



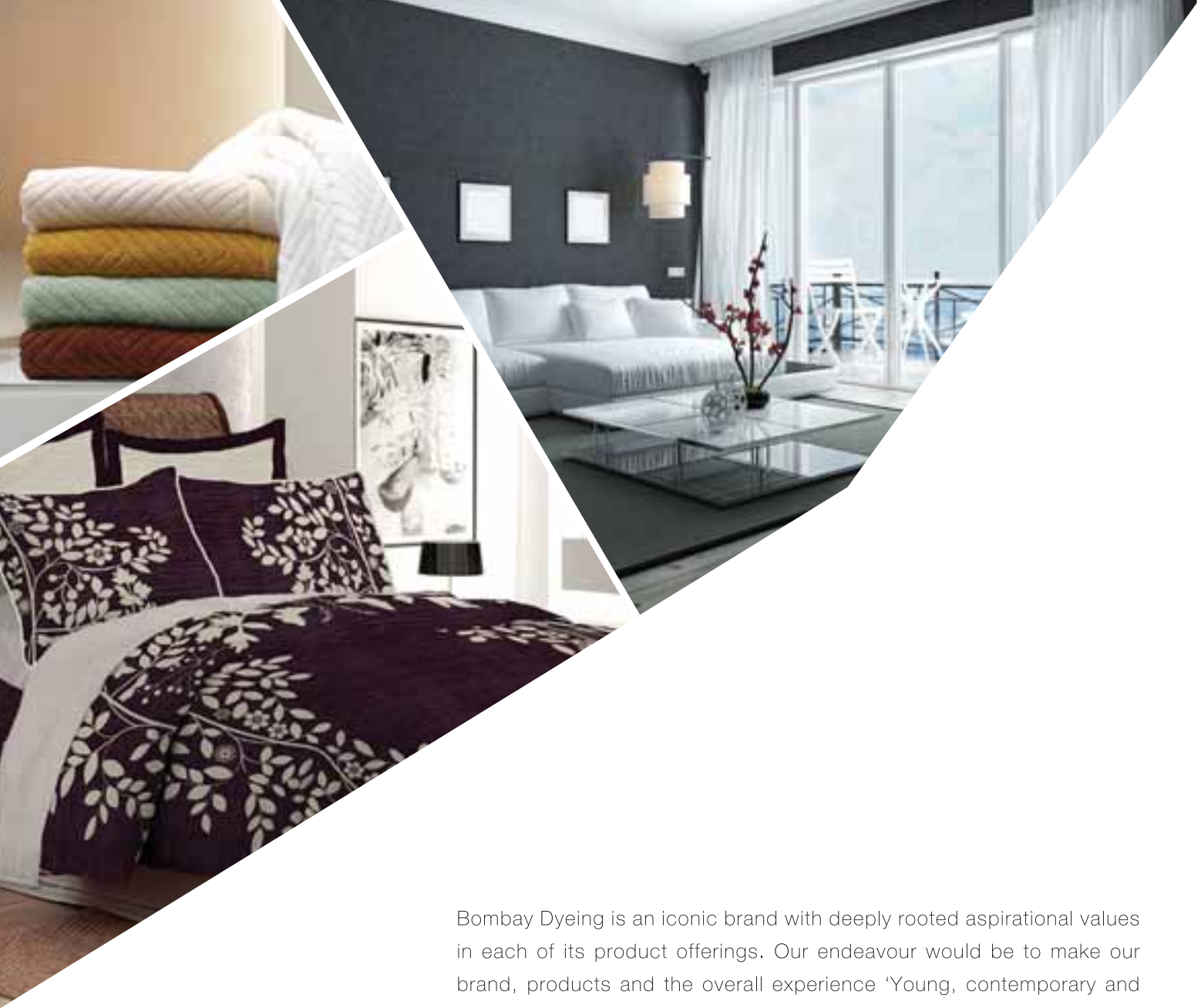
BOMBAY DYEING

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

Established 1879

Annual Report 2015-16





Bombay Dyeing is an iconic brand with deeply rooted aspirational values in each of its product offerings. Our endeavour would be to make our brand, products and the overall experience 'Young, contemporary and ever-evolving' in the eyes of our consumers.

Besides strengthening our traditional core values of superior quality, unparalleled product range for consumers cutting across different social spectra, our focus will be to grow our consumer franchise. We will do so through product innovations, offerings that cater to diverse consumer preferences and by expanding product availability on multi-channel platforms.

With the economic outlook positive and lower interest rates, the real estate market too will witness improved demand. This year will see the completion of key milestones for our luxurious development in the heart of Mumbai.

We will continue our efforts with zeal and enthusiasm to create a better future and offer better value to all our stakeholders.

CORPORATE INFORMATION

DIRECTORS

Nusli N. Wadia, *Chairman*

R. A. Shah

S. S. Kelkar

S. Ragothaman

A. K. Hirjee

S. M. Palia

Ishaat Hussain

Ness N. Wadia

Sheela Bhide

Jehangir N. Wadia, *Managing Director*

CHIEF EXECUTIVE OFFICERS

Debashis Poddar (*Textiles*)

Suresh Khurana (*PSF*)

CHIEF FINANCIAL OFFICER

Puspamitra Das

AUDITORS

Messrs. Kalyaniwalla & Mistry

REGISTERED OFFICE

Neville House, J. N. Heredia Marg,
Ballard Estate, Mumbai-400 001.

CORPORATE OFFICE:

C-1, Wadia International Center,
Pandurang Budhkar Marg,
Worli, Mumbai-400 025.
(CIN: L17120MH1879PLC000037)
Email: grievance_redressal_cell@
bombaydyeing.com
Phone: (91) (22) 66620000;
Fax: (91) (22) 66193262
Website: www.bombaydyeing.com

ADVOCATES & SOLICITORS

Messrs. Crawford Bayley & Co.
Messrs. Karanjawala & Co.
Messrs. Solomon & Roy
Messrs. Negandhi Shah & Himayatullah

REGISTRAR & TRANSFER AGENT

Corporate Office :

Karvy Computershare Private Limited
Unit: Bombay Dyeing
Karvy Selenium Tower B, Plot
31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad,
Telangana – 500 032, India
Telephone number: +91 40 6716 2222
Fax number: +91 40 2342 0814
E-mail: einward.ris@karvy.com
Website: www.karvycomputershare.com

Mumbai Office:

Karvy Computershare Pvt. Ltd.
Unit: Bombay Dyeing
24-B, Raja Bahadur Mansion
Ground Floor
Ambalal Doshi Marg
Behind BSE, Fort
Mumbai 400 001
Tel – 022 - 6623 5454/412/427

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NOTICE

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED (CIN : L17120MH1879PLC000037)

Registered Office: Neville House, J. N. Heredia Marg,
Ballard Estate, Mumbai – 400001.

Corporate Office: C-1, Wadia International Center,
Pandurang Budhkar Marg,
Worli, Mumbai – 400025.

Email: grievance_redressal_cell@bombaydyeing.com

Website: www.bombaydyeing.com

Phone: (91) (22) 66620000; Fax: (91) (22) 66193262

Notice is hereby given that the 136th Annual General Meeting of the Members of The Bombay Dyeing and Manufacturing Company Limited will be held at the Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021, on Wednesday, 10th August, 2016, at 3.45 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2016, together with the Report of the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Nusli N. Wadia (DIN: 00015731), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Kalyaniwalla & Mistry, Chartered Accountants, Mumbai, (ICAI Registration No. 104607W), be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, on such remuneration as shall be fixed by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS:

5. 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 all other applicable provisions of the Companies Act, 2013 (“the Act”) read with rule 14(a)(ii) of the Companies (Audit and

Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. N I Mehta & Co., Cost Accountants, Mumbai, (ICWA Registration No. 000023), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Polyester and Real Estate Divisions of the Company for the financial year ending 31st March, 2017, be paid the remuneration of ₹ 5,00,000/- (Rupees Five Lakh) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee (“NRC”), and approval of the Board of Directors (hereinafter referred to as “the Board”) and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V to the Companies Act, 2013, and pursuant to Articles 145 and 146 of the Articles of Association of the Company and subject to the approval of the Central Government, if and to the extent necessary, and such other approvals, permissions and sanctions as may be required, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Jehangir N. Wadia (DIN:00088831), as Managing Director of the Company for a period of 5 years with effect from 1st April, 2016 to 31st March, 2021, on such terms and conditions as the Board may consider appropriate.

RESOLVED FURTHER THAT the payment of remuneration to Mr. Jehangir N. Wadia may be on such terms and conditions as approved by the Nomination and Remuneration Committee and by the Board of Directors at their respective meetings held on 31st March, 2016, and as set out in the Explanatory Statement under Section 102 of the Companies Act, 2013, annexed to the Notice convening the 136th Annual General Meeting and in the Agreement to be entered into between the Company and Mr. Jehangir N. Wadia, a draft whereof duly initialed by the Chairman for purposes of identification is submitted to this Meeting, which Agreement is hereby specifically sanctioned with liberty and power to the Board of Directors (hereinafter referred to as “the Board”, which expression shall also include the Nomination and Remuneration Committee of the Board), in the exercise of its discretion, to fix and to revise from time to time the actual remuneration of Mr. Jehangir N. Wadia within the ceilings stipulated in the Agreement and to alter/vary/modify/amend from time to time the terms and conditions of the said appointment and remuneration and/or Agreement in such manner as may be agreed to between the Board and Mr. Jehangir N. Wadia, provided that such alteration/variation/modification/amendment is in conformity with the applicable provisions of the Act, as amended from time to time.

