2014	212	178.25	212.85	176.50
May, 2014	209.9	168	210	161
June, 2014	190	164.15	189.75	164.25
July, 2014	169.5	152.05	169	150.55
August, 2014	170.3	146	171.90	131
September, 2014	169	139	168.65	138.05
October, 2014	155.95	137.9	156.50	137.45
November, 2014	148	129.55	147.50	129.35
December, 2014	139	106	139.20	103.65
January, 2015	145.6	123	140.5	122
February, 2015	162.7	118	157.80	120.10
March, 2015	153.5	111	154.70	113.15

## Price Movement



**k) Registrar and Share Transfer Agent:**

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078  
Tel: 022 - 2596 3838 Fax: 022 - 2594 6969  
Website: www.linkintime.co.in

**l) Share Transfer System:**

Applications for transfer of shares held in physical form are received at the office of the Registrar and Share Transfer Agent of the Company. They complete the share transfer formalities at least once in 15 days.

Shares held in the dematerialized form are electronically traded in through National Securities Depository Limited and Central Depository Services (India) Limited and the Registrar and Share Transfer Agent of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update their records for sending all corporate communications, dividend warrants, etc.

Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt, provided they are in order. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

**m) Distribution of Shareholding:**

- Distribution of Shareholding as at March 31, 2015:

Shareholding of Nominal Value	No. of Shareholders	% of Total	Shares	% of Total
1- 500	6440	95.6625	507691	0.3772
501-1000	122	1.8122	99232	0.0737
1001-2000	44	0.6536	61101	0.0454
2001-3000	15	0.2228	36711	0.0273
3001-4000	7	0.1040	24752	0.0184
4001-5000	8	0.1188	36863	0.0274
5001-10000	15	0.2228	111418	0.0828
100001 and above	81	1.2032	133722232	99.3479
<b>TOTAL</b>	<b>6732</b>	<b>100.00</b>	<b>13,46,00,000</b>	<b>100.00</b>

- Category wise Shareholding as at March 31, 2015:

Category of Shareholder	No. of Shares	% of Total Share Capital
Promoter Group	123965092	92.10
Mutual Funds and UTI	0	0
Banks/Financial Institutions/ Insurance Companies	681873	0.51
Central Government	10	0.18
Foreign Institutional Investors	233647	0.17
Private Corporate Bodies	7813201	5.80
Non-Resident Indians	57007	0.04
Clearing Member	414671	0.31
Public	1354499	1.01
Foreign Company	-	-
Depository Receipts	-	-
Other Foreign Port folio Investor	80000	0.06
<b>TOTAL</b>	<b>13,46,00,000</b>	<b>100</b>

**n) Dematerialization of Shares and Liquidity:**

About 99.997% of the shares were in dematerialized form as on March 31, 2015. The equity shares of the Company are traded at BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE).

## Bombay Rayon Fashions Limited

Physical and Demat Shares as on March 31, 2015		
	No of Shares	Percent
Held in dematerialised form in NSDL	132305739	98.30
Held in dematerialised form in CDSL	2289957	1.70
Physical Shares	4,304	0.003
<b>Total</b>	<b>13,46,00,000</b>	<b>100</b>

- o) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date, likely impact on equity:-  
There are no GDRs/ADRs/Warrants or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

**p) Plant Locations:**

**FACTORY LOCATION**

**WEAVING AND YARN DYEING**

– Maharashtra – Navi Mumbai, Sonale and Tarapur, Dist. Thane

– Silvassa

– Karnataka – Bangalore

**PROCESSING**

– Maharashtra – Tarapur

– Karnataka – Bangalore

**GARMENTING**

– Maharashtra – Navi Mumbai, Islampur, Latur, Ichalkaranji

– Karnataka – Bangalore

– Tamilnadu – Chennai

– Kerala – Thiruvannthapuram

**q) Address for Correspondence:**

For any other query relating to shares: For general correspondence:

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup, Mumbai - 400 078.  
Tele: 022 - 2596 3838  
Fax: 022 - 2594 6969 / 2596 0329  
Website: www.linkintime.co.in  
E-mail: rnt.helpdesk@linkintime.co.in

Secretarial & Legal Department  
Bombay Rayon Fashions Limited,  
D-1st Floor, Oberoi Garden Estates, Chandivali Farms Road,  
Chandivali, Andheri (East), Mumbai - 400 072.  
Tel: 022 - 3985 8800 Fax: 022 - 3985 8700  
Web-site: www.bombayrayon.com  
e-mail: investors@bombayrayon.com

**r) Shares held in Electronic Form:**

The members holding shares in electronic mode should address their correspondence to their respective Depository Participant regarding change of address, change of bank account mandate and nomination. While opening Accounts with Depository Participants (DP's), you may have given your Bank Account details, which will be used by the Company for printing on dividend warrants for remittance of dividend. However, members who wish to receive dividend in a Bank Account, other than the one specified while opening the Depository Account, may notify DP's about any change in bank account details. Members are requested to furnish complete details of their bank accounts including MICR codes of their Banks to their DP's.

**s) Shares held in Physical Form:**

In order to provide protection against fraudulent encashment of dividend warrants, the members are requested to provide, if not provided earlier, their bank Account numbers, names and address of the Bank, quoting Folio numbers to the Company's Registrar and Transfer Agent to incorporate the same on the dividend warrants.

## Annexure (VI) A

### AUDITOR CERTIFICATE

To  
The Members of  
**Bombay Rayon Fashions Ltd.**

We have examined the compliance of conditions of Corporate Governance by Bombay Rayon Fashions Ltd. ("the Company") for the year ended March 31, 2015, as stipulated in clause 49 of the Listing Agreement of Company with these stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

**For V. K. Beswal & Associates**

*Chartered Accountants*  
*Firm Reg. No. 101083W*

**CA K. V. Beswal**

*Partner*  
*M.No.131054*

Place: Mumbai

Dated: August 14, 2015



## Annexure (VI) B CEO & CFO CERTIFICATE

We, Prashant Agrawal, Managing Director and A. R. Mundra, Executive Director - Finance of BOMBAY RAYON FASHIONS LIMITED, to the best of our knowledge and belief, certify that:

- I. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2015 and that to the best of our knowledge and belief:
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 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.
- II. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- III. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we 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.
- IV. We have indicated to the Auditors and the Audit committee -
  - significant changes in internal control over financial reporting during the year;
  - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Prashant Agrawal**  
*Managing Director*

**A. R. Mundra**  
*Executive Director – Finance*

Place: Mumbai  
Date: May 22, 2015

## Annexure (VI) C CERTIFICATE ON CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement with Stock Exchanges, the senior management personnel has confirmed compliance with the Code of conduct for the year ended 31st March, 2015

**Place: Mumbai**  
**Date: May 22, 2015**

**Prashant Agrawal**  
**Managing Director**

## ANNEXURE-A

## Mr. Janardhan Agrawal

<b>Name of the Director</b>	Mr. Janardhan Agrawal (Re- appointment)
<b>Date of Birth</b>	May 25,1949
<b>Date of Appointment</b>	August 24, 1992
<b>Education Qualification</b>	B. Com
<b>Experience &amp; Expertise</b>	Mr. Janardhan Agrawal has over three decades of wide experience of experience in textile industry more particularly in weaving segment of the industry. He is accredited with establishment of Bombay Rayon brand of fabrics in the local retail market. He has set up a unique bi - annual presentation of Company's collection to the trade, a very novel way of marketing the products and has exhibited foresight and vision in continuously growing the business.
<b>Directorship in other Indian Public Limited Companies as on 31st March 2015</b>	Reynold Shirting Limited Bombay Rayon Clothing Limited Bombay Rayon Holdings Limited

## Mr. A. R. Mundra

<b>Name of the Director</b>	Mr. A. R. Mundra ( Re-appointment)
<b>Date of Birth</b>	July 21,1956
<b>Date of Appointment</b>	May 16, 2005
<b>Education Qualification</b>	B. com, L. L. B, ACA, ACS
<b>Experience &amp; Expertise</b>	Mr. A. R. Mundra has overall 26 years experience in total, commercial and managerial fields. He has earlier worked with Bhansali Engineering Polymers Ltd as President, Welspun Group of Companies as Sr. Vice President Finance and Company Secretary and Chief Executive(Commercial). In the initial stage of his career he has also worked with Indian Rayon and Industries Ltd, other Birla Group of Companies and Gujarat Ambuja Cement Ltd in various capacities. He was awarded 'Samaj Shri' for excellence in management by Indian Institute of Managment Executives, Mumbai in 1994.
<b>Directorship in other Indian Public Limited Companies as on 31st March 2015</b>	STI India Limited

## IMPORTANT COMMUNICATION TO THE SHAREHOLDERS

Ministry of Corporate Affairs has been taken place a 'Green initiative in Corporate Governance' by allowing paperless compliance by the Companies and has issued circular stating that services of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the government in full measures, the company hereby requests its members who have not registered their e-mail addresses so far, to register their email addresses with the depository through their concerned depository participants in respect of electronic holding and with the company or its Registrar in respect of physical holding.

### Annexure VII

# Management Discussions and Analysis

#### INDIAN ECONOMY

The Economy of India is the seventh-largest in the world by nominal GDP and the third-largest by purchasing power parity (PPP). The country classified as newly industrialized country, one of the G-20 major economies, a member of BRICS and a developing economy with approximately 7% average growth rate for the last two decades. India's economy became the world's fastest growing major economy from the last quarter of 2014, replacing China's. It is widely expected that a further momentum to growth will be provided by declining oil prices and increasing monetary easing facilitated by ongoing moderation in inflation. The long-term growth prospective of the Indian economy is moderately positive due to its young population, corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. The Indian economy has the potential to become the world's 3rd-largest economy by the next decade, and one of the largest economies by mid-century. And the outlook for short-term growth prospective is also good as according to IMF, the Indian economy is the "bright spot" in the global landscape, India also topped World Bank's growth outlook for the year 2015-16 for the first time with the economy grown 7.3% in 2014-15 & expected to grow at 7.5-8.3% in 2015-16.

India's two major stock exchanges, Bombay Stock Exchange and National Stock Exchange of India, had a market capitalization of US\$1.71 trillion and US\$1.68 trillion respectively as of Feb 2015, which ranks 11th & 12 largest in the world respectively according to the World Federation of Exchanges India also home to world's third largest Billionaires pool with 97 billionaires in 2014 and fourth largest number of ultra-high-net-worth households that have more than 100 million dollars.

#### TEXTILE INDUSTRY

India is one of the largest producers as well as exporters of cotton yarn and the Indian textile industry contributes about 11 percent to industrial production, 14 per cent to the manufacturing sector, 4 percent to the GDP and 12 per cent to the country's total export earnings India's textile industry has transformed from a declining sector to a rapidly developing one in recent years. After freeing the industry in 2004-2005 from a number of limitations, primarily financial, the government gave a green light to massive investment inflows - both domestic and foreign. During the period from 2004 to 2008, total investment into textile sector increased by 27 billion dollars. Ludhiana produces 90% of woollens in India and is known as the Manchester of India. Tirupur has gained universal recognition as the leading source of hosiery, knitted garments, casual wear and sportswear. Expanding textile centers such as Ichalkaranji enjoy one of the highest per capita incomes in the country. India's cotton farms, fiber and textile industry provides employment to 45 million people in India,

The country's overall exports of textiles and clothing stood at USD 41.4 billion in 2014-15 but fell short of the target of USD 45 billion, according to the Textiles Export Promotion Council (Texprocil).

Last year, the exports of textiles and clothing stood at USD 39.31 billion against the export target of USD 43 billion.

Exports of cotton textiles (excluding raw cotton) during 2014-15 was USD 9,452.96 million as against exports of USD 9,669.05 million in 2013-14, registering a negative growth of 2.23 per cent.

While, exports of cotton textiles (including raw cotton) touched USD 11,353.15 million as against exports of USD 13,306 million in 2013-14, registering a steep decline of 14.68 per cent, Texprocil said in a statement.

The cotton cultivation in India stands 12.25 million hectares this year (2014-15) against about 11.5 million hectares last year (2013-14). India is also the second largest producer of cotton worldwide.

The states of Gujarat, Maharashtra, Andhra Pradesh (AP), Haryana, Punjab, Madhya Pradesh (MP), Rajasthan, Karnataka and Tamil Nadu (TN) are the major cotton producers in India.

India has a share of 25 per cent in the global spinning capacity. India produces 20 per cent of global cotton supply both for domestic use and for export. The country ranks No.2 in global textile and apparel exports with nine per cent growth since 1995. About 27 per cent of the foreign exchange earnings are on account of export of textiles and clothing alone. The textile industry accounts for 21 per cent of the total employment generated in the economy

#### KEY MARKETS AND EXPORT DESTINATIONS

- The value of cotton yarn exported from India in the period April-December 2014 was estimated at US\$ 2,906.43 million, while that of cotton fabrics and made ups in the same period stood around US\$ 4,128.78 million.
- India has overtaken Italy and Germany, and is now the second largest textile exporter in the world.
- India was the third-largest supplier of textiles and clothing to the US in 2013, contributing about 6.01 per cent of its total imports.

- China is the biggest importer of raw cotton from India. The other major cotton importing countries from India are Bangladesh, Egypt, Taiwan, Hong Kong among others.

## MARKET SIZE

- “ The fundamental strength of the textile industry in India is its strong production base of wide range of fibre/yarns from Natural fibres like cotton, jute, silk and wool to synthetic /man - made fibres like polyester, viscose, nylon and acrylic.
- “ India is the world’s second largest producer of textiles and garments.
- “ India accounts 63 percent of the market share of textiles and garments.
- “ India is the 2nd biggest producer of silk and cotton.
- “ Indian textile industry accounts for about 24 percent of the world’s spindle capacity and 8 percent of global rotor capacity.
- “ India has the highest loom capacity (including handlooms) with 63 percent of the world’s market share India accounts for about 14 percent of the world’s production of textile fibres and yarns (largest producer of jute ,second largest producer of silk and cotton ;and third largest in cellulosic fibre)

## THE SECTOR HAS BEEN POSTING STRONG GROWTH OVER THE YEARS



## GOVERNMENT INITIATIVES

Make in India is a major new national programme is on 25 sectors. Including textiles and garments designed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best in class manufacturing infrastructure in the country. The primary objective of this initiative is to attract investments from across the globe and strengthen India’s manufacturing sector. It is being led by the Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry, Government of India. The Make in India programme is very important for the economic growth of India as it aims at utilising the existing Indian talent base, creating additional employment opportunities and empowering secondary and tertiary sector. The programme also aims at improving India’s rank on the Ease of Doing Business index by eliminating the unnecessary laws and regulations, making bureaucratic processes easier, making the government more transparent, responsive and accountable.

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Some of initiatives taken by the government to further promote the industry are as under:

- Duty free entitlement to garment exporters for import of trimmings, embellishments and other specified items increased from 3 per cent to 5 per cent. This initiative is expected to generate an additional RMG exports estimated at ₹ 10,000 crore (US\$ 1.61 billion).
- The government has also proposed to extend 24/7 customs clearance facility at 13 airports and 14 sea ports resulting in faster clearance of import and export cargo.
- The proposal for imposing duty on branded items was dropped providing relief to the entire value chain.
- The Ministry of Textiles has approved a ‘Scheme for promoting usage of geotechnical textiles in North East Region (NER)’ in order to capitalise on the benefits of geotechnical textiles. The scheme has been approved with a financial outlay of ₹ 427 crore (US\$ 69.12 million) for five years from 2014-15.
- The Ministry of Textiles, Government of India plans to enter into an agreement with Flipkart to provide an online platform to handloom weavers to sell their products.

# Bombay Rayon Fashions Limited

- The foundation stone of the Trade Facilitation Centre and Craft Museum was laid by Mr Narendra Modi, Prime Minister of India at Varanasi.
- Detailed arrangement for purchase of cotton from the farmers by the Cotton Corporation of India Ltd (CCI) under the Minimum Support Price Operation was monitored. 343 purchase centers were finalised in consultation with the State Governments after meetings with officers of CCI and the cotton producing states, resulting in streamlining of operations.

## OPPORTUNITIES AND THREATS

For 2015, the U.S. economic growth has been revised up to 3.6 percent, largely due to more robust private domestic demand. Cheaper oil is boosting real incomes and consumer sentiment, and there is continued support from accommodative monetary policy, despite the projected gradual rise in interest rates. Policy responses, together with the oil price boost and Dollar depreciation, are expected to strengthen growth of your company in 2015-16. The growth forecast for China, where investment growth has slowed and is expected to moderate further, has been marked down to below seven percent. The authorities are now expected to put greater weight on reducing vulnerabilities from recent rapid credit and investment growth and hence the forecast assumes less of a policy response to the underlying moderation. This lower growth, however, is affecting the rest of Asia. The big business houses in the USA and Europe manufacturing and dealing in textiles and garments depend upon India, China and the neighbouring countries, due to availability of the raw materials and skilled labour at lower prices in these countries, to get the required output at the lowest possible cost. China, Europe, Japan along with the U.S. (the four largest economies in the world) will largely determine the direction of the global economy through the rest of this year and into 2016. The good news is that the advanced economies overall will perform more strongly and contribute more to global growth in 2015.

## BUSINESS OVERVIEW:-

Post restructuring of Debts, the operations of the company has started improving and as a result the Company has earned profit of ₹ 7.14 crores for the quarter ended on 31st March, 2015 after a loss for consequent 7 quarters since 30th June, 2013. The necessary terms of restructuring package has been complied with including security creation for securing the loans availed from the Banks/ financial institutions. Recently, the company has introduced its new product range in Linen fabric and also succeeded in getting back major overseas customer for garment exports. The order book for both garments and fabrics has come at comfortable level. The operations have also been consolidated for its optimum use and non-core assets also being identified for disposal to strengthen the long term financial position.

## RISK AND CONCERNS:-

The company is exposed to the different risks like -

- The chemicals that are used to bleach and colour textiles can damage the environment
- Most of the textile machineries cause noise, sound and air pollution.
- Over-usage of natural resources like plants, water, etc., depletes or disturbs ecological balance.

In addition to this the Company is exposed to various business risk like foreign currency risk, credit risk, market risk, regulatory risk, labour risk, electricity rates, interest rate risk, competition risk etc. With a view to efficiently manage all such risks the company has designed the Risk Management Policy of the Board of Directors which monitors all these factors on regular basis.

## SWOT ANALYSIS

### Strengths

- The Board of Directors, with their expertise in the different aspects of the industry as well as their countless experiences.
- Successfully implemented various expansion schemes in the past with in-house expertise.
- Consistently achieved capacity utilisation in respect of POY in the past.
- Products are well accepted in the market.
- With the implementation of the project, the company does optimum utilisation of the facilities.
- organisational set-up with experienced and well-qualified employees.
- Strong marketing network with low selling and distribution costs.

### Weakness

- Maintaining relation with Customer, Stakeholders and Lenders
- Optimum use and non-core assets.
- Payment of higher debt.
- Utilization of resources.

## Opportunities

- With major capacity increase being planned in the near future, the existing players are well positioned to take advantage of the emerging scenario where demand is expected to exceed supply.
- Potential growth in exports with quantitative restrictions on textile exports being dismantled under the aegis of World Trade Organisation (WTO).
- With tariffs proposed to come down in India over a period of time, it is expected that raw material costs will be comparable to those prevailing in the international markets.
- Potential growth in domestic demand for POY due to increase in share of non-cotton fabric in total fabric production on account of lower availability of cotton, reduction in the excise duty on non-cotton yarns, and higher cotton yarn exports.

## Threats

- India has not yet signed Free Trade Agreements (FTA) with a number of countries like Sri Lanka, Thailand, China, etc.
- Post WTO, when India would be exposed to international competition.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly. The internal control is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audits conducted by in house trained personnel. The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal

## HUMAN RESOURCE: -

People are the key enablers in translating growth aspirations into reality. The human resource is considered as the most valuable asset of the company. The company has required combination of skilled and unskilled employees due to its business need. These employees are putting their efforts to create the quality product of international standard. The company has setup policies to review and reward the performances and potentials of the employees. The total number of employees of the company as on March 31, 2015 stood at 12823.

# Independent Auditor's Report

To  
The Members of  
Bombay Rayon Fashions Limited,

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Bombay Rayon Fashions Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2015, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 of the assets of the company 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 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 misstatements, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as 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 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 standalone 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 system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 standalone financial statements.

## Opinion

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

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

## 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, we give in the Annexure 1 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 purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) rules,2014;
  - e) On the basis of 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 Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us;
    - i) The company has disclosed the impact of pending litigations on its financial position in its financial statements.
      - Refer note 35 to the financial statements;
    - ii) The company does 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 Investor Education and Protection Fund by the company.

For **V. K. BESWAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FIRM REGN NO 101083W

**CA K. V. BESWAL**  
PARTNER

Membership Number: 131054  
Firm Regn. No.: 101083W

Place : Mumbai  
Dated : 22/05/2015



## Annexure to the Auditor's Report even date

(Referred to in paragraph 1 thereof)

1. In respect of Fixed Assets:
  - a) The Company has maintained proper records showing full particulars, quantitative details and situation of its fixed assets.
  - b) The fixed assets have been physically verified by the management at reasonable intervals during the year. We are informed that no material discrepancies were noticed by the management on such verification.
2. In respect of Inventories:
  - a) As explained to us physical verification of inventories has been conducted during the year by the management at reasonable intervals.
  - b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
  - c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.
3. In respect of loans, secured or unsecured granted by the Company to the companies, firms or other parties covered in the register maintained under Section 189 of the companies Act, 2013:
  - a) During the year Company has granted interest free advances to 4 subsidiary companies covered in the register maintained u/s 189 of the Companies Act, 2013.
  - b) In respect of the said loan, the principal amount is repayable over a period of 5 to 7 years.
  - c) In respect of the said loan, there are no overdue amounts.
4. 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 for the purchase of inventory and fixed assets and sale of goods and services. Further, on the basis of our examination of the books and records of the company, carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposits from public.
6. As per the information and explanations provided to us, we are of the opinion that in pursuant to the prescribed rules by Central Government, the company had maintained cost records u/s. 148(1) (d) of the Companies Act, 2013; however we have not done a detailed examination of the same.
7. In respect of Statutory Dues:
  - (a) *Undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, custom duty, excise duty, cess and other material statutory dues have not been regularly deposited with the appropriate authorities,*
  - (b) According to the information and explanations given, undisputed amounts payable in respect of TDS, TCS, Provident fund, Employee state insurance, service tax, customs duty, excise duty, cess and other statutory dues applicable to it which were outstanding as at 31.03.2015 for a period of more than six months from the date they became payable are as under :-

Statement of Arrears of statutory dues outstanding for more than six months as at 31st March 2015:

Sr. No.	Nature of the Dues	Amount (₹ In crores)
1	Tax Deducted at Source	4.49
2	Provident Fund	7.89
3	Professional Tax	0.79
4	Employee State insurance Corporation	0.46
5	Service Tax	1.26
6	Property Tax	2.05
	<b>TOTAL</b>	<b>16.94</b>

- (c) According to the records of the company there are no dues of Income-Tax, sales tax, wealth tax, service tax, customs duty, excise duty / cess which have not been deposited on account of any dispute except as given below.

Nature of the Act	Amount (₹ In Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	0.02	2004-05	CIT (A) - 54, Mumbai
Income Tax Act, 1961	0.82	2009-10	ITAT Mumbai
Income Tax Act, 1961	1.22	2010-11	ITAT Mumbai
Income Tax Act, 1961	0.21	2011-12	CIT (A) - 54, Mumbai

- (d) According to the records of the company there are no amounts that are to be transferred to Investor Education & Protection Fund.
8. The company has no accumulated losses at the end of the year. The company has not incurred any cash loss during the current year. However, it has incurred cash losses of ₹ 344.02 Crores (After considering extra ordinary items of ₹ 349.28 Crores) in the immediately preceding financial year covered by our audit.
  9. In our opinion and according to the information and explanations given to us, there have been delay in repayment of dues to financial of dues to financial institutes and banks during the year, As on date the amount due and remaining unpaid on account of principal and interest to lenders was ₹ 31.98 crore.
  10. The company has not given any corporate guarantees for loans taken by others from banks and financial Institutions.
  11. According to the records of the company, the company has applied the term loans for the purpose of which it was taken during the year.
  12. Based upon the audit procedure performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For V. K. BESWAL & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 FIRM REGN NO 101083W

**CA K. V. BESWAL**  
 PARTNER

Membership Number: 131054  
 Firm Regn. No.: 101083W

Place : Mumbai  
 Dated : 22/05/2015

**Balance Sheet** as at 31st March, 2015

(₹ In Crores)

Particulars	Note No.	As on 31st March, 2015	As on 31st March, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1A	134.60	134.60
(b) Reserves and surplus	2	2,483.28	2,576.75
(c) Money Received against share warrant	1B	49.31	49.31
		<b>2,667.19</b>	2,760.66
<b>Non-current liabilities</b>			
(a) Long-term borrowings	3	2,645.07	2,701.36
(ai) Unsecured Loans from promoters		96.66	89.19
(b) Deferred Tax Liability (Net)	4	72.60	114.91
(c) Long-term provisions	5	8.18	6.18
		<b>2,822.51</b>	2,911.64
<b>Current liabilities</b>			
(a) Short-term borrowings	6	2,383.18	1,727.50
(b) Trade payables	7	639.57	792.86
(c) Other current liabilities	8	276.91	229.01
(d) Short-term provisions	9	39.71	45.29
		<b>3,339.37</b>	2,794.66
<b>TOTAL</b>		<b>8,829.07</b>	8,466.96
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	10		
(i) Tangible assets		3,371.79	3,545.73
(ii) Intangible assets		4.10	5.98
(iii) Capital work-in-progress		131.53	135.09
(b) Non-current investments	11	149.49	156.79
(c) Long-term loans and advances	12	372.47	375.92
		<b>4,029.38</b>	4,219.51
<b>Current assets</b>			
(a) Current investments	13	0.11	1.40
(b) Inventories	14	2,875.36	2,446.12
(c) Trade receivables	15	1,154.70	959.47
(d) Cash and cash equivalents	16	86.77	97.63
(e) Short-term loans and advances	17	682.75	742.83
		<b>4,799.69</b>	4,247.45
<b>TOTAL</b>		<b>8,829.07</b>	8,466.96
Notes are integral part of the balance sheet & profit & loss account	1-39		

As per our report of even date attached  
For **V. K. Beswal & Associates**  
Chartered Accountants

**CA. K. V. Beswal**  
Partner  
Membership Number - 131054  
Firm Reg No.: 101083W

For and on behalf of Board of Directors  
**Aman Agrawal**  
(Vice Chairman)

**Prashant Agrawal**  
(Managing Director)  
**A.R. Mudra**  
(Executive Director - Finance)

Place: Mumbai  
Date : 22.05.2015

# Statement of Profit and Loss

for the year ended 31st March, 2015

(₹ In Crores)

Particulars	Note No.	Year ended 31st March, 2015	Year ended 31st March, 2014
Revenue from Operations	18	3,532.67	2,907.36
Other income	19	40.08	9.71
<b>Total Revenue</b>		<b>3,572.75</b>	2,917.07
<b>Expenses:</b>			
Cost of materials consumed	20	2,651.56	1,942.59
Changes in inventories of finished goods & work-in-progress	21	(359.75)	(208.96)
Employee benefits expense	22	232.22	256.32
Finance costs	23	557.60	450.19
Depreciation and amortization expense	24	166.33	275.76
Other expenses	25	445.84	475.47
<b>Total expenses</b>		<b>3,693.80</b>	3,191.37
<b>Loss before Exceptional and Extra-ordinary Items and tax</b>		<b>(121.05)</b>	(274.30)
<b>Exceptional Items</b>			
Prior period items (Net)		-	(3.80)
<b>Loss before Extra-ordinary Items and tax</b>		<b>(121.05)</b>	(270.50)
<b>Extra Ordinary Items</b>			
Stock Valuation Difference Written Off	27	-	(258.36)
Foreign Exchange Rate fluctuation Loss	28	-	(90.92)
<b>Loss before Tax</b>		<b>(121.05)</b>	(619.78)
<b>Adjustment for Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax		42.31	209.91
(3) MAT credit Entitlement		-	-
(4) Tax for earlier years [(Short) / Excess]		-	-
<b>Loss for the year</b>		<b>(78.74)</b>	(409.87)
Earnings per equity share: (in ₹)			
Basic		(5.85)	(30.45)
Diluted		(5.85)	(30.45)
Notes are integral part of the balance sheet & profit & loss account	1-39		

As per our report of even date attached  
For **V. K.Beswal & Associates**  
Chartered Accountants

**CA. K. V.Beswal**  
Partner  
Membership Number - 131054  
Firm Reg No.:101083W

For and on behalf of Board of Directors  
**Aman Agrawal**  
(Vice Chairman)

**Prashant Agrawal**  
(Managing Director)  
**A.R. Mundra**  
(Executive Director - Finance)

Place: Mumbai  
Date : 22.05.2015

**Cash Flow Statement** for the year ended 31st March 2015

(₹ In Crores)

	As on 31st March, 2015	As on 31st March, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and after Extraordinary items	(121.05)	(619.79)
<b>Non-Cash Item</b>		
Depreciation and amortization expense	166.33	275.76
<b>Adjustment For :</b>		
Finance costs	557.60	450.19
Interest & Dividend Income	(6.96)	(4.39)
Loss on sale of Assets	5.79	0.68
Profit on sale of Investment	(12.17)	0.03
<b>Operative Profit before Working Capital Changes</b>	<b>589.54</b>	<b>102.48</b>
<b>Adjustment For :</b>		
Trade Receivables	(195.23)	(241.04)
Other Receivables, Loans & Advances	61.68	(14.57)
Inventories	(429.24)	(184.27)
Trade, Other payable & Provisions	549.32	(497.81)
<b>Cash Generation from Operations</b>	<b>576.07</b>	<b>(835.21)</b>
Direct Taxes	(2.58)	(2.41)
<b>Net Cash Flow from operating activities</b>	<b>573.49</b>	<b>(837.63)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase / Sale of Fixed Assets (Net)	(7.50)	(11.35)
Purchase / Sale of Investments (Net)	20.76	0.97
Increase / decrease in Loans and advances to Subsidiary	1.85	2.73
Interest & Dividend Income	6.96	4.39
Net Cash used in investing activities	22.07	(3.26)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	(62.93)	1,297.56
Interest on Term loans & Others	(543.49)	(450.19)
Net Cash used in financing activities	(606.42)	847.37
<b>(A+B+C)</b>	<b>(10.86)</b>	<b>6.49</b>
Cash and Cash Equivalents as at Opening	97.63	91.15
Cash and Cash Equivalents as at Closing	86.77	97.63

As per our report of even date attached  
For **V. K.Beswal & Associates**  
Chartered Accountants

**CA. K. V.Beswal**  
Partner  
Membership Number - 131054  
Firm Reg No.:101083W

For and on behalf of Board of Directors  
**Aman Agrawal**  
(Vice Chairman)

**Prashant Agrawal**  
(Managing Director)  
**A.R. Mundra**  
(Executive Director - Finance)

Place: Mumbai  
Date : 22.05.2015

# Notes to Financial Statements

for the year ended 31st March 2015

## SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2015

### 1. Basis of preparation of financial Statements

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules, 2014 and the relevant provision of Companies Act, 2013. 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 statement are consistent with those of previous year.

### 2. Revenue Recognition

- a. Domestic sales are accounted for on dispatch of goods to customers. Gross Sales are net of sales returns and Excise Duty.
- b. Export sales are accounted for on the basis of dates of Bill of Lading. Gross Sales are inclusive of incentives/benefits, and net of sales returns.
- c. Revenue from Job work is recognized when services are rendered.

### 3. Fixed Assets

Fixed assets are stated at cost of acquisition less depreciation. Cost includes taxes, duties, freight, installation and other direct or allocated expenses up to the date of commercial production and net of CENVAT credit and Subsidy received, if any.

### 4. Depreciation on Fixed Assets

Depreciation on Fixed Assets is provided based on the useful life of the assets in the manner prescribed in Schedule II to the Companies Act, 2013, except where the useful life has been revised as per appropriate report obtained for certain assets for the purpose of determining the useful life.

Depreciation on fixed assets added /disposed off during the year is provided on pro-rata basis.

### 5. Impairment of Assets

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

### 6. Expenditure during construction period

The expenditure incurred and attributable interest & financing costs incurred prior to commencement of commercial production including Trial Run Expenses in respect of new project & substantial expansion of existing facilities are capitalized to the respective assets.

### 7. Investments

Current investments are carried at the lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

### 8. Foreign Currency

- a. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions or that approximates the actual rate. The realized exchange gains/ losses are recognized in the Profit & Loss account. All foreign currency current assets and liabilities are translated in rupees at the rates prevailing on the date of balance sheet.
- b. In respect of branches, which are integral foreign operations, all transactions are translated at average rates. Branch monetary assets and liabilities are restated at the rates prevailing on the date of balance sheet.

### 9. Employee Benefits

- a. Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- b. Post employment benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The defined benefit obligation is provided for on the basis of an actuarial valuation on projected unit cost method.

## Notes to Financial Statements for the year ended 31st March 2015

- c. Long Term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The liabilities on account of leave encashment have been provided on basis of an actuarial valuation on projected unit cost method.

### 10. Taxation

- a. Provision for current tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by applying the tax rates as applicable.
- b. Deferred tax is recognised subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### 11. Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

### 12. Government Grants:

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is netted off with the relevant expense. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

### 13. Provisions, Contingent Liabilities and Contingent Assets:

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

### 14. Segmental Reporting:

The Company is mainly engaged in the business of manufacturing of textiles consisting of yarn, fabrics and garments. Considering the nature of business and financial reporting of the Company, the Company has only one segment viz; textile as reportable segment. The Company operates in Local & Export segments geographically. The sale for both is separately given, but due to the nature of business the assets/liabilities and expenses for these activities cannot be bifurcated separately.

The Company is also engaged in power generation through coal and windmills & manufacturing of buttons, however the same are not considered as reportable segment in accordance with AS- 17.