RESOLVED FURTHER THAT where in any financial year comprised in the period of any three years, during the currency of tenure of 5 years of Mr. Jehangir N. Wadia as Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay Mr. Jehangir N. Wadia remuneration as determined from time to time by the Board pursuant to the authority vested in them in terms of this Resolution, subject to compliance with the applicable provisions of Schedule-V to the Act, with the approval of the Central Government, if and to the extent necessary AND THAT such remuneration shall be treated as the minimum remuneration payable to Mr. Jehangir N. Wadia in the absence of inadequacy of profits, in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule-V to the Act.

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary or Chief Financial Officer of the Company, be and are hereby severally authorized to do all necessary acts, deeds, matters and things as may be considered necessary and desirable to give effect to this Resolution."

7. To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the earlier resolution passed at the 134th Annual General Meeting of the members of the Company held on 8th August, 2014, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; Provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of ₹ 3,000 crore (Rupees Three Thousand crore) apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company's bankers in the ordinary course of business.

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

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

"RESOLVED THAT in supersession of the earlier resolution passed at the 134th Annual General Meeting of the Company held on 8th August, 2014, the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of

Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for creating such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties of the Company wheresoever situate, both present and future, on such terms, at such time, in such form and in such manner as the Board may deem fit, together with power to take over the management of the business and concern of the Company in certain events in favour of all or any of the following, namely: Banks, Financial Institutions, Insurance Companies, Investment Institutions, other investing agencies, Bodies Corporate incorporated under any statute and trustees for the holders of debentures/secured premium notes/bonds/other securities/debt instruments, and other secured lenders (hereinafter referred to as "the Lenders") to secure repayment of any loans (both rupee loans and foreign currency loans) and/or any other financial assistance and/or guarantee facilities already obtained or that may hereafter be obtained from any of the Lenders by the Company, and/or to secure redemption of debentures (whether partly/fully convertible or non-convertible)/secured premium notes/bonds/other securities/debt instruments and/or rupee/foreign currency convertible bonds and/or bonds with share warrants attached, already issued or that may hereafter be issued by the Company, together with all interest, compound additional interest, commitment charge, liquidated damages, premium on prepayment or on redemption, trustees' remuneration, costs, charges, expenses and all other moneys including revaluation/devaluation/fluctuation in the rates of foreign currencies involved, payable by the Company to the Lenders concerned, in terms of their respective Loan Agreements/Heads of Agreements/Hypothecation Agreements/Trustees Agreements/Letters of Sanction/Memorandum of terms and conditions/Debenture Certificates entered into/to be entered into/issued/to be issued by the Company; Provided that the total borrowings of the Company (exclusive of interest) whether by way of loans and/or any other financial assistance and/or guarantee facilities and/or issue of debentures/secured premium notes/other securities/debt instruments to be secured as aforesaid (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) shall not at any time exceed the limit of ₹ 3,000 crore (Rupees Three Thousand crore) apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company's bankers in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise and execute with any of the Lenders jointly or severally, the documents, instruments and writings for creating aforesaid mortgage/charge and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for implementing the aforesaid Resolution and to resolve any question, difficulty or doubt which may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

By Order of the Board of Directors,
FOR THE BOMBAY DYEING & MFG. CO. LTD.

Puspamitra Das
Chief Financial Officer

Mumbai, 27th May, 2016

Notes:

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable. The proxy holder shall provide his identity at the time of attending the meeting. The proxies shall be available for inspection during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting.
- b. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to the Special Business at the meeting, is annexed hereto and forms a part of the Notice.
- c. Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees and shareholding, are hereto annexed as 'Annexure I'.
- d. The Register of Members and the Share Transfer Books of the Company will be closed from Friday, 29th July, 2016 to Wednesday, 10th August, 2016 both days inclusive.
- e. The dividend as recommended by the Board of Directors, if approved by the members at the 136th Annual General Meeting, shall be paid on or after Thursday, 11th August, 2016 to those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Registrar & Share Transfer Agents of the Company on or before 28th July, 2016 in respect of shares held in physical form. In respect of shares held in electronic form, the dividend for the year ended 31st March, 2016 will be paid on or after Thursday, 11th August, 2016, to the beneficial owners of shares as at the closing hours of 28th July, 2016 as per details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
- f. Members are requested to notify immediately any change of address:
- to their Depository Participants (DPs) in respect of their electronic share accounts, and
 - to the Company's Registrar & Share Transfer Agents in respect of their physical share folios, if any, quoting their folio numbers, at their address given below:

Karvy Computershare Private Limited
(Unit : Bombay Dyeing)
Karvy Selenium Tower B, Plot 31-32,Gachibowli,
Financial District, Nanakramguda, Hyderabad,
Telangana – 500 032, India
Telephone number: +91 40 6716 2222
Fax number: +91 40 2342 0814
E-mail: einward.ris@karvy.com

- g. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, members holding shares in physical form are requested to provide bank account details to the Company or its Registrar and Share Transfer Agents.
- Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
- h. Pursuant to the provisions of Section 205A and 205C and other applicable provisions of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), dividends for the financial year ended 31st March, 2009 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates of transfer to the unpaid dividend account of the Company are due for transfer to the Investor Education & Protection Fund (IEPF) on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to IEPF
2008-09	28.08.2009	27.08.2016	03.11.2016
2009-10	11.08.2010	10.08.2017	17.10.2017
2010-11	04.08.2011	03.08.2018	10.10.2018
2011-12	07.08.2012	06.08.2019	13.10.2019
2012-13	06.08.2013	05.08.2020	09.10.2020
2013-14	08.08.2014	07.08.2021	11.10.2021
2014-15	06.08.2015	05.08.2022	09.10.2022

Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim to the Company's R&TA at the aforesaid address immediately quoting their folio number/ DP ID & Client ID.

- i. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death.

The prescribed form can be obtained from the Company's Office at C-1, Wadia International Center (Bombay Dyeing), Pandurang Budhkar Marg, Worli, Mumbai - 400025 or from its R&TA at their aforesaid address.

- j. As part of the Company's Green Initiative, the Company will send documents like Notice convening the general meetings, Financial Statements, Directors' Report, etc. to the e-mail address provided by the members.

We, therefore appeal to the members to be a part of the said 'Green Initiative' and request the members to register their name for receiving the said documents in electronic mode by sending an email giving their Registered Folio Number and/or DP ID/Client ID to the dedicated email address at einward@karvy.com and register their request.

- k. Members intending to require information about the Financial Accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available.
- l. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.
- m. Members are requested to bring their copy of the Annual Report to the meeting.
- n. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 136th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL):

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 7th August, 2016 at 9.00 a.m. and ends on 9th August, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 3rd August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders".
- (iv) Now Enter your User ID:
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the password provided in the attendance slip
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv)

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for The Bombay Dyeing & Mfg. Co. Ltd., on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT".

- A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details 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 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.
- (xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.
- o. Mr. P. N. Parikh (FCS 327), and failing him, Ms. Jigyasa Ved (FCS 6488) from M/s. Parikh & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
- p. The Scrutinizer shall within a period not exceeding two (2) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- q. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.bombaydyeing.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and shall also be communicated to the NSE and BSE Limited.
- r. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.
- s. All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the Corporate Office of the Company during business hours, except on holidays, upto and including the date of Annual General Meeting of the Company.
- t. The Annual Report of the Company circulated to the members of the Company will be made available on the Company's website at www.bombaydyeing.com.

By Order of the Board of Directors,
FOR THE BOMBAY DYEING & MFG. CO. LTD.

Puspamitra Das
 Chief Financial Officer

Mumbai, 27th May, 2016

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item 5

The Board of Directors on the recommendation of the Audit Committee have approved the appointment M/s. N. I. Mehta & Co., Cost Accountants, Mumbai, (ICWA Registration No. 000023) as Cost Auditors at a remuneration of ₹ 5,00,000/- (Rupees Five Lakh only) plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit for the financial year 2016-17. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Corporate Office of the Company during 11.00 A.M to 1.00 P.M and shall also be available at the meeting.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2017.

None of the Directors and Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board of Directors recommends the resolution set out at Item 5 of the Notice for approval by the shareholders.

Item 6

Mr. Jehangir N. Wadia (hereinafter referred to as "Mr. Wadia") was appointed as the Managing Director ("MD") of the Company by the Board for a period of 5 years with effect from 1st April, 2011. His term as MD of the Company expired on 31st March, 2016.

The Board of Directors at its meeting held on 31st March, 2016, proposed to re-appoint Mr. Wadia as Managing Director of the Company pursuant to provisions of Sections 196, 197, 198 and 203, read with Schedule-V and other applicable provisions, if any, of the Companies Act, 2013, for a further period of five years with effect from 1st April, 2016 upto 31st March, 2021 on such terms and conditions including remuneration to be recommended by the Nomination and Remuneration Committee and to be set out in the Agreement to be entered between the Company and Mr. Wadia.

The material terms of his appointment contained in the draft Agreement proposed to be entered into by the Company with Mr. Wadia are summarized below:

1. Mr. Wadia will serve the Company as Managing Director for a term of 5 years with effect from 1st April, 2016.
2. Mr. Wadia shall carry out such functions, exercise such powers and perform such duties as the Board shall, from time to time, in their absolute discretion determine and entrust to him.
3. Mr. Wadia shall devote his whole time and attention to the business of the Company, exert his best endeavours to promote its interests and welfare and attend his place of employment at all proper times.
4. (i) Mr. Wadia shall undertake such travelling in and outside India as may be necessary in the interest of the Company's

business or as may from time to time be required or directed by the Board in connection with or in relation to the business of the Company.

- (ii) Mr. Wadia shall be entitled to reimbursement of all expenses including travelling, entertainment/business promotion and other out-of pocket expenses incurred by him in connection with or in relation to the business of the Company.

5. In consideration of the performance of his duties, Mr. Wadia shall be paid the following remuneration:

Basic Salary upto a maximum of ₹ 15,00,000/- per month.

Benefits, perquisites and allowances including housing as may be determined by the Nomination & Remuneration Committee or the Board of Directors from time to time, or as may be applicable in accordance with the rules and policies of the Company, upto a maximum of ₹ 37,50,000/- per month.

Reimbursement of actual medical expenses incurred on self and family (wife and children).

Bonus as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee based on performance criteria, upto a maximum of ₹ 1,00,00,000/-.

Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the Rules of the Company and shall not form the part of remuneration to the extent excluded as per Section IV of Part II of Schedule-V to Section 197 of Companies Act, 2013.

Entitled to leave in accordance with the policy of the Company.

For the purpose of computing the ceilings, wherever applicable, perquisites would be valued as per the Income Tax Rules, 1962, and provision for use of car for official duties and telephone at residence (including payment for local calls and long distance official calls) and Company's cars with drivers shall not be included in such computation.

The aggregate of the remuneration shall be within the maximum limits as laid down under provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013, and shall be subject to the approval of the Central Government, if and to the extent necessary.

The contribution to provident fund, superannuation fund or annuity fund, if any, which shall not exceed 27% of the remuneration or such higher percentage as permissible under Rule 87 of the Income Tax Rules, 1962, and gratuity, if any, payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure as per the rules/policies of the Company, which shall not be included in the computation of the ceilings on remuneration.

The Nomination and Remuneration Committee or the Board of Directors may, at its discretion, fix the actual remuneration of Mr. Wadia and revise the same from time to time, within the maximum limits specified hereinabove.

During the tenure of 5 years of his appointment if the Company for any period of 3 financial years has no profits or its profits are inadequate, the Company shall pay Mr. Wadia remuneration as determined from time to time by the Nomination and Remuneration Committee or the Board of Directors pursuant to the authority vested in them, subject to compliance with the applicable provisions of the Schedule-V to the Act, with the approval of the Central Government, if and to the extent necessary AND THAT such remuneration shall be treated as the minimum remuneration payable to Mr. Wadia in the absence or inadequacy of profits, in accordance to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013.

6. The rules and policies of the Company which are applicable to other senior executives of the Company shall also apply to Mr. Wadia.
7. Mr. Wadia shall not be paid any sitting fees for attending Meetings of the Board or of any Committee thereof.
8. Mr. Wadia shall not, as long as he functions as MD of the Company, become interested or otherwise concerned directly or indirectly in any contract with the Company as contemplated under Section 188 of the Act without the prior approval of the members of the Company.
9. Mr. Wadia shall not, except in the proper course of his duties during the continuance of his employment with the Company or any time thereafter divulge or disclose to any persons whomsoever or make use whatsoever for his own purpose or for any purpose of any information or knowledge obtained by him during his employment as to the business and/or affairs of the Company and/or trade secrets or secret processes of the Company.
10. Mr. Wadia shall not in the event of his ceasing to be MD of the Company before the expiry of the term of 5 years, for the remainder of such period:
 - (a) either alone or jointly with or as an employee of any person, firm or company, directly or indirectly, carry on or engage in any activities or business which shall be in competition with the business of the Company; and
 - (b) in connection with carrying on any business similar to or in competition with the business of the Company on his behalf or on behalf of any person, firm or company, directly or indirectly:
 - (i) seek to procure orders or do business with any person, firm or company, who has at any time during the two years, immediately preceding such cessation of employment, done business with the Company; or
 - (ii) endeavour to entice away from the Company any person who has at anytime during the two years immediately preceding such cessation of employment, done business with, or engaged by, the Company.

Provided that nothing in this clause shall prohibit seeking or procuring of orders or doing of business not related or similar to the business/businesses of the Company.

11. The employment of Mr. Wadia shall forthwith determine if he becomes insolvent or cease to be a Director of the Company. He shall cease to be a Director if the Agreement is terminated and he ceases to be employed as MD.
12. If Mr. Wadia be guilty of any misconduct or any breach of the Agreement which in the opinion of the Board may render his retirement from the office of MD desirable, the Company may by not less than 30 days notice in writing to him determine the Agreement and he shall cease to be MD of the Company upon the expiration of such notice.
13. Either party shall be entitled to terminate the Agreement by giving not less than six calendar months' prior notice in writing in that behalf to the other party; provided that the Company shall be entitled to terminate Mr. Wadia's employment at any time by payment to him of six months' basic salary in lieu of such notice.
14. If Mr. Wadia ceases to be MD of the Company, he shall be deemed to have resigned from the office of Director as and from the date of such cessation.

The Board will have the authority to vary/modify/amend any of the aforesaid terms and conditions provided such variation/modification/amendment is in conformity with the applicable provisions of the Act as amended from time to time.

The Directors consider the aforesaid remuneration commensurate with the duties and responsibilities of Mr. Wadia.

Approval of the members is being sought by way of special resolution for payment of minimum remuneration in excess of the ceiling specified in Part B of Section II of Part II of Schedule-V to the Act for any period of 3 years during his tenure of 5 years of appointment, and necessary application will be made to the Central Government for approval of such payment.

The draft Agreement to be entered into by the Company with Mr. Wadia is available for inspection by the members at the Corporate Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting.

Mr. Jehangir N. Wadia, Mr. Nusli N. Wadia and Mr. Ness N. Wadia, who are related to each other, are concerned or interested in the Resolution at Item 6 as it relates to the appointment and remuneration of Mr. Jehangir N. Wadia, as Managing Director.

This may also be treated as an abstract of the terms of the Agreement between the Company and Mr. Jehangir N. Wadia, when executed, and memorandum of interest pursuant to Section 190 of the Act.

Mr. Jehangir N. Wadia being Managing Director would not be liable to retire by rotation in terms of the Articles of Association of the Company.

The other Information as required under Section II of Part II of Schedule-V of the Companies Act, 2013 is given below:

I. GENERAL INFORMATION

1	Nature of Industry	Manufacturing			
2	Date or expected date of commencement of commercial Production	Not Applicable (The Company is an existing company)			
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4	Financial performance based on given indicators	Particulars	(in ₹ crores) Financial years		
			2015-16	2014-15	2013-14
		Total Revenue	1983.72	2566.75	2822.68
		Profit/(Loss) After Tax	(85.24)	24.56	24.34
5	Foreign investments or Collaborators, if any	Nil			

II. INFORMATION ABOUT THE MANAGING DIRECTOR

1. Background details :

Mr. Jehangir N. Wadia, 43, is a Master in Science from the Warwick University in Coventry, UK. He is the co-author of the restructuring of the Wadia Group. The restructuring involved looking at new financial and strategic investments for the group. The investments concluded ranged from a Venture Fund for technology companies to Ports, Clinical research, Education, Real Estate and Aviation. At present he is Managing Director of the Company and Go Airlines (India) Ltd. (a low cost Airline in India). He is also a Director on the Boards of Britannia Industries Limited, The Bombay Burmah Trading Corp. Ltd, Wadia Techno-Engineering Services Limited & others. He is also a member of Stakeholder Relationship Committee of the Company and Britannia Industries Limited.

2. Past remuneration :

FINANCIAL YEAR	AMOUNT EXCLUDING RETIRAL BENEFITS (in ₹)
2013-14	4,72,33,607/-
2014-15	5,06,55,098/-
2015-16 (Proposed subject to Central Govt.'s approval)	6,53,78,855/-

3. Recognition or awards:

The World Economic Forum elected him as a Young Global Leader in the year 2008.

4. Job profile and his suitability:

Over and above what is mentioned in background details in item II (1) above, Mr. Wadia is a part of the Senior Management and Key Managerial Personnel, responsible for the operations and affairs of the Company. Taking into consideration his qualification and expertise in relevant fields, he is suited for the responsibilities assigned to him by the Board of Directors.