### Note : 1 Share Capital & Share Warrant

#### 1A Share Capital

(₹ In Crores)

A	Particulars	March 31, 2015		March 31, 2014	
		Numbers	Amount	Numbers	Amount
	<b>Authorised</b>				
	Equity Shares of ₹ 10 each	150,000,000	150.00	150,000,000	150.00
		150,000,000	150.00	150,000,000	150.00
	<b>Issued, Subscribed &amp; fully paid up</b>				
	Equity Shares of ₹ 10 each	134,600,000	134.60	134,600,000	134.60
	<b>Total</b>	<b>134,600,000</b>	<b>134.60</b>	<b>134,600,000</b>	<b>134.60</b>

# Notes to Financial Statements

for the year ended 31st March, 2015

## B Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares			
	March 31, 2015		March 31, 2014	
	Number	Amount	Number	Amount
At the beginning of the year	134,600,000	134.60	134,600,000	134.60
Shares Issued during the year	–	–	–	–
At the end of the year	134,600,000	134.60	134,600,000	134.60

## C Detail of shareholders holding more than 5% of shares in the company

Name of Shareholder	Equity Shares			
	March 31, 2015		March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Janardhan Agrawal	7,576,140	5.63%	7,576,140	5.63%
Reynold Shirting Limited	13,215,714	9.82%	13,449,947	9.99%
AAA United B.V.	51,000,400	37.89%	51,000,400	37.89%
Ashwell Holding Company Pvt Ltd.	28,420,000	21.11%	28,420,000	21.11%

## D Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
<b>Equity Shares :</b>	
Fully paid up pursuant to contract(s) without payment being received in cash	NIL
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

## 1B Share Warrant

(₹ in Crores)

Particulars	March 31, 2015		March 31, 2014	
	Number	Amount	Number	Amount
75 lacs warrants at ₹ 263 per warrant upfront money paid 25%	–	49.31	–	49.31

Note: The option for conversion of 75 Lacs warrants could not be exercised by the allottee within the prescribed period of 18 months ending on 04.04.2012. The company & allottee had filed an application before Securities & Exchange Board of India (SEBI) for refund of the upfront money of ₹ 4931.25 lacs. The said application was rejected by SEBI vide its Order dated August 10, 2012 and the appeal made against the said order was dismissed by Securities appellate Tribunal (SAT) vide their order dated June 28, 2013. Further to that, an appeal filed before Supreme Court by the Company and the Promoters is pending, keeping the status quo with no further communication from SEBI in this regard.



# Notes to Financial Statements

for the year ended 31st March, 2015

## Note - 2 : Reserves and surplus

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>a. Securities Premium Account</b>		
Opening balance	1,917.82	1,917.82
Closing Balance	1,917.82	1,917.82
<b>b. General reserves</b>		
Opening Balance	37.00	37.00
Closing Balance	37.00	37.00
<b>c. Profit &amp; Loss Account</b>		
Opening Balance	621.93	1,031.80
Less: Loss for the year	(78.74)	(409.87)
Less: Adjustment of Depreciation Written off (Refer Note 10)	(14.73)	0.00
Closing Balance	528.46	621.93
<b>Total</b>	<b>2,483.28</b>	<b>2,576.75</b>

## Note - 3 : Long term borrowings

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014	As on March 31, 2015	As on March 31, 2014
	Non-current		Current	
<b>Secured</b>				
<b>a) Term Loans</b>				
– From Banks	2,644.47	2,700.86	216.35	148.63
Term Loans from Banks are secured by First pari-passu charge on entire Fixed Assets of the company alongwith collateral of first pari-passu charge on entire current assets of the Company and further secured by personal gurantee of promoters, corporate gurantees / collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of BRFL Brand.				
<b>b) Vehicle loans</b>				
– From Banks	0.05	0.16	0.11	0.25
– From Other Parties	0.55	0.34	0.54	0.51
The vehicle loans from the banks and others are secured by hypothecation of specified vehicles against which the finance is obtained				
<b>Repayment of loans and interest on Term Loans from banks due and unpaid as on date</b>				
₹ 31.98 Crores				
<b>Total</b>	<b>2,645.07</b>	<b>2,701.36</b>	<b>217.00</b>	<b>149.39</b>

# Notes to Financial Statements

for the year ended 31st March, 2015

## Note - 4 : Deferred Tax Liability (Net)

(₹ in Crores)

Particulars		As on March 31, 2015	As on March 31, 2014
<b>Deferred tax liability</b>			
Depreciation as per Companies Act for the year		181.06	275.76
Depreciation as per Income Tax Act for the year		306.24	357.31
		125.18	81.55
Deferred tax liability	<b>Total A</b>	<b>38.68</b>	27.72
<b>Deferred tax assets</b>			
Expenditure to be disallowed u/s 43B			
Employee Benefits		6.06	5.72
Carry forward Depreciation		256.05	357.31
Carry forward business loss		–	336.08
		262.10	699.11
Deferred tax assets	<b>Total B</b>	<b>80.99</b>	237.63
Net Deferred Tax (Assets)	<b>Total (A-B)</b>	<b>-42.31</b>	-209.91
Add: Net Deferred Tax Liability (Opening)		114.91	324.82
<b>Total</b>		<b>72.60</b>	114.91

## Note - 5 : Long Term Provisions

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Employee benefits	8.18	6.18
<b>Total</b>	<b>8.18</b>	6.18

## Note - 6: Short term borrowings

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>Secured</b>		
– Working Capital loans	2,336.69	1,673.58
Working capital Loans from banks are secured by First pari-passu charge on entire current Assets of the Company alongwith collateral of First pari-passu charge on entire Fixed Assets of the Company and further secured by personal guarantee of promoters, corporate guarantees / collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of BRFL Brand.		
<b>Unsecured</b>		
a) Other Loans		
– From Other Parties	46.49	53.92
<b>Total</b>	<b>2,383.18</b>	1,727.50

# Notes to Financial Statements

for the year ended 31st March, 2015

## Note - 7 : Trade Payables

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Mirco, small and medium enterprises	0.05	0.87
Others	639.52	791.99
<b>Total</b>	<b>639.57</b>	<b>792.86</b>

The details of amount outstanding to Micro, Small and Medium Enterprises Based on available information is as under :

Particulars	As on March 31, 2015	As on March 31, 2014
Principal amount due and remaining unpaid	0.03	0.51
Interest due on above and unpaid interest	0.02	0.36
Interest paid	–	–
Payment made beyond the appointed date during the year	–	–
Interest due and payable for the period of delay	0.02	0.36
Interest accrued and remaining unpaid	0.02	0.36
Amount of further interest remaining due and payable in succeeding year.	–	0.36
<b>Total</b>	<b>0.05</b>	<b>0.87</b>

## Note - 8 : Other Current Liabilities

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
(i) Statutory dues	30.11	39.05
(ii) Outstanding expenses	29.76	40.52
(iii) Current maturities of Term Loans from banks*	216.35	148.63
(iv) Current maturities of Vehicle loans from banks*	0.11	0.25
(v) Current maturities of Vehicle loans from others*	0.54	0.51
*Refer Note No. 3 of the Balance Sheet		
(vi) Unclaimed Dividend #	0.04	0.05
<b>Total</b>	<b>276.91</b>	<b>229.01</b>

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

## Note - 9 : Short Term Provisions

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Provision for Current Tax (net)	27.20	29.78
Employee benefits	12.51	15.51
<b>Total</b>	<b>39.71</b>	<b>45.29</b>

# Notes to Financial Statements for the year ended 31st March, 2015

## Note 10 : Fixed Assets

(₹ in Crores)

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As on 1.04.2014	Additions	Adjustments* Deductions	As on 31.03.2015	For the year 1.04.2014 Adjustments*	Transfer to Reserve & Surplus	Deductions	As on 31.03.2015	As on 31.03.2015
<b>Tangible Assets</b>									
Land	128.38	-	(4.03)	124.35	-	-	-	-	124.35
Buildings	714.56	5.68	-	720.24	23.46	-	-	116.68	603.56
Furniture & Fixtures	65.67	3.98	(6.70)	62.89	11.59	(1.13)	0.01	33.55	29.34
Office equipment									
Motor Car & Vehicles	16.44	1.22	-	16.51	2.71	-	0.64	10.03	6.48
Plant & Machinery	3,671.19	6.03	3.47	3,646.85	126.62	-	22.40	1,039.63	2,607.22
Computer	8.15	0.29	7.23	15.67	0.03	1.11	7.26	14.83	0.84
	4,604.39	17.20	(0.03)	4,586.51	164.41	(0.02)	23.05	1,214.72	3,371.79
<b>Intangible Assets</b>									
Computer -Software	9.70	0.04	0.03	9.77	1.92	0.02	0.01	5.67	4.10
Total	4,614.09	17.24	0.00	4,596.28	166.33	0.00	23.05	1,220.39	3,375.89
Previous Year	4,612.29	7.37	-	4,614.09	275.76	-	2.73	1,062.38	3,551.71
Capital Work in Progress									131.53

Had the company provided depreciation as per old companies act, 1956, the change for depreciation for the current year would have been higher by ₹ 151.28 Crores.

Where useful life had expired upto 31/03/2014 in accordance with the stipulated under Schedule II of the companies Act 2013, has been transferred to reserve.

\*Adjustment refer to regrouping of assets.

# Notes to Financial Statements

for the year ended 31st March, 2015

## Note - 11 : Non-current investments

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>OTHER THAN TRADE</b>		
<b>SHARES</b>		
<b>Quoted Investment</b>		
<b>In Equity Shares of Subsidiary -fully paid up</b>		
STI India Ltd - 21750000 Shares of ₹ 10 each	64.12	64.12
Market Value ₹ 20.66 crores (PY ₹ 14.90 crores)		
<b>Un quoted Investment</b>		
<b>In Equity Shares of subsidiaries-fully paid up</b>		
DPJ Clothing Ltd 420 Shares of GBP 1 each	13.43	13.43
BRFL Bangladesh Pvt Ltd 17752 Shares of BDT 100/- each	0.12	0.12
Bombay Rayon Holdings Ltd 35142500 Shares of ₹ 10/- each	35.14	35.14
<b>In Equity Shares others - fully paid up</b>		
Islampur Integrated Textiles Park Pvt Ltd. 3800000 (7500000) Shares of ₹ 10/- each	3.80	7.50
Latur Integrated Textiles Park Pvt Ltd. 3620000 (7220000) shares of ₹ 10/- each	3.62	7.22
Jankalyan Sahkari Bank Ltd. 90100 Shares of ₹ 10/- each	0.09	0.09
Scotts Fashionciti India Limited 10000 Shares of ₹ 10/- each	0.01	0.01
Scotts Garments Limited 2000000 Shares of ₹ 10/- each	14.00	14.00
Arihant Organics Pvt Ltd 500 shares of ₹ 100/- each	4.50	4.50
<b>DEBENTURES</b>		
<b>Unquoted</b>		
<b>In Debentures of subsidiary - fully paid up</b>		
STI India Ltd 32180000 Debentures	10.66	10.66
<b>Total</b>	<b>149.49</b>	<b>156.79</b>

## Note - 12 : Long-term loans and advances

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>a. Security Deposits</b>		
Unsecured, considered good	41.65	43.24
	41.65	43.24
<b>b. Advances to Subsidiaries</b>		
Unsecured, considered good	330.82	332.67
	330.82	332.67
<b>TOTAL</b>	<b>372.47</b>	<b>375.92</b>

# Notes to Financial Statements

for the year ended 31st March, 2015

## Note -13 Current Investments

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
In Mutual Fund unquoted fully paid up		
SBI Magnum Income Fund - Regular Plan - Growth 343020.224 Units	-	1.00
CP5G-Union KBC Protection Oriented Fund-Growth 105070 Units	0.11	0.10
TATA- Indo Global Infrastructure Fund - Growth 200000 Units	-	0.20
Axis Capital Protection Oriented Fund - Series 3 -Growth Plan 99990 Units	-	0.10
<b>Total</b>	<b>0.11</b>	<b>1.40</b>

## Note - 14 : Inventories

(As certified by the management)

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
a. Raw Materials (Valued at cost)	889.42	878.72
b. Work-in-progress (Valued at cost)	979.66	722.37
c. Finished goods (Valued at lower of cost or net realisable value)	726.34	623.88
d. Stores and spares (Valued at cost)	279.94	221.14
<b>Total</b>	<b>2,875.36</b>	<b>2,446.12</b>

## Note - 15 : Trade Receivables

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Unsecured, considered good		
Over Six months	125.75	99.96
Others	1,028.95	859.51
<b>Total</b>	<b>1,154.70</b>	<b>959.47</b>

## Note - 16 : Cash and cash equivalents

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Balances with banks		
On Current Accounts	32.46	54.81
(Balances with bank includes earmarked balance of ₹ 0.04 crores P.Y. ₹ 0.08 crores)		
Bank deposits	49.48	41.33
(Bank deposits with more than 12 months maturity.(₹ 48.94 Crores P.Y. ₹ 0.09 Crores)		
Cash on hand	4.83	1.49
<b>Total</b>	<b>86.77</b>	<b>97.63</b>

# Notes to Financial Statements

for the year ended 31st March, 2015

**Note - 17: Short-term loans and advances**

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Advances receivable in cash or kind or for value to be received	9.24	8.90
Advances to Subsidiaries	210.00	210.00
Balance with Government Authorities	206.29	251.40
MAT Credit Entitlement	154.66	154.66
Deposits	102.56	117.87
<b>Total</b>	<b>682.75</b>	<b>742.83</b>

**Note - 18 : Revenue from operations**

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Revenue from operations</b>		
Sale of products :		
Finished goods		
Gross Sales	3,533.04	2,907.62
Less: Excise Duty	0.37	0.26
	<b>3,532.67</b>	<b>2,907.36</b>
<b>Total</b>	<b>3,532.67</b>	<b>2,907.36</b>

**Details of Sales**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Finished goods sold		
Domestic	3,137.49	2,434.16
Export	395.55	473.20
<b>Total</b>	<b>3,533.04</b>	<b>2,907.36</b>

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Domestic		
Fabric	2,999.32	2,285.87
Yarn	17.16	36.30
Garment	22.31	24.21
Others	98.70	87.78
<b>Total A</b>	<b>3,137.49</b>	<b>2,434.16</b>
Export		
Fabric	44.00	40.47
Yarn	–	1.49
Garment	351.31	431.07
Others	0.24	0.17
<b>Total B</b>	<b>395.55</b>	<b>473.20</b>
<b>Total (A+B)</b>	<b>3,533.04</b>	<b>2,907.36</b>

## Notes to Financial Statements

for the year ended 31st March, 2015

### Note - 19 : Other Income

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest Income	6.96	4.39
Profit on Sale of Investment	12.17	0.30
Profit on Sale of Assets	0.21	0.86
Exchange fluctuation gain	9.84	–
Miscellaneous Income	10.90	4.16
<b>Total</b>	<b>40.08</b>	<b>9.71</b>

### Note - 20 : Cost of materials consumed

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Inventory at the beginning of the year	878.72	791.64
Less : Valuation Difference W/off	–	121.83
Add : Purchase	2,662.26	2,151.50
	<b>3,540.98</b>	<b>2,821.31</b>
Less : Inventory at the end of the year	889.42	878.72
<b>Total</b>	<b>2,651.56</b>	<b>1,942.59</b>

#### Details of Materials Consumed

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Cotton	128.15	110.44
Yarn	347.78	59.25
Fabric	2,151.58	1,747.40
Others	24.05	25.50
<b>Total</b>	<b>2,651.56</b>	<b>1,942.59</b>



# Notes to Financial Statements

for the year ended 31st March, 2015

## Note - 21 : Increase (-) / decrease (+) in inventories

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Inventory at the end of the year</b>		
Finished Goods	726.34	623.88
Work-in-progress	979.66	722.37
	<b>1,706.00</b>	1,346.25
<b>Inventory at the beginning of the year</b>		
Finished Goods	623.88	642.14
Less : Valuation Difference W/off	–	126.11
Work-in-progress	722.37	631.68
Less : Valuation Difference W/off	–	10.42
	<b>1,346.25</b>	1,137.29
<b>Total</b>	<b>(359.75)</b>	(208.96)

## Note - 22 : Employee benefit expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries & wages	205.80	225.82
Contributions to provident and other fund	17.13	18.65
Workmen & Staff welfare expenses	9.28	11.85
<b>Total</b>	<b>232.22</b>	256.32

## Note - 23 : Finance costs

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest expense	549.30	421.50
Bank Charges	8.30	28.69
<b>Total</b>	<b>557.60</b>	450.19

## Note - 24 : Depreciation and amortization expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation of tangible assets	164.41	274.23
Amortization of intangible assets	1.92	1.53
<b>Total</b>	<b>166.33</b>	275.76

## Notes to Financial Statements for the year ended 31st March, 2015

### Note - 25 : Other expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Stores & spares consumption	86.07	78.64
Packing material and expenses	13.59	13.87
Power and fuel (net)	98.49	69.22
Water charges	15.23	8.89
<b>Job Charges for:</b>		
Yarn	43.14	25.34
Process	0.79	0.72
Weaving	14.60	5.92
Design & development & Others	26.70	100.55
Rent	31.07	40.05
Rates and taxes	15.58	3.53
Insurance	2.63	2.61
Keyman insurance	2.31	0.93
<b>Repair and maintenance</b>		
Plant and machinery	7.28	6.52
Building	0.60	0.68
Vehicles	0.51	0.69
Others	2.23	1.70
Advertising and business promotion	2.35	0.71
Books & Periodicals	0.06	0.05
Commission and brokerage	5.49	5.92
Travelling and conveyance	10.09	8.36
Transportation	19.57	40.74
Communication costs	2.91	2.89
Printing and stationary	1.67	1.46
Legal and professional fees	10.02	19.91
Director's remuneration	5.55	5.83
Directors' sitting fees	0.04	0.04
Auditor's remuneration	0.84	0.79
Environmental Control Expenses	0.56	1.06
Security Service Charges	5.27	6.22
Loss on sale of Fixed Assets	6.00	1.54
Loss on sale of Investment	-	0.33
Exchange fluctuation Loss	-	9.55
Miscellaneous expenses	14.60	10.23
<b>Total</b>	<b>445.84</b>	<b>475.47</b>

# Notes to Financial Statements

for the year ended 31st March, 2015

## Payment to Auditors

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
For Audit Fee	0.45	0.60
For Tax Audit Fee	0.34	0.08
For Certification & Others	0.05	0.11
<b>Total</b>	<b>0.84</b>	<b>0.79</b>

**Note 26:** The company and the promoters are in the process to take action to comply with the regulations of Securities and Exchange Board of India related to Minimum public Shareholding (MPS) to increase the public shareholding to 25%.