5. Remuneration proposed:

Please refer to paragraph 5 of the material terms of appointment summarized above.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

The remuneration payable to Mr. Jehangir N. Wadia has been benchmarked with the remuneration being drawn by similar positions in Manufacturing Industry and has been considered by the Nomination and Remuneration Committee ("NRC") of the Company at their meeting held on 31st March, 2016, for financial year 2016-17.

7. Mr. Jehangir N. Wadia has no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholdings in the Company.

8. Mr. Jehangir N. Wadia holds 2,87,525 number of shares in the Company.

III. OTHER INFORMATION

A. Reasons for loss or inadequacy of profits:

Bombay Realty (BR)

- During the Financial year 2015-16, the market for residential property has been sluggish due to higher interest rates and lower economic growth.
- Initially, the Company prepared layout and design of One ICC and Two ICC, Buildings being developed at Dadar with 300 mt. height. It was proposed to construct 70 floors habitable for One ICC and 68 habitable floors for Two ICC apart from basement for car parking and podium.

However, sometime in August 2013, the Airport Authority approved the height of One ICC at 217 mt and Two ICC at 237 mt. Under this circumstance, the Company had to once again revise the Building layout.

Total habitable floors would be 53 for One ICC and 59 floors for Two ICC. There would be 3 levels of basement for car park. This has resulted in reduction in 115 apartments compared to earlier design which would have overall impact on profit of the Project.

- As part of the Textiles Mills land development, the Company was required to handover certain area of land situated at Spring Mills and Textile Mills to MHADA and MCGM. After various hearings at the Supreme Court and the Bombay High Court during FY 2013-14, the Bombay High Court vide its order dated 20th November, 2013 permitted the Company to surrender land at one location, i.e. Spring Mills. Company has handed over 66,651 sq. m. of land as aforesaid. The Company has commenced the construction from January 2015 at ICC after handing over the land. The Company is optimistic that, it would have positive impact on the Company's business.
- In a Writ Petition filed by a union contending that BDMC has to also share non-textile mill land on which the erstwhile grain godown, slums/chawls are situated, the court has directed that, BDMC reserve an additional 10,000 sq. mtrs. of land adjacent to the land to be surrendered to MHADA as an interim order.

Legal issues resulted in delay in commencement of construction and had negative impact on real estate business of the Company.

Textiles Division

The Company had obtained an approval from the shareholders through a Postal Ballot in June 2015, for sale of the Textile Unit at Ranjangaon, Maharashtra. The Company is in the process of negotiation with prospective buyers. In view of the proposed sale the operation at the Company's textile unit at Ranjangaon has been temporarily suspended from June 2015.

Home & You

The financial year 2015-16 was soft for the domestic textile market. The category saw volume as well as value pressure led by weak demand and influx of cheaper alternatives from unorganised sector and international markets. The Division's gross revenue for 2015-16 was ₹ 306 crore as against ₹ 407 crore in the previous year.

PSF Division

The Division achieved a turnover of ₹ 1,168 crore during the year as compared to ₹ 1,498 crore in the previous year. Sharp drop in crude oil and petrochemical prices during the year resulted in steep decrease in polyester prices and thereby reduction in turnover of the Division. The average capacity utilization at 91% was lower than 93% achieved in the previous year but significantly better than the industry average capacity utilization of below 80% during the financial year.

The domestic polyester staple fibre industry witnessed weak market sentiments during financial year 2015-16, reflecting

an overall growth of 2% compared to the previous year. However, PSF imports increased by close to 25% in volume far exceeding the growth in domestic demand. Increased volatility in raw material prices and increased imports at cheap prices has posed challenges to Polyester business. The Division has therefore recorded a negative sales volume of 6% compared to previous year.

B. Steps to improve profitability

On an ongoing basis, the Company continues to take steps for cost reduction and improve the profitability. Following are some of the specific measures taken by it to control costs and improve its competitive position and performance of the Company:

Organisation structure for support services within the organization has been revised to reduce overhead cost. The management has identified areas of cost reductions, particularly in the areas of IT, Finance, HR, and same are being implemented.

Optimize the capacity utilization of the manufacturing unit at Patalganga (PSF).

Outsource of manufacturing of Textiles to reduce cost.

Bombay Realty:

The Company has appointed M/s. Larsen & Toubro Ltd. as the main contractors for construction of One ICC and Two ICC at a contracted amount of over ₹ 1200 crores.

The Company has also appointed M/s. Hill International Project Management (India) Pvt. Ltd. as Project Management Consultant.

M/s. Sunjaay Athanki Projects Management Pvt. Ltd. (earlier known as M/s Gardiner & Theobald India Construction and Property Consultancy Pvt. Ltd.) have been appointed as Project Quantity Surveyor.

M/s Larsen & Toubro Ltd. has also been appointed as the General Contractor for Slum Rehabilitation building on Design-Build / Lumpsum basis.

With the commencement of construction of two iconic towers, One ICC and Two ICC in 2014-15, the profitability of Bombay Realty will improve.

Home & You (Textiles Division):

- (i) The Division will continue to explore the opportunity for the Retail Domestic Sales (RDS) business to improve significantly its sales, profit and Brand image on the strength of the 'Bombay Dyeing' Brand.
- (ii) The Division has identified several focus areas viz. Product, Sales/Distribution/Retail, pricing, People, Brand/Advertising & Systems/Processes to bring improvement in RDS Business. The main focus areas are as under:
 - Launch of new retail brand "Home & You"
 - Open number of new "Home & You" stores and convert 50 existing Bombay Dyeing stores to "Home & You"

- Launch a new Omni Channel E-Com portal
- Further improve and expand the distribution coverage and efficiency
- Improve the brand presence and shelf space in LFS channel through SIS model
- Optimize the warehouse network to reduce transportation cost
- Mode Margins will improve because of better sourcing and enrichment of product and sales mix
- Costs will be reduced due to improvement in productivity and efficiency of sourcing and supply chain
- Awards and Accolades- Our efforts in improving our Brand Image has been recognized during 2013-14 as under:
 - CNBC Textile Conclave 2013 Award "Best Domestic Retail Brand - Made Ups & Home Textile"
 - WORLD BRAND CONGRESS – Global Brand Excellence Awards "Brand Revitalisation Award"

PSF Division:

The Division is continuing to pursue improved product mix with higher percentage of value added specialty products like black, optical white, micro and trilobal fibres to improve sales realization and margins.

The Company has commissioned coal based steam boiler at PSF plant instead of gas to reduce energy cost.

Steps are being taken to reduce other energy and power cost to help improve margin.

Considerable improvement has been achieved in waste reduction. Waste YTD was 1.94 %, against previous year 2.08%.

The PSF Division continues to drive cost reduction measures in the area of production such as substituting usage of material, reduction in process wastages, lower consumption of chemicals and catalyst etc. which will result in significant cost reduction over a period of time.

C. Impact of improvement measures

These steps initiated during the course of the year has already started showing some impact and the full impact of these measures would be realized from the year 2016-17 onwards.

15. The proposed remuneration is quite commensurate with Mr. Jehangir Wadia's qualification and experience and in line with the norms generally prevailing in the industry. It is only reasonable that his salary must be protected even when the Company has inadequate profits or loss in any financial year.

Considering all the legal hurdles resolved and construction work commenced at One ICC and Two ICC, the Company would do much better from FY 2016-17. Further, with the improvement in the cash flow from the customers progressively with the construction, the interest cost will come down going forward from 2016-17.

It may be noted that construction industry is highly technical and subject to several ever changing Regulatory approvals and compliances. At the same time, customers expect completion of the Project in time with the best quality of workmanship.

The Industry wage structures are also high and Company has to pay aggressive remuneration to recruit and retain high performing managers. Considering this, remuneration paid to Mr. Jehangir N. Wadia is commensurate with the market and the Company practice.

The Board of Directors recommends the resolution set out at Item 6 of the Notice for approval by the shareholders.

Item Nos. 7 and 8:

The Members of the Company, at the 134th Annual General Meeting of the Company held on 8th August, 2014, had accorded by way of a Special Resolution, their approval to the Board of Directors of the Company and/or a Committee thereof for borrowing monies on behalf of the Company, from time to time, upto an aggregate amount (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) upto ₹ 2,000 Crores. As per Section 180(1)(c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up capital of the company and its free reserve. To meet the fund requirements of the company, the Company may require to borrow from time to time by way of loans and/or issue of Bonds, Debentures or other securities and the existing approved limit may likely to be exhausted in near future and it is therefore recommended to enhance the borrowing limits of the Company upto ₹ 3000 Crore (Rupees Three Thousand Crore Only) requires approval from the shareholders of the Company by way of a Special Resolution given at Item No. 7 of the Notice.

The borrowings of the Company may, if necessary, be secured by way of charge/mortgage/pledge/hypothecation on the Company's assets comprising of the movable and/or immovable, tangible/intangible properties of the Company, present or future, in favour of the lender(s)/agent(s)/trustee(s) from time to time, in such form, manner and ranking as mentioned in the Resolution at Item No. 8. The documents relating to charge and/or mortgage and/or pledge and/or hypothecation in favour of the lender(s)/agent(s)/trustee(s) may contain the provisions to take over substantial assets of the Company in certain events with a power to take over the management of the business and concern of the Company, which may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

As per Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the Company, only with the consent of the Company by a Special Resolution.