### Note 27: Corporate debt restructuring (CDR):

- During the FY 2013-14, the Company's proposal for restructuring of its debts was approved by Corporate Debt Restructuring Cell ("CDR Cell") vide Letter of Approval (LOA) dated September 27, 2013. The cut off date (COD) for implementation of CDR was 1st April, 2013. The Company has executed Master Restructuring Agreement ('MRA') with CDR Lenders on September 30, 2013. The details of the Restructuring package as approved by CDR Cell are as under :-
  - Restructuring of repayment schedule for term loans under Technology Upgradation Funds Scheme (TUFS) and Non-TUFS Term Loans, reduction in interest rates, Additional facilities in the form of working capital term loan (WCTL) & Funded Interest Term Loan (FITL)
  - The promoters were required to bring contribution equivalent to 25% of the sacrifice amount by lenders. Accordingly promoters have brought in an amount of ₹ 96.66 crores as unsecured loan
  - Lenders with the approval of CDR EG shall have the right to recompense the reliefs/ sacrifices/ waivers extended by respective CDR Lenders as per the CDR guidelines. The recompense payable is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently materially uncertain. Tentative recompense amount comes to ₹ 526.98 crores.
- Total Secured Term Loans as on March 31, 2015 (Note 3) comprises of :-

(₹ in Crores)

Sr. No.	Particulars	FY 2014-2015	FY 2013-2014
1	Term Loans under TUFS	1043.04	1033.68
2	Term loans Non - TUFS	890.73	881.92
3	Working capital Term Loan (WCTL)	701.11	693.85
4	Funded Interest Term Loan (FITL)	225.94	240.04
	<b>TOTAL</b>	<b>2860.82</b>	<b>2849.49</b>

## Notes to Financial Statements for the year ended 31st March, 2015

**Note 28:** As per Accounting Standard 15 “Employee Benefits”, the disclosure of Employee benefits as defined in the Accounting Standard are given below:

### Defined Benefit Plan:

#### Gratuity

(₹ In Crores)

	Particulars	As on March 31, 2015	As on March 31, 2014
<b>1</b>	<b>Assumption</b>		
	Discount Rate	8.03%	9.31%
	Salary Escalation	5.00%	5.00%
<b>2</b>	<b>Present value of Obligation</b>		
	Present value of obligations as at beginning of year	6.96	7.13
	Interest cost	0.65	0.57
	Current Service Cost	2.24	2.72
	Liability Transferred In	–	1.26
	Benefits Paid	(2.59)	(3.50)
	Prior Year Charge	–	–
	Actuarial (gain) / loss on obligations	1.26	(1.22)
	Present value of obligations as at end of year	8.52	6.96
<b>3</b>	<b>Fair value of plan assets</b>		
	Fair value of plan assets at beginning of year	0.78	0.85
	Expected return on plan assets	0.07	0.07
	Contributions	–	–
	Assets Transferred In	–	0.83
	Benefits Paid	(0.49)	(0.99)
	Actuarial (gain) / loss on obligations	(0.02)	0.01
	Fair value of plan assets at the end of year	0.33	0.78
<b>4</b>	<b>Actuarial Gain /Loss recognized</b>		
	Actuarial (gain) / loss on obligations	1.26	(1.22)
	Actuarial (gain) / loss for the year - plan assets	0.02	(0.01)
	Actuarial (gain) / loss on obligations	1.28	(1.23)
	Actuarial (gain) / loss recognized in the year	1.28	(1.23)
<b>5</b>	<b>The amounts to be recognized in the balance sheet</b>		
	Present value of obligations as at the end of year	(8.52)	(6.96)
	Fair value of plan assets as at the end of the year	0.33	0.78
	Funded status	(8.18)	(6.18)
<b>6</b>	<b>Expenses Recognized in statement of Profit and loss</b>		
	Current Service cost	2.24	2.72
	Interest Cost	0.65	0.57
	Expected return on plan assets	(0.07)	(0.07)
	Net Actuarial (gain) / loss recognized in the year	1.28	(1.23)
	Expenses to be recognized in statement of Profit and loss	4.10	1.98

## Notes to Financial Statements for the year ended 31st March, 2015

### Note 29: Related Party Disclosure

Sr	Name of Related Party	Relationship
a)	STI India Ltd.	Subsidiary Company
b)	DPJ Clothing Ltd.	Subsidiary Company
c)	Bombay Rayon Holdings Ltd.	Subsidiary Company
d)	BRFL Bangladesh Pvt. Ltd.	Subsidiary Company
e)	BRFL Europe B.V.	Subsidiary Company
f)	BRFL Italia S.R.L.	Subsidiary Company
a)	Latur Integrated Textile Park Pvt. Ltd.	Other Related Parties
b)	Islampur Integrated Textile Park Pvt. Ltd.	Other Related Parties
c)	STI Sanoh India Limited	Other Related Parties
d)	Kagal Industrial Textile Technology Park Pvt. Ltd.	Other Related Parties
e)	Reynold Shirting Ltd.	Other Related Parties
f)	Bombay Rayon Clothing Ltd.	Other Related Parties
g)	Bestsellers Retail India Pvt. Ltd.	Other Related Parties
h)	Best United Lifestyles Pvt. Ltd.	Other Related Parties
i)	Best United India Comforts Pvt. Ltd.	Other Related Parties
j)	Bestseller Wholesale India Pvt. Ltd.	Other Related Parties
k)	B. R. Machine Tools Pvt. Ltd.	Other Related Parties
l)	Ashwell Holding Company Pvt. Ltd.	Other Related Parties
m)	Arihant Organics Pvt. Ltd	Other Related Parties
n)	Clinvent Real Estates Pvt Ltd	Other Related Parties
a)	Mr. Janardhan Agrawal, Non Executive Chairman	Key Managerial Personnel
b)	Mr. Aman Agrawal, Vice Chairman	Key Managerial Personnel
c)	Mr. Prashant Agrawal, Managing Director	Key Managerial Personnel
d)	Mr. Uday Mogre, Executive Director -Corporate (upto 31/12/2013)	Key Managerial Personnel
e)	Mr. A.R. Mundra, Executive Director -Finance	Key Managerial Personnel
a)	Mrs. Bimla Devi Agrawal	Relative of KMP
b)	Mrs. Vinita Agrawal	Relative of KMP

# Notes to Financial Statements

for the year ended 31st March, 2015

## Transactions with related parties

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Transaction with Subsidiaries</b>		
Sales	7.74	3.46
Loans / Advances Given / paid	–	8.19
Loan / Advances Received Back	1.85	11.43
Rent paid	0.01	0.01
Job Work Charges Paid	42.70	24.97
<b>Transaction with Other Related Parties</b>		
Rent paid	25.64	26.81
Purchases	187.19	2.90
Sales	0.03	0.02
Loans / Advances taken	7.47	89.19
Loan / Advances Received Back	–	1.98
Job Work charges Paid	14.65	19.16
Sales- Job Work Income	0.03	0.13
<b>Transactions with Key Managerial Personnel &amp; their Relatives</b>		
Director Remuneration	5.55	5.82
Salary	0.09	0.14
Rent Paid	0.59	0.56

**Note 30:** Promoters and Subsidiary companies have provided personal/corporate guarantee & collaterals for securing the term loans and working capital loan facilities availed by the company restricted upto the realizable value of assets provided as security.

## Note - 31 : C.I.F. Value of Imports:

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
a) Stores & Spares	30.18	10.40
b) Capital Goods	2.37	2.94
c) Raw Materials	25.88	52.40

## Note - 32 : Expenditure in Foreign Currency:

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
a) Foreign Traveling	0.70	1.00
b) Commission on Export Sales	0.29	2.25
c) Business Promotions	0.51	0.01
d) Others	1.20	Nil

# Notes to Financial Statements

for the year ended 31st March, 2015

## Note - 33 : Earning in Foreign Exchange

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
FOB value of Exports	389.44	420.56

## Note - 34 : Imported & Indigenous consumption:

	As on March 31, 2015		As on March 31, 2014	
	Value ₹ in Crores	%	Value ₹ in Crores	%
a) Raw Materials:				
Imported	43.49	1.64%	36.52	1.88%
Indigenous	2608.07	98.36%	1906.07	98.12%
b) Stores and Spares:				
Imported	16.22	18.85%	12.05	15.32%
Indigenous	69.85	81.15%	66.59	84.68%

## Note - 35 : Contingent Liabilities Not Provided For :

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
a) Bills Discounted with Banks under Letter of credits or otherwise.	107.53	67.10
b) Bank Guarantee	2.97	3.34
c) Demand outstanding related to Income tax	2.29	4.78

## Note - 36 : Earning Per Share

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
a) No of Shares at the beginning of the year	134600000	134600000
b) No of Shares at the beginning of the year	134600000	134600000
c) Weighted average number of Equity Shares outstanding during the year	134600000	134600000
<b>EPS</b>		
a) Net Profit available for Equity Shareholders (₹ in crores)	(78.74)	(409.87)
b) Basic Earning Per Share (in ₹)	(5.85)	(30.45)
c) Diluted Earning Per Share (in ₹)	(5.85)	(30.45)

## Note - 37 : Note on CSR

Pursuant to section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 including further amendments thereto, a company has to spend, in every financial year, atleast 2% of the average net profits of the company made during the last three years immediately preceding financial year, as per the objects mentioned in the Rules.

The company has suffered a net loss for the current year and having no average net profits during the immediately preceding last three financial years, the provisions of section 135 of the Companies Act, 2013 are not applicable.

## Notes to Financial Statements for the year ended 31st March, 2015

### Note - 38 : Note on Managerial Remuneration

In view of net losses incurred during the year the managerial remuneration paid exceeds the limits as mentioned under section 197 of the Companies Act, 2013 read with Schedule V. The company is in the process of obtaining the necessary approvals for the same.

**Note 39:** Previous year figures have been re-grouped / reclassified wherever/necessary to make them comparable with current year.

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As per our report of even date attached  
For **V. K.Beswal & Associates**  
Chartered Accountants

**CA. K. V.Beswal**  
Partner  
Membership Number - 131054  
Firm Reg No.:101083W

Place: Mumbai  
Date : 22.05.2015.

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For and on behalf of Board of Directors  
**Aman Agrawal**  
(Vice Chairman)

**Prashant Agrawal**  
(Managing Director)

**A. R. Mundra**  
(Executive Director - Finance)



# Independent Auditors Report on the Consolidation Financial Statements

To,  
The Board of Directors of  
**Bombay Rayon Fashions Limited**

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Bombay Rayon Fashions Limited (herein referred to as “the Holding Company”) and its subsidiaries (the holding company and its subsidiaries together referred to as “ the Group”), comprising of the consolidated Balance Sheet as at 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( herein referred to as the “consolidated financial statements”).

## Management’s Responsibility for the Consolidated Financial Statements

The Holding Company’s Management is responsible for the preparation of these financial statements in terms of the requirements of the Companies Act, 2013(herein referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and 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 the 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 insuring 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 misstatements, whether due to fraud or error, which has 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 there under.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as 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 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 control system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the holding company’s management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor’s in terms of their reports referred to in sub-paragraph(a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the consolidated financial statements as at March 31, 2015;
- (b) In the case of statement of Profit and Loss, of the LOSS for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Other Matters

- (a) In respect of the financial statements of one of the subsidiary company the reporting dates are January to December. Accordingly the consolidation of the subsidiary has been done from January 2014 to December 2014.
- (b) Financial statements/Consolidated financial statements of certain subsidiaries which reflect total assets of ₹ 682.58 crores as at March 31, 2015, total revenues of ₹ 66.65 crores and net cash outflows amounting to ₹ 0.82 crores for the year then ended, have been audited by us.
- (c) We have not audited the financial statements/ financial information of 4 subsidiaries, whose financial statement/ financial information reflect the total assets of ₹ 353 crores as at 31st March, 2015, total revenues of ₹ 33.20 Crores and net cash outflows amounting to ₹ 0.13 crores for the year on that date, as considered in the consolidated financial statements. These financial statements/ financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relate to the amounts and disclosures included in respect of these subsidiaries and our reports in terms of sub section (3) & (11) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements/ financial information. In our opinion and according to information and explanations given to us by the management, these financial statements / financial information are not material to the Group.

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 work done and the reports of the other auditors and the financial statements/ financial information certified 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 auditor's reports of the Holding company and subsidiary companies incorporated in India i.e. M/s. STI India Limited and M/s. Bombay Rayon Holding Limited 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 purpose 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 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 written representations received from the directors of the Holding Company as on March 31, 2015, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India 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 Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us;
    - i) The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 26 to the consolidated financial Statements.
    - ii) The Group did not have any material, foreseeable losses on long-term contracts including derivative contracts.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **V. K. BESWAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Regn. No.: 101083W

**CA. K. V. BESWAL**  
PARTNER

Place: Mumbai.  
Dated: 22.05.2015

Membership Number-131054

# Annexure to the Auditor's Report Consolidation Financial Statements

(Referred to in paragraph 1 thereof)

1. In respect of Fixed Assets:
  - a) The Holding Company and its subsidiary companies incorporated in India has maintained proper records showing full particulars, quantitative details and situation of its fixed assets.
  - b) The fixed assets have been physically verified by the management at reasonable intervals during the year. We are informed that no material discrepancies were noticed by the management on such verification.
2. In respect of Inventories:
  - a) As explained to us physical verification of inventories has been conducted during the year by the management at reasonable intervals.
  - b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
  - c) In our opinion and according to the information and explanation given to us, the Holding Company and its subsidiary companies incorporated in India is maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.
3. In respect of loans, secured or unsecured granted by the Group to the companies, firms or other parties covered in the register maintained under Section 189 of the companies Act, 2013:
  - a) During the year the Group has not granted interest free advances companies covered in the register maintained u/s 189 of the Companies Act, 2013.
  - b) In view of the above the other provisions are not applicable.
4. 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 Holding Company and its subsidiary companies incorporated in India and the nature of its business for the purchase of inventory and fixed assets and sale of goods and services. Further, on the basis of our examination of the books and records of the company, carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, the Holding Company and its subsidiary companies incorporated in India has not accepted any deposits from public.
6. As per the information and explanations provided to us, we are of the opinion that in pursuant to the prescribed rules by Central Government, the Holding Company and its subsidiary companies incorporated in India had maintained cost records u/s. 148(1) (d) of the Companies Act, 2013; however we have not done a detailed examination of the same.
7. In respect of Statutory Dues:
  - a. Undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, custom duty, excise duty, cess and other material statutory dues have not been regularly deposited with the appropriate authorities,
  - b. According to the information and explanations given, undisputed amounts payable in respect of TDS, TCS, Provident fund, Employee state insurance, service tax, customs duty, excise duty, cess and other statutory dues applicable to it which were outstanding as at 31.03.2015 for a period of more than six months from the date they became payable are as under :-

Statement of Arrears of statutory dues outstanding for more than six months as at 31st March 2015:

Sr. No.	Nature of the Dues	Amount (₹ In crores)
1	Tax Deducted at Source	4.49
2	Central Sales Tax	0.17
3	Entry Tax	0.15
4	Madhya Pradesh Sales Tax	0.08

Sr. No.	Nature of the Dues	Amount (₹ In crores)
5	Provident Fund	7.89
6	Professional Tax	0.79
7	Employee State insurance Corporation	0.46
8	Service Tax	1.55
9	Property Tax	2.65
10	Income Tax	0.82
	<b>TOTAL</b>	<b>19.05</b>

- c. According to the records of the company there are no dues of Income-Tax, sales tax, wealth tax, service tax, customs duty, excise duty/cess which have not been deposited on account of any dispute except as given below.

Nature of the Act	Nature of Dues	Amount (₹ In Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.02	2004-05	CIT (A) - 54
Income Tax Act, 1961	Income Tax	0.82	2009-10	ITAT Mumbai
Income Tax Act, 1961	Income Tax	1.22	2010-11	ITAT Mumbai
Income Tax Act, 1961	Income Tax	0.21	2011-12	CIT (A) - 54
Income Tax Act, 1961	Income Tax	0.07	2004-05	CIT (Appeals) - Indore
Central ST Act, 1956	CST	0.63	1995-96	Writ Petition filed in M.P. High Court
Central Excise Act, 1944	Excise Duty	0.27	Sep-04	CESTAT, New Delhi
Central Excise Act, 1944	Excise Duty	0.65	March 2004 to Sept 2004	In the High Court of M.P.
Central Excise Act, 1944	Excise Duty	0.11	2007-08 & 2008-09	Additional Commissioner of Central Excise, Indore

- (d) According to the records of the company there are no amounts that are to be transferred to Investor Education & Protection Fund.
- The Group has no accumulated losses at the end of the year. There is no cash loss incurred during the current year. However, it has incurred cash losses of ₹ 401.92 Crores (After considering extra ordinary items of ₹ 349.28 Crores) in the immediately preceding financial year covered by our audit.
  - In our opinion and according to the information and explanations given to us, there have been delay in repayment of dues to financial statements and banks during the year, as on date the amount due and remaining unpaid on account of the principal and interest to the lenders was ₹ 31.98 crores.
  - The Holding Company and its subsidiary companies incorporated in India has not given any corporate guarantees for loans taken by others from banks and financial Institutions.
  - According to the records of the Holding Company and its subsidiary companies incorporated in India, have applied the term loans for the purpose of which it was taken during the year.
  - Based upon the audit procedure performed and information and explanations given by the management, we report that no fraud on or by the Holding Company and its subsidiary companies incorporated in India has been noticed or reported during the course of our audit.

For **V. K. BESWAL & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 Firm Regn. No.: 101083W

**CA. K. V. BESWAL**  
 PARTNER  
 Membership Number-131054

Place: Mumbai.  
 Dated: 22.05.2015

**Consolidated Balance Sheet** as at 31st March 2015

(₹ In Crores)

Particulars	Note No.	As on March 31, 2015	As on March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1A	134.60	134.60
(b) Reserves and surplus	2	2,171.82	2,270.06
(c) Money Received against share warrant	1B	49.31	49.31
		<b>2,355.73</b>	2,453.97
Minority Interest		1.76	2.38
<b>Non-current liabilities</b>			
(a) Long-term borrowings	3	2,645.07	2,701.70
(ai) Unsecured Loans from promoters		96.66	89.19
(b) Deferred Tax Liability (Net)	-		
(c) Long-term provisions	4	9.18	6.59
		<b>2,750.91</b>	2,797.48
<b>Current liabilities</b>			
(a) Short-term borrowings	5	2,401.45	1,729.51
(b) Trade payables	6	696.21	859.94
(c) Other current liabilities	7	309.21	275.60
(d) Short-term provisions	8	56.95	70.71
		<b>3,463.82</b>	2,935.76
<b>TOTAL</b>		<b>8,572.22</b>	8,189.59
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	9		
(i) Tangible assets		3,513.47	3,694.07
(ii) Intangible assets		152.27	159.51
(iii) Capital work-in-progress		135.20	138.89
(b) Deferred Tax Assets		82.32	39.82
(c) Non-current investments	10	38.02	45.32
(d) Long-term loans and advances	11	102.95	102.42
		<b>4,024.23</b>	4,180.03
<b>Current assets</b>			
(a) Current investments	12	0.11	1.40
(b) Inventories	13	2,880.37	2,481.21
(c) Trade receivables	14	1,075.84	865.15
(d) Cash and cash equivalents	15	88.93	103.13
(e) Short-term loans and advances	16	476.03	557.77
(f) Other current assets	17	26.71	0.90
		<b>4,547.99</b>	4,009.56
<b>TOTAL</b>		<b>8,572.22</b>	8,189.59
Notes are integral part of the balance sheet & profit & loss account	1-42		

As per our report of even date attached  
For **V. K. Beswal & Associates**  
Chartered Accountants

For and on behalf of Board of Directors  
**Aman Agrawal**  
(Vice Chairman)

**CA. K. V. Beswal**  
Partner  
Membership Number - 131054  
Firm Reg No.: 101083W

**Prashant Agrawal**  
(Managing Director)  
**A. R. Mudra**  
(Executive Director - Finance)

Place: Mumbai  
Date : 22.05.2015.

# Consolidated Statement of Profit and Loss

for the year ended 31st March 2015

(₹ In Crores)

Particulars	Note No.	For the year ending on March 31, 2015	For the year ending on March 31, 2014
Revenue from Operations	18	3,581.43	2,994.58
Other income	19	40.72	10.50
<b>Total Revenue</b>		<b>3,622.15</b>	<b>3,005.08</b>
<b>Expenses:</b>			
Cost of materials consumed	20	2,660.63	1,969.89
Changes in inventories of finished goods & work-in-progress	21	(329.84)	(185.31)
Employee benefits expense	22	265.75	299.94
Finance costs	23	558.13	450.59
Depreciation and amortization expense	24	177.28	316.22
Other expenses	25	463.53	526.35
<b>Total expenses</b>		<b>3,795.48</b>	<b>3,377.68</b>
<b>Loss before exceptional and extraordinary items and tax</b>		<b>(173.33)</b>	<b>(372.60)</b>
Exceptional items		0.80	(3.74)
Loss before extraordinary items and tax		(174.13)	(368.86)
Extraordinary Items			
Stock Valuation Difference Written Off		-	258.36
Foreign Exchange Rate fluctuation Loss		-	90.92
<b>Loss before tax</b>		<b>(174.13)</b>	<b>(718.14)</b>
Adjustment for Tax expense:			
(1) Current tax		(1.20)	(1.19)
(2) Deferred tax		42.50	281.54
(3) Tax for earlier years		-	(46.50)
<b>Loss after tax before Minority Interest</b>		<b>(132.83)</b>	<b>(484.29)</b>
Minority Interest		(0.52)	(0.90)
<b>Loss for the year</b>		<b>(132.31)</b>	<b>(483.39)</b>
Earnings per equity share: (in ₹)			
Basic		(9.87)	(35.98)
Diluted		(9.87)	(35.98)
Notes are integral part of the balance sheet & profit & loss account	1-41		

As per our report of even date attached  
For **V. K. Beswal & Associates**  
Chartered Accountants

**CA. K. V. Beswal**  
Partner  
Membership Number - 131054  
Firm Reg No.: 101083W

For and on behalf of Board of Directors  
**Aman Agrawal**  
(Vice Chairman)

**Prashant Agrawal**  
(Managing Director)

**A. R. Mudra**  
(Executive Director - Finance)

Place: Mumbai  
Date : 22.05.2015.

# Consolidated Cash Flow Statement

for the year ended 31st March 2015

(₹ In Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Loss before Tax and after Extraordinary items</b>	<b>(174.13)</b>	(718.14)
<b>Adjustment For :</b>		
Depreciation and amortization expense	177.28	316.22
Minority Interest	0.52	0.90
Finance costs	558.13	450.59
Interest & Dividend Income	(7.28)	(4.65)
Loss on sale of Assets	5.89	7.24
Profit on sale of investment	-12.17	
Loss on sale of Investment		0.03
<b>Operative Profit before Working Capital Changes</b>	<b>548.24</b>	52.19
<b>Adjustment For :</b>		
Trade Receivables	(210.69)	(191.85)
Other Receivables, Loans & Advances	55.41	(19.44)
Inventories	(399.16)	(160.84)
Trade, Other payable & Provisions	529.74	(465.85)
<b>Cash Generation from Operations</b>	<b>523.54</b>	(785.79)
Direct Taxes	(0.29)	(53.37)
<b>Net Cash Flow from operating activities</b>	<b>523.25</b>	(839.16)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase/Sale of Fixed Assets (Net)	(8.36)	(43.91)
Purchase/Sale of Investments (Net)	20.76	0.97
Increase/(decrease) in Foreign Exchange Fluctuation Reserve	49.78	37.01
Interest & Dividend Income	7.28	4.65
Net Cash used in investing activities	69.46	(1.28)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	(49.16)	1,057.49
Interest on Term loans & Others	(558.13)	(210.54)
Increase/(decrease) in Minority Interest	0.38	(0.48)
Net Cash used in financing activities	(606.91)	846.47
<b>D. NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		
(A+B+C)	(14.20)	6.03
Opening balance of cash & cash equivalents	103.13	97.11
Closing balance of cash & cash equivalents	88.93	103.13

As per our report of even date attached  
For **V. K. Beswal & Associates**  
Chartered Accountants

**CA. K. V. Beswal**  
Partner  
Membership Number - 131054  
Firm Reg No.:101083W

For and on behalf of Board of Directors  
**Aman Agrawal**  
(Vice Chairman)

**Prashant Agrawal**  
(Managing Director)

**A. R. Mudra**  
(Executive Director - Finance)

Place: Mumbai  
Date : 22.05.2015.

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

## Note - 1 : Significant Accounting Policies for the year ended 31.03.2015 (Consolidated)

### (A) PRINCIPLES OF CONSOLIDATION

The Consolidated financial statements relate to Bombay Rayon Fashions Ltd. ("the company") and its Subsidiaries.

The Consolidated financial statements have been prepared on following basis:

- (a) The financial statement of the company and components are combined on line -by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group transactions resulting in unrealized profits/losses in accordance with accounting standard (AS) 21 "Consolidated Financial Statement" issued by the Institute of Chartered Accountants of India.
- (b) In case of foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at the average exchange rate prevailing during the year. All assets and liabilities are converted at exchange rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Exchange fluctuation reserve.
- (c) Minority Interest's share of net profit of consolidated components for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- (d) Minority Interest's share of net assets of consolidated components is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.
- (e) 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 the Company's separate financial statements.

### (B) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounts) Rules, 2014, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

### (C) SIGNIFICANT ACCOUNTING POLICIES

#### a. Revenue Recognition

- a) Domestic sales are accounted for on dispatch of goods to customers. Gross Sales are net of sales returns
- b) Export sales are accounted for on the basis of dates of Bill of Lading. Gross Sales are inclusive of incentives/benefits, and net of sales returns.
- c) Revenue from Job work is recognized when services are rendered.

#### b. Fixed Assets:

Fixed assets are stated at cost of acquisition less depreciation. Cost includes taxes, duties, freight, installation and other direct or allocated expenses up to the date of commercial production and net of CENVAT credit and Subsidy & similar taxes in case of foreign subsidiary received, if any.

#### c. Depreciation on Fixed Assets:

Depreciation on Fixed Assets is provided based on the useful life of the asset in the manner prescribed in Schedule II to the Companies Act, 2013, except where the useful life has been revised as per appropriate report obtained for certain assets for the purpose of determining the useful life.

#### d. Impairment of Assets:

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

#### e. Expenditure during construction period:

The expenditure incurred and attributable interest & financing costs incurred prior to commencement of commercial production including Trial Run Expenses in respect of new project & substantial expansion of existing facilities are capitalized.



# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

**f. Investments:**

Current investments are carried at the lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

**g. Foreign Currency:**

a) Transactions in foreign currencies are recorded at the exchange rates notified by CBEC or at the exchange rate under related forward exchange contracts. The realized exchange gains / losses are recognized in the Profit & Loss account. All foreign currency current assets and liabilities are translated in rupees at the rates prevailing on the date of balance sheet.

b) In respect of branches, which are integral foreign operations, all transactions are translated at monthly average rates. Branch monetary assets and liabilities are restated at the rates prevailing on the date of balance sheet.

**h. Employee Retirement Benefits**

a. Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

b. Post employment benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The defined benefit obligation is provided for on the basis of an actuarial valuation on projected unit cost method.

c. Long Term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The liabilities on account of leave encashment have been provided on basis of an actuarial valuation on projected unit cost method.

**i. Taxation**

a) Provision for current tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by applying the tax rates as applicable.

b) Deferred tax is recognized subject to the consideration of prudence, on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**j. Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**k. Government Grants:**

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is netted off with the relevant expense. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

**l. Segmental Reporting:**

The Company is mainly engaged in the business of manufacturing of textiles consisting of yarn, fabrics and garments. Considering the nature of business and financial reporting of the Company, the Company has only one segment viz; textile as reportable segment. The Company operates in Local & Export segments geographically. The sale for both is separately given, but due to the nature of business the assets/liabilities and expenses for these activities cannot be bifurcated separately.

The Company is also engaged in power generation through coal and windmills & manufacturing of buttons, however the same are not considered as reportable segment in accordance with AS- 17.

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

## m. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes to the accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

## Note : 1 - Share Capital & Share Warrant

### 1A Share Capital

(₹ in Lakhs)

A Particulars	March 31, 2015		March 31, 2014	
	Numbers	Amount	Numbers	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	150,000,000	150.00	150,000,000	150.00
	150,000,000	150.00	150,000,000	150.00
<b>Issued, Subscribed &amp; fully paid up</b>				
Equity Shares of ₹ 10 each	134,600,000	134.60	134,600,000	134.60
<b>Total</b>	<b>134,600,000</b>	<b>134.60</b>	<b>134,600,000</b>	<b>134.60</b>

### B Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares			
	March 31, 2015		March 31, 2014	
	Number	Amount	Number	Amount
At the beginning of the year	134,600,000	134.60	134,600,000	134.60
Shares Issued during the year *	–	–	–	–
At the end of the year	134,600,000	134.60	134,600,000	134.60

### C Detail of shareholders holding more than 5% of shares in the company

Name of Shareholder	Equity Shares			
	March 31, 2015		March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Janardhan Agrawal	7,576,140	5.63%	7,576,140	5.63%
Reynold Shirting Limited	13,449,947	9.99%	13,449,947	9.99%
AAA United B.V.	51,000,400	37.89%	51,000,400	37.89%
Ashwell Holding Company Pvt Ltd.	28,420,000	21.11%	28,420,000	21.11%

### D Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
<b>Equity Shares :</b>	
Fully paid up pursuant to contract(s) without payment being received in cash	NIL
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

**1B Share Warrant**

(₹ in Crores)

Particulars	March 31, 2015		March 31, 2014	
	Number	Amount	Number	Amount
75 lacs warrants at ₹ 263 per warrant upfront money paid 25%	–	49.31		49.31

Note: The option for conversion of 75 Lacs warrants could not be exercised by the allottee within the prescribed period of 18 months ending on 04.04.2012. The company & allottee had filed an application before Securities & Exchange Board of India (SEBI) for refund of the upfront money of ₹ 4931.25 lacs. The said application was rejected by SEBI Vide its Order dated August 10, 2012 and the appeal made against the said order was dismissed by Securities appellate Tribunal (SAT) vide their order dated June 28, 2013. Further to that, an appeal filed before Supreme Court by the Company and the Promoters which was dismissed, keeping the status quo with no further communication from SEBI in this regard.

**Note - 2 : Reserve and surplus**

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>a. Securities Premium Account</b>		
Opening balance	1,955.55	1,955.55
Add : On issue of Equity Shares	–	–
Closing Balance	1,955.55	1,955.55
<b>b. Capital Reserve on Consolidation</b>		
On consolidation of subsidiaries	27.87	27.87
Closing Balance	27.87	27.87
<b>c. General reserves</b>		
Opening balance	37.00	37.00
Add : Transferred from Profit & Loss Account	–	–
Closing Balance	37.00	37.00
<b>d. Capital Reserve</b>	0.40	0.40
<b>e. Profit &amp; Loss Account</b>		
Opening Balance	278.23	761.62
Add : Profit/(Loss) for the year	(132.31)	(483.39)
Less : Assets Written off (Refer Note 9)	(15.71)	–
Closing Balance	130.21	278.23
<b>f. Foreign Exchanges Fluctuation Reserves</b>		
Opening balance	(28.99)	(66.00)
Add : During the year	49.78	37.01
Closing Balance	20.79	(28.99)
<b>Total</b>	<b>2,171.82</b>	<b>2,270.06</b>

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

## Note - 3 : Long term borrowings

(₹ in Crores)

Particulars	Non-current		Current	
	As on March 31, 2015	As on March 31, 2014	As on March 31, 2015	As on March 31, 2014
<b>(A) Secured</b>				
<b>a) Term Loans</b>				
– From Banks*	2,644.47	2,701.20	216.35	148.63
* Term Loans from Banks are secured by First pari-passu charge on entire Fixed Assets of the company alongwith collateral of first pari-passu charge on entire current assets of the Company and further secured by personal guarantee of promoters, corporate guarantees/collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of BRFL Brands.				
<b>b) Vehicle loans</b>				
– From Banks	0.05	0.16	0.11	0.25
– From Other Parties	0.55	0.34	0.54	0.51
The vehicle loans from the banks and others are secured by hypothecation of specified vehicles against which the finance is obtained				
<b>Total</b>	<b>2,645.07</b>	<b>2,701.70</b>	<b>217.00</b>	<b>149.39</b>

## Note - 4 : Long Term Provisions

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Employee benefits	9.18	6.59
<b>Total</b>	<b>9.18</b>	<b>6.59</b>

## Note - 5: Short term borrowings

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>Secured</b>		
– Working Capital loans	2,354.96	1,675.19
Working capital Loans from banks are secured by First pari-passu charge on entire current Assets of the Company alongwith collateral of First pari-passu charge on entire Fixed Assets of the Company and further secured by personal guarantee of promoters, corporate guarantees/collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of BRFL Brands.		
<b>Unsecured</b>		
<b>Other Loans</b>		
- From Other Parties	46.49	54.32
<b>Total</b>	<b>2,401.45</b>	<b>1,729.51</b>

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

## Note - 6 : Trade Payables

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Mirco, small and medium enterprises	0.05	0.87
Others	696.16	859.07
<b>Total</b>	<b>696.21</b>	<b>859.94</b>

The details of amount outstanding to Micro, Small and Medium Enterprises Based on available information is as under :