The Resolution under Item No. 8 is therefore proposed to be passed to seek consent of shareholders for creation of charge/mortgage/pledge/hypothecation to secure borrowings subject to the limits approved under Section 180(1)(a) of the Companies Act, 2013 and temporary loans obtained from the Company's Bankers in the ordinary course of business.

None of the Directors and the Key Managerial Personnel of the Company, including their relatives, is in any way, concerned or interested, financially or otherwise, in the said resolutions.

The Board of Directors recommends the special resolutions set out at Items 7 and 8 of the Notice for approval by the shareholders.

By Order of the Board of Directors,
FOR THE BOMBAY DYEING & MFG. CO. LTD.

Puspamitra Das
Chief Financial Officer

Mumbai, 27th May, 2016

Registered Office:

Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.
(CIN : L17120MH1879PLC000037)
Email: grievance_redressal_cell@bombaydyeing.com,
Website: www.bombaydyeing.com
Phone: (91) (22) 66620000, Fax: (91) (22) 66193262

ANNEXURE I TO THE NOTICE

Brief resume of Directors proposed to be appointed/re-appointed.

1. Mr. Nusli N. Wadia

Mr. Nusli N. Wadia, 72, was inducted on the Company's Board in 1968. In 1970, he was appointed as its Joint Managing Director. Since April, 1977, he has been the Chairman of the Company. Mr. Wadia has contributed actively in the deliberations of various organizations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), Millowners' Association (MOA), Associated Chambers of Commerce & Industry, etc. He is the former Chairman of TEXPROCIL and MOA. Mr. Wadia was appointed on the Prime Minister's Council on Trade & Industry during 1998 to 2004. He was the Convenor of the Special Group Task Force on Food and Agro Industries Management Policy in September, 1998. He was a Member of the Special Subject Group to review regulations and procedures to unshackle Indian Industry and on the Special Subject Group on Disinvestment. He was a member of ICMF from 1984-85 to 1990-91. He is on the Managing Committee of the Nehru Centre, Mumbai. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable and educational institutions.

Name of other companies in which he holds directorships*

The Bombay Burmah Trading Corporation Limited, Britannia Industries Ltd., Go Airlines (India) Limited, Wadia Techno - Engineering Services Limited, Tata Steel Ltd., Tata Chemicals Ltd., Tata Motors Ltd. and 6 foreign companies.

Committee Membership:

Nominations & Remuneration Committee of the Boards of The Bombay Dyeing & Mfg. Co. Ltd., The Bombay Burmah Trading Corpn. Ltd., Britannia Industries Ltd., Go Airlines (India) Limited, Tata Motors Ltd. (Chairman), Tata Chemicals Ltd. (Chairman); and Tata Steel Limited (Chairman),

He is a Promoter of the Company and does not hold any shares in the Company.

2. **Mr. Jehangir N. Wadia's** profile is already furnished in the explanatory statement attached to the Notice of the Annual General Meeting.

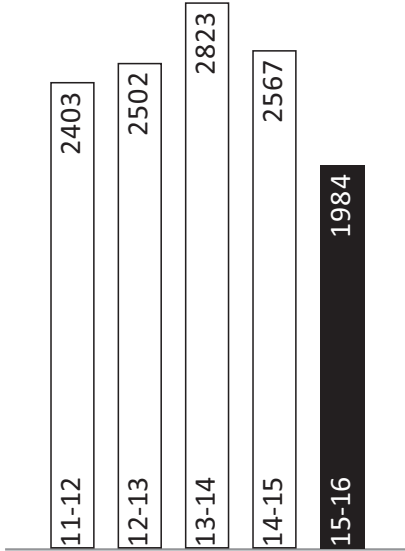
ROUTE MAP TO AGM VENUE



FINANCIAL PERFORMANCE

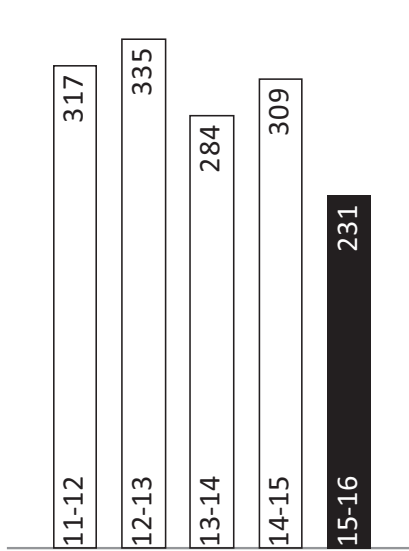
TOTAL REVENUE

₹ in crores



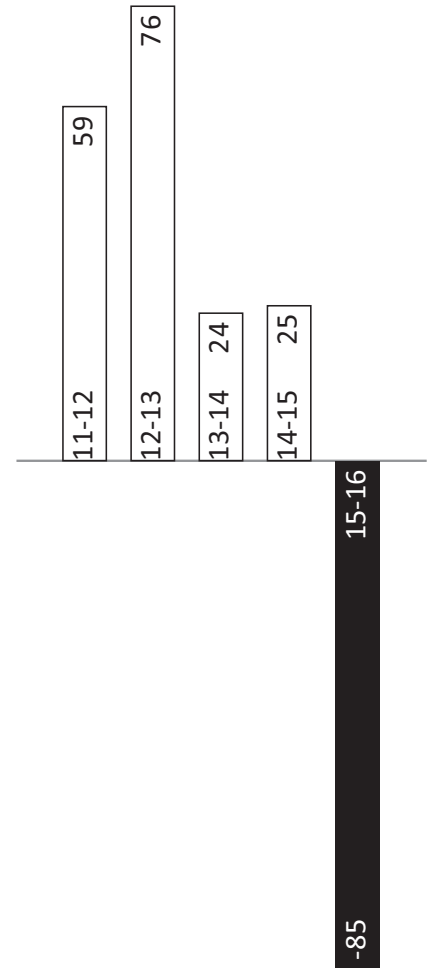
EBITDA

₹ in crores



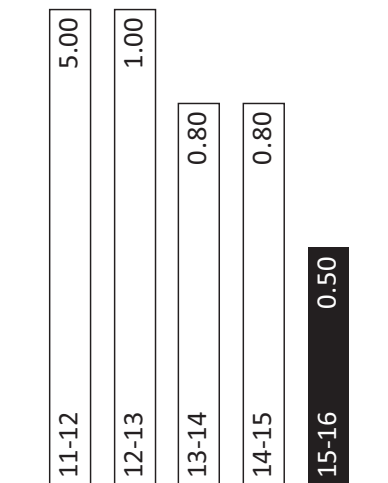
PAT

₹ in crores

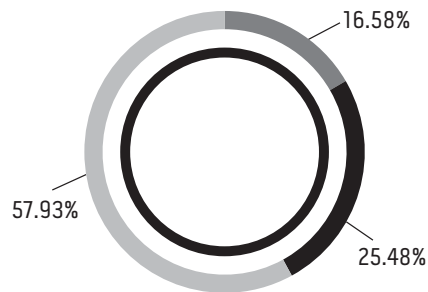


DIVIDEND PER SHARE

₹



SEGMENT WISE BREAK UP OF REVENUES, FY 2015-16 (%)



Segment	Revenue (₹ in crores)
TEXTILE	306
BOMBAY REALITY	470
PSF	1069

* Graph not to scale

Note: The equity shares of the Company were sub-divided from ₹ 10 per share to ₹ 2 per share effective 31st October, 2012.