Particulars	As on March 31, 2015	As on March 31, 2014
Principal amount due and remaining unpaid	0.03	0.51
Interest due on above and unpaid interest	0.02	0.36
Interest paid	–	–
Payment made beyond the appointed date during the year	–	–
Interest due and payable for the period of delay	0.02	0.36
Interest accrued and remaining unpaid	0.02	0.36
Amount of further interest remaining due and payable in succeeding year.	0.02	0.36
<b>Total</b>	<b>0.05</b>	<b>0.87</b>

## Note - 7 : Other Current Liabilities

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
(i) Customer Deposits	0.13	0.19
(ii) Outstanding expenses	55.36	61.84
(iii) Accrued Employee Expenses	2.53	1.16
(iii) Current maturities of Term Loans from banks*	216.35	148.63
(iv) Current maturities of Vehicle loans from banks*	0.11	0.25
(v) Current maturities of Vehicle loans from others*	0.54	0.51
* Refer Note No. 3 of the Balance Sheet		
(vi) Unclaimed Dividend*	0.04	0.05
(vii) Statutory dues	34.15	62.97
<b>Total</b>	<b>309.21</b>	<b>275.60</b>

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

## Note - 8 : Short Term Provisions

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Provision for Current Income Tax (net)	30.69	29.78
Provision for Other Taxes (net)	–	23.28
Employee benefits	26.26	17.65
<b>Total</b>	<b>56.95</b>	<b>70.71</b>

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

## Note No. 9 : Fixed Assets

(₹ in Crores)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK				
	Balance as at 01-04-2014	Additions	Adjustment	Disposals	Balance as at 31-03-2015	For the year	Adjustment	Transfer to Reserves	Deduction	Balance as at 31-03-2015	Balance as at 01-04-2014	
<b>Tangible Assets :</b>												
Land	139.35		(4.03)		135.32	0.14				1.01	134.31	138.48
Buildings	819.82	5.69			825.51	25.47				139.89	685.62	705.40
Plant and Equipment	3,882.65	6.09	3.47	36.28	3,855.93	129.71		0.89	24.55	1,202.94	2,652.99	2,785.76
Vehicles	17.23	1.29		1.20	17.32	2.83		0.11	0.66	10.44	6.88	9.07
Computer	8.65	0.33	7.23	0.01	16.20	0.06	1.11	7.29	0.01	15.31	0.89	1.79
Furniture and Fixtures - Office equipment	75.54	4.03	(6.70)	0.06	72.81	11.79	(1.13)	7.41	0.01	40.04	32.77	53.56
<b>Total</b>	4,943.25	17.43	(0.03)	37.55	4,923.10	170.00	(0.02)	15.70	25.23	1,409.62	3,513.47	3,694.07
<b>Intangible Assets :</b>												
Goodwill, trademarks, Patents, right licences etc.	211.55				211.55	5.33				64.15	147.40	152.73
Computer software	11.11	0.04	0.03		11.18	1.95	0.02	0.01		6.32	4.86	6.77
<b>Total</b>	222.66	0.04	0.03		222.73	7.28	0.02	0.01		70.46	152.27	159.51
Capital Work In Progress											135.20	138.89
<b>Total</b>											135.20	138.89
<b>Total</b>	5,165.91	17.47		37.55	5,145.83	177.28		15.71	25.23	1,480.09	3,800.94	3,992.47
Previous Year	5141.61	36.01		11.71	5165.91	316.22			5.73	1,312.33	3,992.47	

Had the company provided depreciation as per old companies act, 1956, the change for depreciation for the current year would have been higher by ₹ 158.34 Crores.

Where useful life had expired upto 31/03/2014 in accordance with the stipulated under Schedule II of the companies Act 2013, has been transferred to reserve.

\*Adjustment refer to regrouping of assets.

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

**Note - 10 : Non-current investments**

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>OTHER THAN TRADE INVESTMENTS</b>		
<b>Unquoted Investment</b>		
<b>In Equity Shares others - fully paid up</b>		
Islampur Integrated Textiles Park Pvt Ltd. 3800000 (7500000) Shares of ₹ 10/- each	3.80	7.50
Latur Integrated Textiles Park Pvt Ltd. 3620000 (7220000) shares of ₹ 10/- each	3.62	7.22
Jankalyan Sahkari Bank Ltd. 90100 Shares of ₹ 10/- each	0.09	0.09
Scotts Fashionciti India Limited 10000 Shares of ₹ 10/- each	0.01	0.01
Scotts Garments Limited 2000000 Shares of ₹ 10/- each	14.00	14.00
Arihant Organics Pvt Ltd 500 shares of ₹ 100 each	4.50	4.50
STI Sanoh India Limited 11999300 Shares of ₹ 10/- each	12.00	12.00
<b>Total</b>	<b>38.02</b>	<b>45.32</b>

**Note - 11 : Long-term loans and advances**

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>a. Security Deposits</b>		
Unsecured, considered good	46.79	46.54
	46.79	46.54
<b>b. Capital Advances</b>		
Unsecured, considered good	56.01	55.88
	56.01	55.88
<b>c. Other Loan &amp; Advances</b>		
Unsecured, considered good	0.15	–
Doubtful	24.51	24.51
Less: Provision for doubtful advances	24.51	24.51
	0.15	–
<b>Total</b>	<b>102.95</b>	<b>102.42</b>

**Note - 12 : Current Investments**

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>In Mutual Fund unquoted fully paid up</b>		
SBI Magnum Income Fund - Regular Plan - Growth 343020.224 Units	–	1.00
SBI Magnum Income Fund - Regular Plan - Growth TATA- Indo Global Infrastructure Fund - Growth 200000.000 Units	–	0.20
CP5G- Union KBC Protection Oriented Fund - Growth 105070 Units	0.11	0.10
AXIS Capital Protection Oriented Fund - Series 3 -Growth Plan 99990.00 units	–	0.10
<b>Total</b>	<b>0.11</b>	<b>1.40</b>

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

## Note - 13 : Inventories

(As certified by the management)

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
a. Raw Materials (Valued at cost)	889.42	878.72
b. Work-in-progress (Valued at cost)	979.66	722.37
c. Finished goods (Valued at lower of cost or net realisable value)	729.98	657.29
d. Stores and spares (Valued at cost)	281.01	222.39
e. Wastage	0.30	0.44
<b>Total</b>	<b>2,880.37</b>	<b>2,481.21</b>

## Note - 14 : Trade Receivables

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Unsecured, considered good		
Over Six months	37.72	102.38
Others	1038.12	762.77
<b>Total</b>	<b>1,075.84</b>	<b>865.15</b>

## Note - 15 : Cash and Cash Equivalents

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
<b>Balances with banks</b>		
On current accounts	33.93	57.84
Bank deposits	49.48	41.33
Cash on hand	5.52	3.96
<b>Total</b>	<b>88.93</b>	<b>103.13</b>

## Note - 16: Short-term loans and advances

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Advances receivable in cash or kind or for value to be received	10.19	9.81
Balance with Government Authorities	208.48	253.03
MAT Credit Entitlement	154.66	154.65
Deposits	102.56	120.25
Others	0.14	20.03
<b>Total</b>	<b>476.03</b>	<b>557.77</b>

## Note - 17: Other Current Assets

(₹ in Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
Insurance claim receivable	0.85	0.90
Balance with Government Authorities	1.29	–
Other Receivable	24.57	–
<b>Total</b>	<b>26.71</b>	<b>0.90</b>



## Notes to Consolidated Financial Statements

for the year ended 31st March 2015

**Note - 18: Revenue from operations**

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Revenue from operations</b>		
Sale of products :		
Finished goods	3,550.00	2,971.93
Traded Goods	8.35	–
Other Goods	8.55	–
Gross Sales	3,566.90	2,971.93
Less: Excise Duty	0.37	0.26
	3,566.53	2,971.67
Sale of Services:		
– Jobwork	0.87	14.45
Others Operating Revenue	14.03	8.46
<b>Total</b>	<b>3,581.43</b>	<b>2,994.58</b>

**Note - 19 : Other income**

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest Income	7.28	4.65
Profit on sale of Investment	12.17	0.3
Profit on sale of Fixed Assets	0.21	0.86
Exchange fluctuation gain	9.89	–
Miscellaneous income	11.17	4.69
<b>Total</b>	<b>40.72</b>	<b>10.50</b>

**Note - 20: Cost of materials consumed**

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Inventory at the beginning of the year	878.72	791.64
Less : Valuation Difference W/off	–	121.83
Add : Purchase	2,671.33	2,178.80
	3,550.05	2,848.61
Less : Inventory at the end of the year	889.42	878.72
<b>Total</b>	<b>2,660.63</b>	<b>1,969.89</b>

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

**Note - 21: Increase (-) / decrease (+) in inventories**

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Inventory at the end of the year</b>		
Finished Goods	729.98	657.29
Work-in-progress	979.66	722.37
Wastage	0.30	0.44
<b>Total (A)</b>	<b>1,709.94</b>	<b>1,380.10</b>
<b>Inventory at the beginning of the year</b>		
Finished Goods	657.29	699.42
Less : Valuation Difference W/off	-	126.11
Work-in-progress	722.37	631.68
Less : Valuation Difference W/off	-	10.42
Wastage	0.44	0.22
<b>Total (B)</b>	<b>1,380.10</b>	<b>1,194.79</b>
<b>Total</b>	<b>-329.84</b>	<b>-185.31</b>

**Note - 22: Employee benefit expenses**

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries & wages	232.02	258.59
Contributions to provident and other fund	22.29	25.45
Workmen & Staff welfare expenses	11.44	15.90
<b>Total</b>	<b>265.75</b>	<b>299.94</b>

**Note - 23 : Finance costs**

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest expense	549.68	421.63
Bank Charges	8.45	28.96
<b>Total</b>	<b>558.13</b>	<b>450.59</b>

**Note - 24 : Depreciation and amortization expenses**

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation of tangible assets	170.00	289.53
Amortization of intangible assets	7.28	26.69
<b>Total</b>	<b>177.28</b>	<b>316.22</b>

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

**Note - 25 : Other expenses**

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Stores & spares consumption	89.31	82.11
Packing material and expenses	16.02	16.67
Power and fuel (net)	119.83	92.16
Fibre Processing & Handling Expenses	0.63	–
Water charges	15.48	8.98
Freight & Forwarding	0.72	–
<b>Job Charges for:</b>		
Yarn	0.44	0.37
Process	0.79	0.72
Weaving	14.60	5.92
Design & development & Others	26.78	101.47
Rent	37.97	52.50
Rates and taxes	16.61	3.68
Insurance	2.94	2.85
Keyman insurance	2.31	0.93
<b>Repair and maintenance</b>		
Repair and maintenance		
Plant and machinery	7.70	6.91
Building	0.74	0.86
Vehicles	0.52	0.69
Others	2.51	2.56
Advertising and bussiness promotion	2.69	1.48
Books & Periodicals	0.06	0.06
Commission and brokerage	5.91	5.95
Travelling and conveyance	12.12	9.47
Transportation	20.57	43.79
Communication costs	3.51	3.35
Printing and stationary	1.75	3.56
Legal and professional fees	19.07	25.97
Director's remuneration	8.15	8.44
Directors' sitting fees	0.05	0.04
Auditor's remuneration	1.10	1.60
Environmental Control Exp	0.56	1.06
Security Service Charges	5.54	6.55
Donation	–	0.05
Loss on sale of Assets	6.10	8.10
Loss on sale of Investment	–	0.33
Foreign Exchange Loss	–	9.71
Miscellaneous expenses	20.45	17.46
<b>Total</b>	<b>463.53</b>	<b>526.35</b>

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

## Payments to auditor

(₹ in Crores)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
For Audit Fee	0.67	1.37
For Tax Audit Fee	0.37	0.11
For Certification & Others	0.06	0.12
<b>Total</b>	<b>1.10</b>	<b>1.60</b>

## Note - 26: Contingent Liabilities not provided for

(₹ In Crores)

Particulars	As on March 31, 2015	As on March 31, 2014
(i) Bills Discounted with Banks under Letter of credits or otherwise.	101.53	67.10
(ii) Bank Guarantee	2.97	3.34
(iii) Claims against the company towards energy charges on Captive Generation.	4.90	4.90
(iv) Estimated Interest amount payable on confirmed demand for sales and entry tax	0.87	0.80
(v) Liability towards M/s Maharashtra State Cotton Grower Mktg. Federation on account of pending dispute under court of law.	0.74	0.74
(vi) Disputed Sales Tax/ Entry Tax Demands	0.63	0.64
(vii) Demand towards Show Cause Notice Issued by Additional commissioner of Central excise in the matter of wrong availment of cenvat on packing material used in packing of cotton waste, amount inclusive of penalty.	0.11	0.11
(viii) Demand towards Show Cause Notice Issued by Excise Department for charging Additional Customs Duty ,including penalty, on the import of HSD on account of which dispute is pending in high court	0.66	0.66
(ix) Demand towards Show Cause Notice Issued by Excise Department for charging Additional Custom Duty, including penalty, on the import of HSD on account of which dispute is pending under Appeal	0.27	0.27
(x) Claim of Gujarat State Co-operative Cotton Federation Limited (GUJCOT) for cotton supplies, interest, carrying charges etc. disputed and not acknowledged by the Company.(Refer Note:27)	103.85	103.85
(xi) Disputed demand outstanding related to Income Tax (The appeals/rectification are pending with income tax authorities)	2.36	4.85

## Note - 27:

- In case of one of the Subsidiary company, the Hon'ble BIFR Bench, vide order dated 1st November, 2010 while accepting the report of Operating Agency directed the company to incorporate the dues of GUJCOT in Draft Rehabilitation Scheme (DRS).
- The Company has preferred an appeal against the said order before Appellate Authority for Industrial & Financial Reconstruction (AAIFR) and the AAIFR vide their order dated 6th April, 2011 directed that impugned directions passed by the BIFR shall be subject to the final order passed by AAIFR in the Appeal.
- In the final hearing dated 29th April, 2013 the AAIFR agreed with the submissions of the Company and remanded the case to BIFR with a direction to hear matter on the points raised in appeal before AAIFR. The hearing was scheduled on 25th Mar,2015. However the same was not heard as the bench did not function on the said date. No further date of hearing has been notified.

## Note -28: Capital Commitments

(₹ in Crores)

Particulars	As on March 31, 2014	As on March 31, 2013
Estimated amount of Capital Contracts remaining to be executed (net of advances)	3.64	7.30

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

**Note 29:** The Holding Company and the promoters are in the process to take action to comply with the regulations of Securities and Exchange Board of India related to Minimum public Shareholding (MPS) to increase the public shareholding to 25%.

## Note 30 - Corporate debt restructuring (CDR) ( Holding Company):

- 1 During the FY 13-14, the Company's proposal for restructuring of its debts was approved by Corporate Debt Restructuring Cell ("CDR Cell") vide Letter of Approval (LOA) dated September 27, 2013. The cut off date (COD) for implementation of CDR was 1st April, 2013. The Company has executed Master Restructuring Agreement ('MRA') with CDR Lenders on September 30, 2013. The details of the Restructuring package as approved by CDR Cell are as under :-
  - a) Restructuring of repayment schedule for term loans under Technology Upgradation Funds Scheme (TUFS) and Non-TUFS Term Loans, reduction in interest rates, Additional facilities in the form of working capital term loan (WCTL) & Funded Interest Term Loan (FITL)
  - b) The promoters were required to bring contribution equivalent to 25% of the sacrifice amount by lenders. Accordingly promoters have brought in an amount of ₹ 96.66 crores as unsecured loan
  - c) Lenders with the approval of CDR EG shall have the right to recompense the reliefs/ sacrifices/ waivers extended by respective CDR Lenders as per the CDR guidelines. The recompense payable is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently materially uncertain. Tentative recompense amount comes to ₹ 526.98 crores.
- 2 Total Secured Term Loans as on March 31, 2014 (Note 3) comprises of :-

Sr. No.	Particulars	FY 2014-2015	FY 2013-2014
1	Term Loans under TUFS	1043.04	1033.68
2	Term loans Non - TUFS	890.73	881.92
3	Working capital Term Loan (WCTL)	701.11	693.85
4	Funded Interest Term Loan (FITL)	225.94	240.04
	<b>TOTAL</b>	<b>2860.82</b>	<b>2849.49</b>

## Note 31 - As per Accounting Standard 15 "Employee benefits as defined in the Accounting Standard are given below:

### Defined Gratuity Plan:

#### Gratuity

(₹ In Crores)

	Particulars	As on March 31, 2015	As on March 31, 2014
<b>1</b>	<b>Assumption</b>		
	Discount Rate	8.03%	9.31%
	Salary Escalation	5.00%	5.00%
<b>2</b>	<b>Present value of Obligation</b>		
	Present value of obligations as at beginning of year	8.4922	8.4436
	Interest cost	0.7879	0.6882
	Current Service Cost	2.6148	3.0266
	Liability Transferred In	-	1.26
	Past service cost	-0.0237	0
	Benefits Paid	-2.6825	-3.2306
	Prior Year Charge	-	-
	Actuarial (gain)/ loss on obligations	1.6149	-1.1568
	Present value of obligations as at end of year	10.8036	8.4922

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

	Particulars	As on March 31, 2015	As on March 31, 2014
<b>3</b>	<b>Fair value of plan assets</b>		
	Fair value of plan assets at beginning of year	2.2143	2.2187
	Expected return on plan assets	0.1955	0.1873
	Contributions	0.165	0.2142
	Assets Transferred In	-	0.83
	Benefits Paid	-0.576	-1.2594
	Actuarial (gain)/ loss on obligations	-0.0303	0.0135
	Fair value of plan assets at the end of year	1.9791	2.2143
	Funded Status	0.6345	0.0979
<b>4</b>	<b>Actuarial Gain/Loss recognized</b>		
	Actuarial (gain)/ loss on obligations	0.9051	-1.2832
	Actuarial (gain)/ loss for the year - plan assets	0.02	-0.01
	Actuarial (gain)/ loss on obligations	1.6349	-1.1668
	Actuarial (gain)/ loss recognized in the year	1.6349	-1.1668
<b>5</b>	<b>The amounts to be recognized in the balance sheet</b>		
	Present value of obligations as at the end of year	10.8036	-8.4922
	Fair value of plan assets as at the end of the year	1.9791	2.2143
	Funded status	-7.5455	-6.0821
<b>6</b>	<b>Expenses Recognized in statement of Profit and loss</b>		
	Current Service cost	2.6148	3.0266
	Past service Cost	-0.0237	0
	Interest Cost	1379.65	0.6881
	Expected return on plan assets	0.0555	-0.1873
	Net Actuarial (gain)/ loss recognized in the year	1.6245	-1.1703
	Expenses to be recognized in statement of Profit and loss	4.808	2.3471

## Note - 32: Related Party Disclosure

### Name of the Related Party

#### (A) Related parties where common control exists

- A Reynold Shirting Ltd.
- B Bombay Rayon Clothing Ltd.
- C Bestsellers Retail India Pvt. Ltd.
- D Best United Lifestyles Pvt. Ltd.
- E Best United India Comforts Pvt. Ltd.
- F Bestseller Wholesale India Pvt. Ltd.
- G B. R. Machine Tools Pvt. Ltd.
- H Latur Integrated Textile Park Pvt. Ltd.
- I Islampur Integrated Textile Park Pvt. Ltd.
- J STI Sanoh India Ltd.
- K Kagal Industrial Textile Technology Park Pvt. Ltd.
- L Ashwell Holding Company Pvt. Ltd.
- M Clinvent Real Estate Pvt. Ltd.
- N Arihant Organics Pvt. Ltd.

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

## (B) Key Managerial Personnel

Name of Personnel	Designation
<b>A For Holding Company</b>	
Mr. Janardhan Agrawal	Non Executive Chairman
Mr. Aman Agrawal	Vice Chairman
Mr. Prashant Agrawal	Managing Director
Mr. A.R. Mundra	Executive Director -Finance
<b>B For Subsidiary</b>	
Dr. R.B. Baheti	Non Executive Chairman
Mrs. Bimla Devi Agrawal	Relative of Director
Mrs. Vinita Agrawal	Relative of Director

## (C) Transactions with Related Parties

(₹ in Crores)

Particulars	Current year	Previous year
<b>Transaction with Other Related Parties</b>		
Rent paid	25.64	26.81
Purchase	187.19	2.90
Sales	0.03	0.02
Loans & Advances Taken	7.47	89.19
Loans & Advances Given	NIL	1.00
Loan & Advances received Back		1.98
Job Work charges Paid	14.65	19.16
Sales - Job Work Income	0.03	0.13
Rental Income	5.52	5.12
<b>Transaction with Key managerial personnel &amp; other Relatives</b>		
Director Remuneration	6.69	6.94
Rent Paid	0.59	0.56

**Note - 33:** Promoters and in case of holding Company have provided personal/corporate guarantee & collaterals for securing the Term Loans and working capital loan facilities availed by the holding company restricted upto the realizable value of assets provided as security.

## Note 34: Earnings Per Share

₹ in Crore

Sr. No.	Particulars	As at 31.03.2015	As at 31.03.2014
(i)	No. of shares at the beginning of the year	134600000	134600000
(ii)	No. of Shares at the end of the year	134600000	134600000
(iii)	Weighted average number of Equity Shares outstanding during the year	134600000	134600000
<b>EPS</b>			
(i)	Net (loss) available for Equity Shareholder (₹ In Crore)	(132.31)	(483.39)
(ii)	Basic Earning Per Share (in ₹)	(9.87)	(35.98)
(iii)	Diluted Earning Per Share (in ₹)	(9.87)	(35.98)

# Notes to Consolidated Financial Statements

for the year ended 31st March 2015

## Note - 35:

(₹ in Crores)

Particulars	Current year	Previous year
<b>C.I.F. Value of Imports:</b>	<b>Current year</b>	Previous Year
(a) Stores & Spares	<b>30.58</b>	10.66
(b) Capital Goods	<b>2.37</b>	2.94
(c) Raw Materials	<b>25.88</b>	52.40

## Note - 36:

(₹ in Crores)

Particulars	Current year	Previous year
<b>Expenditure in Foreign Currency</b>		
(a) Traveling	<b>0.98</b>	1.01
(b) Commission on Export Sales	<b>0.29</b>	2.25
(c) Business Promotions	<b>0.51</b>	0.01
(d) Others	<b>1.20</b>	NIL

## Note 37: Earning in Foreign Exchange

(₹ In Crores)

Particulars	Current year	Previous year
FOB value of Exports	<b>397.14</b>	422.12

**Note - 38:** In respect of the financial statements one of the subsidiary company M/s. BRFL Italia srl the reporting dates is December 31, 2014. As a result the consolidation of this subsidiary has been done for a period of 12 months i.e. January 01, 2014 to December 31, 2014 for the year ended March 31, 2015.

**Note - 39:** M/s Arihant organics Pvt. Ltd. has not been considered for the purpose of consolidation even though Bombay Rayon Fashions Ltd. is holding 50% share holding in the company as in view of the management there is no significant influence of management in the company.

## Note 40: Note on CSR

Pursuant to section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 including further amendments thereto, a company has to spend, in every financial year, atleast 2% of the average net profits of the company made during the last three years immediately preceding financial year, as per the objects mentioned in the Rules.

In view of net loss for the current year and there being no average net profits during the immediately preceding last three financial years, the provisions of section 135 of the Companies Act, 2013 are not applicable.

## Note 41: Note on Managerial Remuneration

In view, net losses incurred during the year by Holding Company the managerial remuneration paid exceeds the limits as mentioned under section 197 of the Companies Act, 2013 read with Schedule V. The company is in the process of obtaining the necessary approvals for the same.

**Note - 42:** Previous year figures have been re-grouped / reclassified wherever necessary to make them comparable with current year.

As per our report of even date attached  
For **V. K. Beswal & Associates**  
Chartered Accountants

For and on behalf of Board of Directors  
**Aman Agrawal**  
(Vice Chairman)

**CA. K. V. Beswal**  
Partner  
Membership Number - 131054  
Firm Reg No.:101083W

**Prashant Agrawal**  
(Managing Director)

**A. R. Mundra**  
(Executive Director - Finance)

Place: Mumbai  
Date : 22.05.2015.



## Notice

**NOTICE is hereby given that the Twenty Second Annual General Meeting of the Shareholders of BOMBAY RAYON FASHIONS LIMITED** will be held on Tuesday, September 29, 2015 at Sheila Raheja Hall, Rotary Service Centre, Rotary Chowk, Juhu Tara Road, Santacruz (West), Mumbai – 400 049, at 4:00 p.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 comprising of the Balance Sheet as at March 31, 2015, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the Explanatory Notes annexed to, and forming part of, any of the above documents together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Janardhan Agrawal (DIN – 00019497), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. A.R. Mundra (DIN – 00019234), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint M/s V.K. Beswal & Associates, Chartered Accountants [Firm Registration No. 101083W] as Statutory Auditors of the Company pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) to hold office from the conclusion of this meeting till the conclusion of the Twenty Third Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the rules made thereunder, the consent of the shareholders be and is hereby accorded for altering the Articles of Association of the Company by way of deletion/addition of the following clauses of the Articles of Association in conformity with the Companies Act, 2013 and rules made thereunder –

- (i) Substituting existing Article 2 (ii) with the following clause:

“2(ii) ‘Every Certificate shall be issued with the signatures of two directors or a director and the Company Secretary.’”

- (ii) Delete the existing article 77 with respect to ‘the seal’ and replace it with the new article under the title ‘charge’ as under-

“The Company shall charge such fees for providing the inspection/extracts/copies of any Statutory Register as specified in the Companies Act, 2013.”

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary, be and is hereby authorised to do all such acts, deeds and things as are necessary to give effect to the resolution.”

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

**“RESOLVED THAT** the consent of the members be and is hereby granted in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the rules made thereunder to the Board of Directors to mortgage, pledge, hypothecate or charge, in addition to the existing mortgages, hypothecations and charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties/assets of the Company, both present and future, and/or the whole or any part of the undertaking or undertakings of the Company, for securing the borrowings of the Company and/or its subsidiaries, availed/to be availed by way of loan (Term loans/Working Capital facilities/External Commercial Borrowings and securities/Debentures), the aggregate value of which shall not exceed ₹ 70,000,000,000/- (Rupees Seven Thousand Crores Only) from Financial Institutions/Banks and other agencies/Parties, issued/to be issued by the Company from time to time together with interest, additional interest, liquidated damages, commitment charges, premium on prepayment or on redemption and all other costs, charges and expenses including any increase as a result of devaluation/ revaluation/ fluctuation in the rates of exchange and all other moneys payable by the Company in terms of the Loan Agreement(s)/

Heads of Agreement(s), Debenture Trust Deed (s) or any other document, entered into/to be entered into between the Company and the lender(s)/Agent(s) and Trustee(s) in respect of the said loans/borrowing/ debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the lenders/Agents/Trustees.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company or the Company Secretary, be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers and Agreements as may be required and to take all necessary steps and do all necessary things in this regard in order to comply with all the legal and procedural formalities and further to authorize any of its Committee(s)/ Director(s) or any Officer(s) of the Company to do all such acts, deeds or things as it may in its absolute discretion deem necessary proper and fit.”

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

**“RESOLVED THAT** the consent of the members be and is hereby granted in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and the rules made thereunder to the Board of Directors to borrow from time to time all such sum(s) of money (including External Commercial Borrowings in foreign denominated currencies from any foreign sources/ foreign countries as prescribed by statutory guidelines, if any, in this regard) (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business of the Company) in such manner as may be deemed necessary and prudent for the purposes of the Company, notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company and outstanding (apart from the temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company i.e. reserves not set apart for any specific purposes, provided that the total amount borrowed/to be borrowed by the Board of Directors shall not, at any time, exceed the limit of ₹ 70,000,000,000/- (Rupees Seven Thousand Crores Only).

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any one of the directors of the Company or the Company Secretary, be and is hereby authorized to take all necessary steps and do all necessary things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things as it may in its absolute discretion deem fit. ”

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

**“RESOLVED THAT** pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing ₹ 1,500,000,000 (Rupees One Hundred Fifty Crores only) divided into 15,00,00,000 (Fifteen Crores) Equity Shares of ₹ 10/- each to ₹ 2,000,000,000 (Rupees Two Hundred Crores only) divided into 200,000,000 (Twenty Crores) Equity Shares of ₹ 10/- each ,ranking pari passu with the existing shares in the Company and that the existing Clause V of the Memorandum of Association of the Company be modified and substituted with the following:

- V. The Authorised Share Capital of the Company is ₹ 2,000,000,000 (Rupees Two Hundred Crores only) divided into 200,000,000 (Twenty Crores) Equity Shares of ₹ 10/- each with the power to increase, consolidate, decrease or to divide the Share Capital with or without any preference, priority or subject to any postponement of rights or to any conditions of restrictions, so that the conditions, of issue shall otherwise be subject to the power herein contained. The rights and privileges or conditions attached thereto may be altered or dealt with in accordance with the Clauses of the accompanying Articles of Association but not otherwise.

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution”

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, sub-section (2) of Section 150, sub Section (2) of Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement and as recommended by the Nomination and Remuneration Committee, Mr. John Mathew (DIN -01632626), who was appointed as an Additional Director of the Company pursuant to the provision of the section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company

## Bombay Rayon Fashions Limited

has received notice under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director and who qualifies for being appointed as an Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation under Section 149(13) of the Companies Act, 2013 and to hold office for a period upto 31st March 2020.

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary, be and is hereby authorised to do all such acts, deeds and things as are necessary to give effect to the resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee, Ms. Prachi Deshpande, (DIN - 02975271), who was appointed as an Additional Director pursuant to Section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received notice under section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary, be and is hereby authorised to do all such acts, deeds and things as are necessary to give effect to the resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee, subject to the requisite approval of the Central Government, if required, the approval of shareholders of the Company be and is hereby accorded for appointment of Ms. Prachi Deshpande (DIN -02975271) as a Whole-time Director (designated as Director - Secretarial & Corporate Affairs and also act as Company Secretary and Compliance Officer) of the Company for a period of one year with effect from 1st June, 2015 to 31st May, 2016 on a remuneration of ₹ 28,00,000/- p.a (exclusive of perquisites and allowances as may be applicable as per the Companies rules) on such terms and conditions as provided below, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions on recommendation of Nomination and Remuneration Committee, without further reference to the shareholders of the Company, in such manner as may be agreed to between the Board of Directors and Ms. Prachi Deshpande; subject to the provisions of Schedule V of the Companies Act, 2013.

“**RESOLVED FURTHER THAT** subject to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013, the remuneration as set out herein above be paid as minimum remuneration to Ms. Prachi Deshpande, notwithstanding that in any financial year during her tenure as a Whole Time Director, the Company has no profits or inadequate profits.”

“**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Ms. Prachi Deshpande within such prescribed limit or ceiling and as agreed between the Company and Ms. Prachi Deshpande without any further reference to the members in the General Meeting.”

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon recommendation of the Audit Committee of the Company, M/s K.S. Kamalakara & Co., Cost Accountants, Bangalore (Firm Registration No. 000296) the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial year ending

March 31, 2016, for annual audit fee/remuneration of ₹ 5,00,000/- (Rupees Five lacs only) plus applicable Government Taxes and reimbursement of travelling and actual out of pocket expenses incurred in relation to performance of their duties, be and is hereby ratified and approved;

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary be and is hereby authorised to do all such acts, deeds and things as are necessary to give effect to the resolution.”

By Order of the Board  
For **Bombay Rayon Fashions Limited**

**Prashant Agrawal**  
Managing Director  
DIN: 00019464

Place: Mumbai  
Dated: 14.08.2015

**Registered Office Address:**

D 1st Floor, Oberoi Garden Estates, Chandivali Farms,  
Chandivali, Andheri (East),  
Mumbai – 400072

**CIN:** L17120MH1992PLC066880

**TEL No:** +91 22 39858800

**Mail:** investors@bombayrayon.com

**Fax No :** +91 22 39858700

**Website:** www.bombayrayon.com

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND, AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, if any, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for the commencement of the meeting. Proxies submitted on behalf of the companies, etc, must be supported by appropriate resolution/authority, as applicable. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing given to the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a duly certified true copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Any members proposes to seek any clarification on the accounts requested to send the queries to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply to the same in the meeting.
6. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 and Register of contracts or arrangement in which director are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
7. The Register of the Members and the Share Transfer Books of the Company will remain closed from, Tuesday, 22nd September, 2015 to Tuesday, 29th September, 2015.
8. The Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013, for Special Business, setting out all material facts and the statement of particulars of Directors seeking appointment, as required under Clause 49 of the Listing Agreement are annexed hereto. The Directors have furnished the requisite consents / declarations for their appointment.
9. Member's attending the meeting are requested to bring with them, their copy of Annual Report and attendance slip attached herewith.

## Bombay Rayon Fashions Limited

10. The Annual Accounts of the Subsidiary Companies shall be available at the Registered Office of the Company for inspection by any shareholder.
11. Copies of the accounts of subsidiaries required by any shareholders will be provided on written request to the Company Secretary of the Company at the Registered Office of the Company.
12. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except on the date of the Meeting.
13. Members who hold share(s) in dematerialized form are requested to write their Client ID and DP ID and those who hold share(s) in physical form are requested to write their folio number in the attendance slip.
14. Members who would like to receive notices, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their email addresses and changes therein, from time to time, with Company's Registrar and Transfer Agent in respect of share(s) held in physical form and with respective Depository Participants (DP) where the share(s) are held in dematerialized form. Shareholders holding share(s) in physical form can send their email address for registration to investors@bombayrayon.com quoting the Folio Number and Name of the Company.
15. Pursuant to the provisions of Section 124 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends upto the financial year 2007-2008, to the Investor Education & Protection Fund (the IEPF) established by the Central Government.
16. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
17. 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 is pleased to provide members facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (hereinafter referred to as 'CDSL'). The instructions for members for voting electronically are as under:-
  - (A) (i) The voting period begins on 25th September, 2015 at 9.00 AM and ends on 28th September, 2015 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 22nd September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now, select "Bombay Rayon Fashions Limited" from the drop down menu & click on "Submit"
  - (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 [www.evotingindia.com](http://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"> <li>• 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 sequence number in the PAN field.</li> <li>• In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>

For Members holding shares in Demat Form and Physical Form	
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (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 Bombay Rayon Fashions Limited.
- (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) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:
- Please follow all steps from sl. no. (i) to sl. no. (xix) above, to cast vote.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## Bombay Rayon Fashions Limited

The voting rights of shareholders shall be in proportion to their share(s) of the paid up equity share capital of the Company as on the cut-off date (record date) of 22nd September, 2015. A person who is not a member as on the cut-off date should treat this notice for information purposes only. Member, who has voted electronically, shall not be entitled to vote at the Meeting.