10 YEARS' FINANCIAL REVIEW

	(₹ in crore)									
	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
FINANCIAL POSITION										
Share Capital	41.31	41.31	41.31	41.31	41.31	40.54	38.61	38.61	38.61	38.61
Share Warrants	-	-	-	-	-	26.75	-	-	11.89	-
Reserves & Surplus	1270.81	1530.97	1422.24	1645.77	1751.09	1060.90	171.74	331.81	357.30	364.07
Net Worth :										
Total	1312.12	1572.28	1463.55	1687.08	1792.40	1128.19	210.35	370.42	407.80	402.68
Per Equity Share of ₹ 2/-*	63.53	76.12	70.86	81.68	86.78	271.96	54.49	95.96	102.57	104.32
Borrowings	2431.49	1725.82	1435.25	1247.88	1295.30	1240.87	1775.11	1710.88	1415.76	1052.40
Deferred Tax Liability	-	-	-	-	-	-	-	-	-	1.70
Debt Equity Ratio	0.93:1	0.58:1	0.38:1	0.33:1	0.28:1	0.44:1	4.64:1	1.28:1	1.39:1	1.35:1
Fixed Assets :										
Gross Block	1053.41	1431.26	1469.36	1445.59	1380.62	1386.66	1391.83	1378.60	1364.25	1390.11
Depreciation	390.69	518.71	458.22	410.73	349.16	292.81	231.26	178.72	123.67	512.86
Net Block	662.72	912.55	1011.14	1034.86	1031.46	1093.85	1160.57	1199.88	1240.58	877.25
Investments & other Assets	3730.73	3080.14	2752.45	2749.77	2556.64	1581.80	824.89	881.42	582.98	579.53
OPERATING RESULTS										
Sales and other Income	1983.72	2566.75	2822.68	2501.37	2402.63	2014.11	1732.04	1417.77	1013.95	536.16
Manufacturing and other - expenses	2035.05	2484.99	2729.52	2341.53	2266.39	1925.66	1650.31	1555.64	960.52	478.29
Depreciation	33.91	46.82	60.02	62.03	61.39	62.08	59.54	55.73	35.42	17.46
Profit before Tax	(85.24)	34.94	33.14	97.81	74.85	26.37	22.19	(193.60)	18.01	40.41
Current Taxation	-	10.38	8.80	22.11	15.50	5.26	3.77	-	1.75	4.43
Excess Provision of Tax - of earlier years	-	-	-	-	-	(0.28)	-	-	-	-
Deferred Tax Credit	-	-	-	-	-	-	-	-	(1.70)	(0.90)
Fringe Benefit Tax	-	-	-	-	-	-	-	1.02	1.28	0.95
Profit after Tax	(85.24)	24.56	24.34	75.70	59.35	21.39	18.42	(194.62)	16.68	35.93
Earnings per Equity Share of ₹ 2/- *	(4.13)	1.19	1.18	3.67	2.92	5.54	4.77	(50.39)	4.32	9.31
Dividends :										
Amount	12.43	19.89	19.33	24.16	24.02	16.49	11.26	4.52	15.82	22.59
Percentage	25	40	40	50	50	35	25	10	35	50

* Valued for current and immediately preceding 3 years only after sub-division of shares @ ₹ 2/- per share.

Notes :

- Capital : Original ₹ 0.63 crore, Bonus Shares ₹ 21.02 crore, Conversion of Debentures ₹ 0.83 crore, Global Depository Receipts (GDRs) representing Equity Shares ₹ 5.82 crore, Conversion of Equity Warrants relating to NCD/SPN Issue ₹ 9.81 crore and conversion of Preferential Warrants to Promoters ₹ 3.20 crore, Equity Shares issued under Employees' Stock Option Scheme ₹ 0.16 crore. Equity Shares allotted on exercise of Warrants issued on Preferential Basis to Promoter/Promoter Group Company ₹ 2.70 crore. (Less) Equity Shares bought back and extinguished upto 31st March, 2004 ₹ 2.55 crore. Average Share Capital - ₹ 41.31 crore.
- Reserves & Surplus include revaluation reserve.
- Debt Equity Ratio is on Long Term Debt.
- Sales and other Income include excise duty, Sale of Assets etc.
- Dividend amount includes Corporate Dividend Tax on the proposed/interim/final dividend.
- Depreciation includes lease equalisation.
- Previous year's figures have been regrouped where necessary.

DIRECTORS' REPORT to the members

Your Directors have pleasure in presenting their Report on the business and operations of the Company alongwith the audited financial statements for the year ended 31st March, 2016.

1. FINANCIAL RESULTS:

(₹ in crore)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
GROSS TURNOVER AND OTHER INCOME	1983.72	2566.75	1995.28	2577.79
Profit before Finance Costs and Depreciation and amortization expenses	231.31	308.98	233.83	310.58
Finance Costs	282.64	227.22	289.92	232.12
Profit/(Loss) before Depreciation and amortization expenses	(51.33)	81.76	(56.09)	78.46
Depreciation and amortization expenses	33.91	46.82	34.36	47.27
PROFIT/(LOSS) BEFORE TAX	(85.24)	34.94	(90.45)	31.19
Less: Tax (net)	-	10.38	0.53	10.68
Less: Minority interest and share of profit/loss in associates	-	-	0.09	(0.16)
PROFIT/(LOSS) AFTER TAX	(85.24)	24.56	(91.09)	20.35
Add: Balance in Statement of Profit and Loss of Previous Year	103.50	100.37	31.18	100.37
Add/(Deduct): Depreciation on assets where remaining life is Nil, recognized in retained earnings	(1.46)	(1.54)	(1.46)	(1.54)
Add/(Deduct): Share in jointly controlled entity and accumulated surplus in associates on consolidation	-	-	0.18	(68.11)
SURPLUS AVAILABLE FOR APPROPRIATIONS				
Appropriations to:				
Proposed Dividend	10.33	16.52	10.33	16.52
Dividend Distribution Tax	2.10	3.37	2.10	3.37
Transferred to General Reserve	-	-	-	-
Balance carried to Balance Sheet	5.83	103.50	(72.16)	31.18

Previous year figures have been regrouped where necessary.

2. COMPANY RESULTS AND DIVIDEND:

The Company's turnover & other income for the year was ₹ 1,984 crore as against ₹ 2,567 crore in the previous year. The loss for the year was ₹ 85.24 crore compared to a profit of ₹ 24.56 crore in the previous year. Lower sales in Textiles compared to previous year; lower capacity utilization resulting in lower production, inventory loss and volatile crude oil prices largely affected the PSF business; and delay in getting the approvals for construction, increase in time related overheads which remained unabsorbed and lower sales of flats due to difficult market scenario affected the Realty business of the Company. It was further compounded by increase in interest costs.

The construction of two towers at Island City Center ("ICC"), Dadar, by Bombay Realty, i.e. One ICC and Two ICC is in full swing and is expected to be completed as per schedule by 2018.

Home & You, which is the Company's rebranded textile retail business, will cover larger markets and focus would be to grow the Company's consumer base. It would do so through product, design innovations, offerings to cater diverse consumer preferences and expand product availability on multi channel platforms.

PSF industry saw a dismal growth of 2% in volume in the country, which was mainly met through increased cheap imports from

China. This has in turn affected the Company's PSF business. The PSF Division is focusing on innovative product mix and cost reduction initiatives in order to reduce its cost.

The Directors have recommended a dividend of 0.50 paise per equity share of ₹ 2/- which is subject to shareholders' approval.

Despite loss in the year under review, your Directors have recommended dividend out of the balance of surplus in Statement of Profit & Loss.

3. CONSOLIDATED FINANCIAL RESULTS:

The Company has prepared Consolidated Financial Statements in accordance with the applicable Accounting Standards as prescribed under the Companies (Accounts) Rules, 2014 of the Companies Act, 2013. The Consolidated Financial Results reflect the results of the Company and that of its subsidiary and associates. As required under Regulation 34 of the SEBI [Listing Obligations and Disclosure Requirements ("LODR")] Regulations, 2015, the Audited Consolidated Financial Statements together with the Independent Auditors' Report thereon are annexed and form part of this Report.

The summarized consolidated financial results are provided above.

4. BOMBAY REALTY:

The business of Bombay Realty had to face serious challenges in the past two years on account of weak global clues, general economic slowdown, high interest rates and delay in the receipt of regulatory approvals. This resulted in a slowdown in construction activity, sales and build up of unsold inventory.

The revenues from real estate activity for the year was ₹ 470 crore as compared to ₹ 444 crore in financial year 2014-15. With the receipt of some of the regulatory approvals and the consequent pick up in construction activity, the Company is now fully geared to complete the construction as per schedule and ensure timely delivery of the two towers.

The Company has appointed Hill International Project Management Pvt. Ltd. as the Project Management Consultant (PMC), Sunjaay Athanki Projects Management Pvt. Ltd. (earlier known as Gardiner and Theobald Construction and Property Consultancy Pvt. Ltd.) as the Professional Quantity Surveyor and Larsen & Toubro Limited as General Contractor to undertake the construction work for both the towers of ICC. The construction on the Slum project at ICC has also commenced and handover is expected as per schedule by August, 2018.

Construction of 'The Plaza', a Luxury High-Street for International Brands at Worli, which was earlier held up due to legal issues, is expected to re-start in the current financial year.

5. HOME & YOU:

The domestic textile market experienced volume as well as value pressure led by weak demand. The influx of cheaper alternatives from unorganised sector and international markets only compounded the impact on the retail market. The Division's gross revenue for 2015-16 was ₹ 306 crore as against ₹ 407 crore in the previous year.

Sale of Textile unit at Ranjangaon

The Members of your Company through postal ballot in June 2015, had approved to sell/dispose of its textiles processing unit at B-28, MIDC Industrial Area, Ranjangaon, Maharashtra, ("Undertaking") to Oasis Procon Pvt. Ltd., New Delhi ("Oasis") together with all specified tangible and intangible assets in relation to the Undertaking (excluding its brand name and the specific liabilities), on a slump sale basis as a going concern and on an "as is where is" basis for a consideration of ₹ 230 crore. The net proceeds from the sale of the Undertaking was to be utilized to repay loans and reduce the interest burden of the Company.

As per the terms and conditions reflected in the agreed Term Sheet, the prospective buyers were obliged to complete the transaction not later than 31st July, 2015. However, they failed to make the requisite payments under the contract and the sale deed could not be completed. The Company is in the process of finding a new buyer for the said Unit.