18. The Company has appointed Mr. Himanshu S. Kamdar, Practicing Company Secretary, as a scrutinizer (the 'Scrutinizer') for conducting the voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.
19. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
20. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
21. The results declared along with the Scrutinizer's Report shall be placed on the Company's web-site [www.bombayrayon.com](http://www.bombayrayon.com) and on the web-site of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Ltd., where the shares of the Company are listed, and on the notice Board of its Registered and Corporate Offices.
22. In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is annexed. A member desiring to exercise vote by Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to Mr. Himanshu S. Kamdar, Scrutinizer, C/o Link Intime India Private Limited, Unit: Bombay Rayon Fashions Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078, Tel. No: 022-25946970, Fax No: 022- 25946969, E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) so as to reach him on or before 26th September, 2015, by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

**By Order of the Board  
For Bombay Rayon Fashions Limited**

**Prashant Agrawal**  
*Managing Director*  
DIN: 00019464

Place: Mumbai  
Dated: 14.08.2015

**Registered Office Address:**

D 1st Floor, Oberoi Garden Estates, Chandivali Farms,  
Chandivali, Andheri (East),  
Mumbai – 400072

**CIN:** L17120MH1992PLC066880

**TEL No:** +91 22 39858800

**Fax No :** +91 22 39858700

**Mail:** [investors@bombayrayon.com](mailto:investors@bombayrayon.com)

**Website:** [www.bombayrayon.com](http://www.bombayrayon.com)

## Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

### Item No. 5

It is proposed to amend the existing Articles of Association (hereinafter referred to as 'the Articles') of the Company to align them with the amendments brought out vide The Companies (Amendment) Act, 2015 no. 21 of 2015 dated 25th May, 2015 in the Companies Act, 2013 read with the Rules framed thereunder with regard to some by amending section 9, 12 and 223 of the Companies Act, 2013 about the requirement of Common Seal. Pursuant to these Amendments, requirement of common seal has become optional for the Companies. Accordingly, the clauses of the Articles of Association as mentioned in the Resolution are proposed to amend. Further in pursuance of the companies act, 2013 the company proposes to charge nominal fee for providing inspections/extract/copies of any statutory registers.

These amendments are procedural in nature and for smooth working of activities.

The proposed draft Articles of Association after incorporation of the above mentioned changes is available for inspection of the shareholders of Company at the registered office of company on all working days (during business hours) upto the date of Annual General Meeting.

The Board recommends the above resolution for your approval by way of a Special Resolution.

None of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities in which the Promoters, Directors or Key Managerial Persons are interested, are concerned or interested, financially or otherwise, in the above resolutions.

### Item No. 6 & 7:

With a view to accommodate the need for long term/short term borrowings including working capital requirement for the business the Company, it is proposed to obtain approval of the Members of the Company by way of passing of Special Resolution pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 for increase in the borrowing limit of the Company which shall not exceed ₹ 70,000,000,000/- (Rupees Seven Thousand Crores Only).

The enhanced borrowings of the Company may, if necessary, be secured by way of charge(s), mortgage(s) and/or hypothecation(s) on the Company's movable and/or immovable assets. For the said purpose, the Company seeks the approval of its members by way of passing of Special Resolution pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, for enabling the Board of Directors to create charge(s), mortgage(s) on and/or hypothecation(s) of the movable and/or immovable assets of the Company subject to a total limit of ₹ 70,000,000,000/- (Rupees Seven Thousand Crores Only)

In view of the requirements of the provisions of the Companies Act, 2013, the resolutions vide Item No.6 & 7 are proposed for the approval of the members of the Company.

None of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested in the above resolutions.

### Item No. 8

In order to keep a provision for issue of new shares to meet the requirements of achieving minimum public shareholding, it is proposed to increase its Authorized Share Capital and consequently alter its Memorandum of Association of the Company.

The Company proposes to increase its Authorized Share Capital from the present, ₹ 1,500,000,000 (Rupees One Hundred Fifty Crores only) divided into 150,000,000 (Fifteen Crores) Equity Shares of ₹ 10/- each to ₹ 2,000,000,000 (Rupees Two Hundred Crores only) divided into 200,000,000 (Twenty Crores) Equity Shares of ₹ 10/-, ranking pari passu with the existing shares in the Company

A draft of the altered copy of the Memorandum of Association of the Company is available for inspection to the shareholders/members of Company at the registered office of company on all working days (during its business hours) upto the date of Annual General Meeting.

As per the provisions of Section 13, 61 and 64 of the Companies Act, 2013, approval of members is necessary for increase in Authorised Share Capital and consequent alteration of Clause V of the Memorandum of Association as set out in Item Nos. 8 & 9 of the Notice respectively, by way of Special Resolution.

Your Directors recommend these resolutions for your approval.

None of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested in the above resolutions.

### Item No. 9 & 10

The Board of Directors of the Company has appointed Mr. John Mathew and Ms. Prachi Deshpande as Additional Directors of the Company on 22nd May, 2015 and June 1, 2015 respectively, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and the Articles of Association, both occupy office up to the date of ensuing Annual General Meeting.



## Bombay Rayon Fashions Limited

The Company is likely to get immense benefit from the experience of Mr. John Mathew as well as Ms. Prachi Deshpande. A brief resume of Mr. John Mathew and Ms. Prachi Deshpande is forming part of this notice.

Further, the Company has received notices under Section 160 of the Companies Act, 2013 with requisite amount of ₹ 1,00,000/- (Rupees One Lac) for both the Directors, from member proposing their candidature on the Board of the Company.

Also, the Board has satisfied itself that Mr. John Mathew fulfills all the conditions of being Independent Director as specified under Clause 49 of the Listing Agreement and Section 149 read with Schedule IV to the Companies Act, 2013.

The Board recommends both the resolutions for your approval.

Except Mr. John Mathew and Ms. Prachi Deshpande being interested in their respective appointments, none of the other Director(s)/ Key Managerial Personnel of the Company and/ or their relative(s) is concerned or interested financially or otherwise in this Resolution.

### Item No. 11:

Pursuant to provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to approval of members of the Company, the Board of Directors has appointed Ms. Prachi Deshpande as a Whole-time Director (Designated as Director - Secretarial & Corporate Affairs and to act as Company Secretary) of the Company of the Company with effect from 1st June, 2015 on remuneration of ₹ 28,00,000/- p.a (exclusive of perquisites and allowances as may be applicable as per the Company's rules).

Profile of Ms. Prachi Deshpande is given in the Annexure to this notice. The Board considers that the appointment of Ms. Prachi Deshpande as a Whole-time Director (Designated as Director - Secretarial & Corporate Affairs and to act as Company Secretary) of the Company would be of immense benefit to the Company. Accordingly the Board of Directors recommends her appointment as a Whole-time Director of the Company; whose period of office is liable to determination by retirement of directors by rotation.

The draft letter of appointment of the aforesaid Director as Whole-time Director, setting out the terms and conditions is available for inspection to the shareholders/members of Company at the registered office of company on all working days (during its business hours) upto the date of Annual General Meetings.

The members are hereby informed that the proposed remuneration of Ms. Prachi Deshpande is within the limits specified under the Companies Act, 2013 read with Schedule V thereto.

The Board recommends this Special resolution for your approval.

Except Ms. Prachi Deshpande, none of the other Director(s)/ Key Managerial Personnel of the Company and/ or their relative(s) is concerned or interested financially or otherwise in this Resolution.

### Item No. 12:

Pursuant to section 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company are required to ratify the payment of remuneration of ₹ 5,00,000/- per annum and reimbursement of out of pocket expenses and taxes as may be applicable to the Cost Auditors M/s K.S. Kamalakara & Co., Cost Accountants, Bangalore (Firm Registration No. 000296) as considered and approved by the Board of Directors for the Financial Year 2015-16, if and as may be applicable and directives issued by the Central Government.

The Audit Committee has recommended the above remuneration to be paid to the cost auditor.

The Board recommends the resolution for the approval of the Members.

None of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested in the above resolutions.

**By Order of the Board  
For Bombay Rayon Fashions Limited**

**Prashant Agrawal**  
Managing Director  
DIN : 00019464

Place: Mumbai  
Date: 14th August, 2015

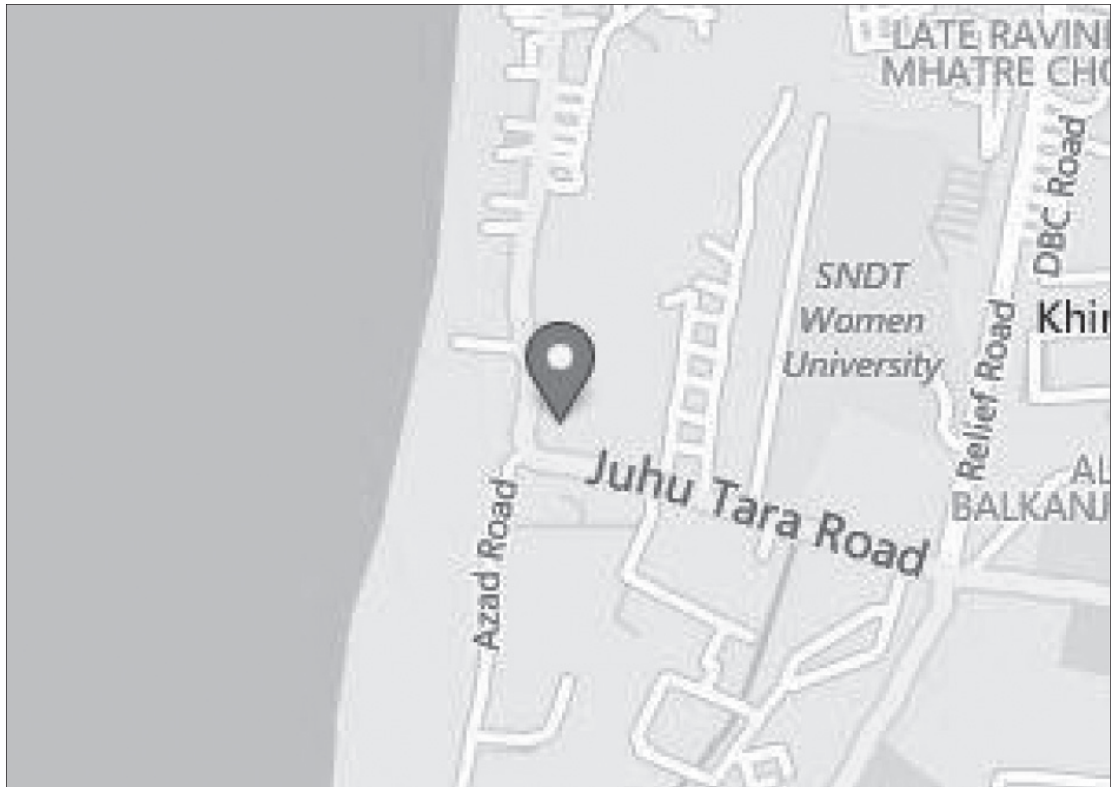
### REGISTERED OFFICE:

D-1st Floor, Oberoi Gardens Estates,  
Chandivali Farms Road, Chandivali,  
Andheri (East), Mumbai – 400 072

## Brief Resume of the Persons Proposed to be Appointed as the Directors of the Company at the Annual General Meeting in Accordance with Clause 49 of the Listing Agreement And Secretarial Standards ['SS - 2']:

<b>Name of the Director</b>	Mr. John Mathew	Ms. Prachi Deshpande
<b>Age</b>	53	36
<b>Date of first appointment on the Board</b>	22/05/2015	01/06/2015
<b>Qualifications</b>	B.Com, Advanced Accountancy	B.Com, LL B, C.S
<b>Shareholding in the Company</b>	NIL	NIL
<b>Nature of Expertise &amp; Experience</b>	Have 28 years of experiences in Banking, Project Finance & Fund Management,	Have 13 years of experiences comprising of fund raising by way of equity & debt, Secretarial & legal matters and Relationship with Bankers.
<b>Terms and Conditions of Appointment/re-appointment</b>	As per Resolution	As per Resolution
<b>(other brief terms also required to be stated)</b>	As per Resolution	As per Resolution
<b>Details of Remuneration sought to be paid</b>	As per Resolution	As per Resolution
<b>Remuneration last drawn</b>	N.A	N.A
<b>Number of Meetings attended during the year</b>	N.A	N.A
<b>Relationship with other Director, Manager and other Key Managerial Personnel of the Company</b>	None	None
<b>Other membership/Chairmanship of Committees of other Boards</b>	Member of Audit Committee of STI India Limited	N.A
<b>Justification for choosing the appointee for appointment as Independent Director</b>	Experience of Mr. John Mathew will be beneficial to the Company for its growth.	N.A
<b>Name of the other Companies in which also holds Directorship</b>	1. STI India Limited 2. Key2 Capital Private Limited	STI India Limited

**MAP OF AGM**









# BOMBAY RAYON FASHIONS LIMITED

Registered Office: D 1st Floor, Oberoi Garden Estates, Chandivali Farms, Chandivali, Andheri (East), Mumbai - 400072. • Tel: 022-3985 8800 • Fax: 022-3985 8700  
Website: www.bombayrayon.com Email: investors@bombayrayon.com  
CIN: L17120MH1992PLC066880

## ATTENDANCE SLIP

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]  
22nd Annual General Meeting

*Registered Folio No.			
DP ID No.		Client ID No.	

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the Twenty second Annual General Meeting of the Company to be held at Sheila Raheja Hall, Rotary Service Centre, Rotary Chowk, Juhu Tara Road, Santacruz (West), Mumbai – 400 049 at 04:00 p.m. on Tuesday, September 29th, 2015.

Name of the member / proxy (in BLOCK letters)

Signature of the member / proxy

Note: Member \ Proxy must bring the Attendance slip to the Meeting and hand it over duly signed, at the registration counter.

\*Applicable only in case of investors holding shares in Physical form



# BOMBAY RAYON FASHIONS LIMITED

Registered Office: D 1st Floor, Oberoi Garden Estates, Chandivali Farms, Chandivali, Andheri (East), Mumbai - 400072. • Tel: 022-3985 8800 • Fax: 022-3985 8700  
Website: www.bombayrayon.com Email: investors@bombayrayon.com  
CIN: L17120MH1992PLC066880

Form No. MGT-11

## PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]  
22nd Annual General Meeting

Name of the Member(s)			
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 Address	Email-ID	Signature : _____ or falling him/her
Name Address	Email-ID	Signature : _____ or falling him/her
Name Address	Email-ID	Signature : _____ or falling him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of Bombay Rayon Fashions Limited, to be held on Tuesday, September 29, 2015, at 04:00 p.m. at Sheila Raheja Hall, Rotary Service Centre, Rotary Chowk, Juhu Tara Road, Santacruz (W), Mumbai – 400 049, and/or any adjournment(s) thereof in respect of such resolutions as set out in this notice:

Resolution No.	Resolution	Vote (See Note no. 3)		
		For	Against	Abstain
<b>Ordinary Business</b>				
1.	Adoption of Audited Financial Statement together with the Report of the Board of Directors and Auditors for the financial year ended March 31, 2015			
2.	Approval for appointment of a Director in place of Mr. Janardhan Agrawal (DIN – 00019497), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment			
3.	Approval for appointment of a Director in place of Mr. A.R. Mundra (DIN – 00019234), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.			
4.	Appoint Statutory Auditors to hold office from the conclusion of this AGM till the conclusion of next AGM and to authorize the Directors to fix their remuneration.			
<b>Special Business</b>				
5.	Approval for Alteration in the Articles of Association of the Company.			
6.	Approval for mortgage, pledge, hypothecate or charge, in addition to the existing mortgages, hypothecation(s) and charges created up to an amount not exceeding ₹ 7,000 Crores			
7.	Approval of borrowing power not exceeding an amount of ₹ 7,000 crores over and above the paid-up capital, free reserves and securities premium account.			
8.	Approval for Increase in Authorized Share Capital upto ₹ 200 Crores.			
9.	Approval for appointment of Mr. John Mathew (DIN: 01632626) as an Independent Director of the Company.			
10.	Approval for appointment of Ms. Prachi Deshpande (DIN: 02975271) as a Director of the Company.			
11.	Approval for payment of Remuneration to Key Managerial Personnel.			
12.	Ratification of remuneration payable to M/s K.S. Kamalakara & Co., Cost Auditors.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

1) Signature of Proxy Holder : \_\_\_\_\_

2) Signature of Proxy Holder : \_\_\_\_\_

Signature of Member(s) : \_\_\_\_\_

Affix  
₹ 1.00  
Revenue  
Stamp

Note:

- This form of proxy in order to be effective should be duly completed and deposited at Registered Office at D - 1st Floor, Oberoi Garden Estates, Chandivali Farms, Chandivali, Andheri (East), Mumbai – 400 072, not less than 48 hours before the commencement of the Meeting.
- A person can act as Proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total Share Capital of the Company. A member holding more than ten percent of the total Share Capital of the Company may appoint a single person as a proxy and such person cannot act as a proxy for any other person or shareholder.
- It is optional to indicate your preference. If you leave the “For”, “Against” or “Abstain” column blank, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.







**Bombay Rayon Fashions Limited**  
[www.bombayrayon.com](http://www.bombayrayon.com)