6. POLYESTER DIVISION:

The Division achieved a turnover of ₹ 1,168 crore during the year as compared to ₹ 1,498 crore in the previous year. In volume terms the reduction was about 6%. Sharp drop in crude oil and

petrochemical prices during the year resulted in steep decrease in polyester prices and thereby reduction in turnover of the Division. The average capacity utilization at 91% was lower than 93% achieved in the previous year but was significantly better than the industry average capacity utilization of below 80% during the financial year.

The market sentiment in the domestic polyester staple fibre industry was reflected in an overall growth of 2% compared to the previous year. However, PSF imports increased by approximately 25% in volume far exceeding the growth in domestic demand. Increased volatility in raw material prices and increased imports at significantly lower prices have posed challenges to the Company's Polyester business.

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

Pursuant to Section 129(3) of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiary, Associates and Joint Venture (in Form AOC-1) is forming part of the Consolidated Financial Statements. Your Company does not have any Material Subsidiary [as defined under the SEBI (LODR) Regulations, 2015] as on 31st March, 2016.

Pursuant to Section 136 of the Act, the Company is exempted from attaching to its Annual Report, the Annual Report of the Subsidiary Company viz. Archway Investment Company Limited.

The financial statement of the Subsidiary Company is kept open for inspection by the shareholders at the Corporate Office of the Company. The Company shall provide the copy of the financial statements of its Subsidiary Company to the shareholders upon their request free of cost. The statements are also available on the website of the Company at www.bombaydyeing.com.

8. FIXED DEPOSITS:

During the year, the Company repaid the deposits aggregating to ₹ 95.47 crore. The Company also accepted fixed deposits aggregating to ₹ 77.06 crore from 5,119 depositors.

Total deposits outstanding as on 31st March, 2016 amounted to ₹ 78.54 crore out of which 247 deposits aggregating ₹ 1.36 crore had matured, but remained unclaimed.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

10. EMPLOYEE STOCK OPTION SCHEME (ESOS):

The Information pursuant to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, erstwhile SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and as per Section 62(1)(b) of the Companies Act, 2013 read with

Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 has been provided in "Annexure B" to this Report.

11. RELATED PARTY TRANSACTIONS:

The Company has formulated a policy on dealing with Related Party Transactions. The policy is disclosed on the website of the Company: (weblink <http://teknowits.com/bombaydyeing/Corporategov.aspx>). All transactions entered into with Related Parties as defined under the Companies Act, 2013, Clause 49 of the Listing Agreement and Regulation 2(1)(zc) and Regulation 23 of SEBI (LODR) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

During the year, the Company had not entered into any contract/arrangement/transactions with related parties which can be considered as material in nature. The related party transactions are disclosed under Note No. 50 of the Notes to Financial Statements for the financial year 2015-16.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note No. 51 of the Notes to the Financial Statements.

13. INSURANCE:

All the properties including buildings, plant and machinery and stocks have been adequately insured.

14. ANNUAL RETURN:

The extract of Annual Return pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in form MGT – 9 in "Annexure C" of this Report.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

At the Annual General Meeting (AGM) held on 6th August, 2015, the members of the Company had appointed Dr. (Mrs.) Sheela Bhide as Independent Director for a term of five years with effect from 6th August, 2015 upto 5th August, 2020.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Nusli N. Wadia (DIN: 00015731) retires by rotation and is eligible for re-appointment.

Necessary information for the re-appointment of Mr. Nusli N. Wadia has been included in the notice convening the ensuing AGM and requisite details have been provided in the explanatory statement of the notice. Your directors recommend his re-appointment.

Mr. Jehangir N. Wadia was appointed as the Managing Director of the Company for a period of five years from 1st April, 2011 upto 31st March, 2016. The Board of Directors at its Meeting held on 31st March, 2016, have re-appointed him as the Managing Director of the Company for a further period of five years from 1st April, 2016 upto 31st March, 2021, subject to the approval of the members of the Company.

Excess remuneration payable to Mr. Jehangir N. Wadia, Managing Director for the financial year 2015-16, is subject to the approval of Central Government, in respect of which the Company has made an application and the approval is awaited.

All the Independent Directors have given a declaration under sub-section (7) of section 149 of the Companies Act, 2013 ("the Act") that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 26(3) of SEBI (LODR) Regulations, 2015.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

Eight Board Meetings were duly convened and held during the year and the details of board/committee meetings held are provided in the Corporate Governance Report. The gap between meetings was within the period prescribed under the Companies Act, 2013.

Key Managerial Personnel

During the year under review, Mr. J. C. Bham retired as Company Secretary, with effect from the close of business hours on 31st May, 2015.

Mr. K. Subharaman joined as the Company Secretary of the Company with effect from 1st June, 2015. He resigned as the Company Secretary of the Company with effect from close of the business hours on 30th April, 2016. The new Company Secretary is expected to join in July, 2016.

Mr. Vinod Hiran, joined as the Chief Financial Officer ("CFO") of the Company with effect from 19th May, 2015 and ceased to be the CFO of the Company from 3rd November, 2015. Mr. Puspamitra Das was appointed as the CFO of the Company at the Board Meeting held on 31st March, 2016 and has joined the Company on 4th April, 2016.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, and revised Clause 49 of the Listing Agreement and Regulation 17(10) of SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance and that of its statutory committees viz. Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and that of the individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Nomination and Remuneration Policy

The Board has adopted, on recommendation of the Nomination & Remuneration Committee, a policy for selection and appointment of Directors, Senior Management and their remuneration. A brief detail of the policy is given in the Corporate Governance Report and also posted on the website of the Company (weblink <http://teknowits.com/bombaydyeing/Corporategov.aspx>).

16. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual Accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s) and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

17. CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement and Regulation 17(7) of SEBI (LODR) Regulations, 2015, a Management Discussion and Analysis Report is given in "Annexure D" to this Report. A separate report on Corporate Governance pursuant to Clause 49 of the Listing Agreement and Regulation 34(3) and 53(f) of SEBI (LODR) Regulations, 2015, along with a certificate from the Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to this Report as "Annexure E".

18. PARTICULARS OF EMPLOYEES:

The Information as per Section 197(12) of the Companies Act, 2013, ("the Act") read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as "Annexure F". However, as per the provisions of Section 136 of the Act, the report and accounts are being sent to the Members and others entitled thereto, excluding the information on employees' remuneration particulars as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is available for inspection by the Members at the Corporate Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

19. AUDITORS:

Statutory Auditors

The Company's Auditors, M/s. Kalyaniwalla & Mistry, Chartered Accountants, Mumbai who pursuant to Section 139 of the Companies Act, 2013, retire at the ensuing Annual General Meeting (AGM) of the Company and are eligible for re-appointment from the conclusion of current AGM up to the conclusion of the following AGM. They have confirmed their eligibility under Section 141 of the Act and the Rules framed there under for re-appointment as Auditors of the Company. As required under Clause 49 of the Listing Agreement and Regulation 33.1 (d) ii of SEBI (LODR) Regulations, 2015, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Polyester and Real Estate Divisions are required to be audited. The Directors, on the recommendation of the Audit Committee, appointed M/s. N. I. Mehta & Co. to audit the cost accounts of the Company for the financial year ending 31st March, 2016 on a remuneration of ₹ 5,00,000/- (Rupees Five Lakh) plus out of pocket expenses and applicable taxes. The remuneration payable to the Cost Auditor is required to be ratified by the shareholders at the AGM.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Parikh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as "Annexure G".

Internal Auditors

M/s. Aneja & Associates ceased to be internal auditors of the Company with effect from the closing of business hours on 31st December, 2015.

At the Board Meeting held on 18th December, 2015, M/s. Ernst & Young, Chartered Accountants, were appointed as the Internal Auditors of the Company.

20. SIGNIFICANT AND MATERIAL ORDERS:

There were no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status and the Company's operations in future.

21. MATERIAL CHANGES:

The Board of Directors of your Company had approved to sell/ dispose of its textiles processing Unit at B-28, MIDC Industrial Area, Ranjangaon, Maharashtra, details of which have been provided on Page No. 16 of this report.

22. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal Audit plays a key role in providing an assurance to the Board of Directors with respect to the Company having

adequate Internal Control Systems. The Internal Control systems provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets. Details about the adequacy of Internal Financial Controls are provided in the Management Discussion and Analysis Report.

23. CORPORATE SOCIAL RESPONSIBILITY:

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee was constituted by the Board of Directors of the Company comprising of three directors including Independent Directors. The CSR policy of the Company and the details about the development of CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year are in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 in "Annexure H" to this report provides the requisite details.

24. AUDITORS QUALIFICATIONS:

The remarks, if any, either by the Auditors or by the Practicing Company Secretary in their respective reports have been dealt with appropriately in this report.

25. RISK MANAGEMENT POLICY:

The Company has formulated a Risk Assessment & Management Policy. Your attention is drawn to the Report on Corporate Governance for details.

26. AUDIT COMMITTEE:

The Audit Committee of the Company comprises of 5 Independent Directors. The composition of directors and other details are provided in the Corporate Governance Report of the Company. The Company has established a vigil mechanism through the committee, wherein the genuine concerns can be expressed by the employees and directors. The Company has also provided adequate safeguards against victimization of employees who express their concerns. The Company has provided the details of the vigil mechanism in the Whistle Blower Policy in the Corporate Governance Report and also posted these on the website of the Company: (<http://teknowits.com/bombaydyeing/Corporategov.aspx>).

27. CHANGE OF REGISTRAR AND SHARE TRANSFER AGENT:

Securities and Exchange Board of India (SEBI) vide its Order – PR No. 66/2016 dated 22nd March, 2016 had passed an interim order against the Company's Registrar & Transfer Agent (R&TA),

Sharepro Services (India) Pvt. Ltd. ("Sharepro") inter-alia restraining Sharepro and several entities linked with the management of Sharepro from buying, selling or dealing in the securities market or associating themselves with securities market, either directly or indirectly, in any manner, till further directions. Companies who are clients of Sharepro had also been advised by SEBI to change the R&TA.

The Company's agreement with Sharepro came to an end on 31st March, 2016 by efflux of time.

In line with the SEBI directive, the Company at its Board Meeting held on 31st March, 2016, has appointed M/s. **KARVY COMPUTERSHARE PRIVATE LIMITED**, ("Karvy") having its Registered Office at "Karvy House" No 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500 034, as the Company's Registrar and Transfer Agent with effect from 1st April, 2016.

Members are requested to note the change in the Company's R&TA from Sharepro to Karvy.

28. LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on 2nd September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective 1st December, 2015. Accordingly, all listed companies were required to enter into the Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with BSE Limited and National Stock Exchange of India Limited in December 2015.

29. APPRECIATION

The Directors express their appreciation to all employees of the various divisions for their diligence and contribution to performance. The Directors also record their appreciation for the support and co-operation received from franchisees, dealers, agents, suppliers, bankers and all other stakeholders. Last but not the least, the Directors wish to thank all shareholders for their continued support.

On behalf of the Board of Directors

Place: Mumbai
Date: 27th May, 2016.

NUSLI N.WADIA
Chairman

ANNEXURE A to Directors' Report:

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

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken

Some of the measures your Company had undertaken/ continued to implement during the year under report in the high priority area of energy conservation are given below:

Textile operations

The Company is in the process of selling of its Textile Processing Unit at Ranjangaon, Maharashtra and has therefore suspended its operations.

PSF operations

- Rain water harvesting from multiple locations. Rain water was transferred under gravity by stopping pumps to reduce power consumption.
- Spinning quench temp increased by 8°C, to reduce TR load.
- Power consumption was reduced by optimizing compressors operation.
- Chiller load was reduced by 40% by process optimization.
- Process optimization for eliminating need for running one cooling water pump.
- KVX system was installed in HTF Heater, to reduce RLNG consumption.
- Optimization of process in HTF venting to avoid heat loss.
- Waste heat recovery achieved through improvement projects.
- TiO2 dilution tank agitator operation control to reduce power consumption.
- Electro Static Precipitator power load reduced by 40% through process optimisation.
- Optimisation of Slurry Feed temp to reduce reaction heat load.
- Optimisation of Catalyst dosing in Slurry to reduce esterification temperature.
- Nitrogen blanketing in Vapour Separator to facilitate reaction at lower temperature.
- Coal fired boiler ESP power load reduced by 50%.
- Retrofitting of blower for increasing Baling capacity.

(b) Additional Investments & proposals, if any, being implemented for reduction of consumption of energy

PSF operations

- Power generation through Low-cost Steam Turbine (LST).
- Side screw extrusion through polymer cooler.
- HYPOX system for spin packs cleaning, to reduce energy consumption.
- Manual Baling press for reduction in Energy Consumption.

- Recycling of spin finish & DM water.
- Energy Conservation by various process improvement projects.

(c) Impact of measures at (a) & (b) for reduction of energy consumption and consequent impact on the cost of production of goods.

PSF operations

- Improvement in specific energy consumption per MT of PSF production.

(d) Total Energy Consumption and Energy Consumption per unit of production in prescribed Form A.

- As per 'Form A' attached.

B. TECHNOLOGY ABSORPTION

Research and Development (R & D).

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

PSF operations

- Super micro denier products development.
- Commercialisation of coarser denier in OPW, BLK & SD products.
- Development of low shrinkage/High elongation fibre.
- Development of spun lace fibre (with FDA approvals), for nonwovens.
- Dope dyed (BLK/OPW) Super high tenacity fibre.
- 0.8/0.9/1.0 D OPW fibre for ring spinning.
- Optimisation of oil pick up, in fibre for better performance at customer end.
- Development of customised products, for Air Jet & ROTO spinning.

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

PSF operations

- Improvement in product mix & availability of value added products.
- Improved customer base & market share.

3. Future plan of action

PSF operations

- Increasing in volume of OPW & Black fibre by widening the denier mix.
- Key focus to increase the volume of micro & finer denier products.
- To establish speciality products like Low Shrinkage/ high elongation PSF, Low cut length PSF, OPW & Black Super High Tenacity, spunlace (FDA) Anti-Microbial and Hygiene & Flame Retardant Products.
- Development of infrastructure to establish special finish application, for nonwovens.
- Improvement & optimization of processing dope dyed micro fibres.
- Execution of various process improvement projects for reduction in energy consumption.

4. Expenditure on R & D

- Expenditure reported on R & D during the year under report: ₹ Nil (previous year - ₹ Nil).

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**1. Efforts in brief, made towards technology absorption, adaptation and innovation:****PSF operations**

- Process optimisation carried out to increase productivity.
- Process optimisation for energy conservation.
- Productivity of high staple length technical textile fibres was improved.
- Super micro denier developed for fine count yarns.
- High Tenacity optical white fibre developed.

2. Benefits derived as a result of the above efforts:**PSF operations**

- Increased Volume of value added speciality products.
- Improved Customer satisfaction.
- Reduction in cost of production.

3. Information regarding technology imported during the last 5 years:

- Technology imported: – Nil
- Year of import: – N/A

- Has Technology been fully absorbed? – N/A
- If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: – N/A
- PSF operation – Nil

4. Foreign Exchange Earnings & Outgo:**(i) Activities relating to exports, initiatives taken to increase exports, development of export markets for products and services and export plans:****PSF**

PSF export volume increased by 20% over previous year. Export market was expanded both in terms of volume & new markets.

(ii) Total foreign exchange used and earned:**₹ in crore**

Total foreign exchange used 683.61
Total foreign exchange earnings 278.02

On behalf of the Board of Directors

Place: Mumbai

NUSLI N.WADIADate: 27th May, 2016.

Chairman

FORM 'A'

Form for disclosure of particulars with respect to conservation of energy

	Production Unit		Current Year	Previous Year
A. POWER AND FUEL CONSUMPTION				
1 Electricity				
(a) Purchased				
Unit (KWH in lakhs)			584.14	674.74
Total Amount (₹ in crore)			44.27	42.99
Rate/Unit (₹)			7.58	6.59
(b) Own Generation				
(Through Diesel Generator)				
Unit (KWH in lakhs)			-	0.06
Units per Ltr. of Diesel			-	2.50
Cost/Unit (₹)			-	26.02
2 Furnace Oil/L.S.H.S.				
Quantity (in M. Tons)			3,189.01	1,539.00
Total Cost (₹ in crore)			6.39	5.14
Average Rate (in ₹ per M.T.)			20,037.57	33,374.43
3 RLN GAS				
Quantity in (MMBTU)			2,70,102.85	3,64,833.12
Total Cost (₹ in crore)			18.12	34.33
Average Rate (in ₹ per MMBTU)			670.97	940.98
4 Coal				
Quantity (in M. Tons)			32,335.89	46,325.81
Total Cost (₹ in crore)			13.27	25.34
Average Rate (in ₹ per M.T.)			4,103.45	5,469.39
B. CONSUMPTION PER UNIT OF PRODUCTION				
1 Electricity (KWH)				
Cloth	1000	Mtrs	1,440.08	479.47
PSF	per	M.T.	371.21	367.30
2 Furnace Oil/L.S.H.S.(M.T.)				
PSF	per	M.T.	0.02	0.01
3 RLN GAS				
PSF	per	MMBTU	1.81	2.28
4 Coal (M.T.)				
Cloth	1000	Mtrs	0.95	0.88
PSF	per	M.T.	0.21	0.20

ANNEXURE B to Directors' Report:

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, erstwhile SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and as per Section 62(1)(b) of the Companies Act, 2013, read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014.

Particulars	No. of Options																											
(a) Options granted	<p>Prior to Sub-division of shares from face value of ₹ 10/- per share to ₹ 2/- per share.</p> <p>Financial Year: 2002-03 70,000 Options</p> <p>Financial Year: 2003-04 55,000 Options</p> <p>Financial Year: 2004-05 23,700 Options</p> <p>Financial Year: 2005-06 14,500 Options</p> <p>Financial Year: 2006-07 1,210 Options</p> <p>Financial Year: 2012-13 14,000 Options</p> <p>Total <u>1,78,410</u> Options</p> <p>Post Sub-division of shares from face value of ₹ 10/- per share to ₹ 2/- per share</p> <p>Financial Year: 2013-14 50,000 Options</p> <p>The numbers of options have been appropriately adjusted upon sub-division of the equity shares on 31st October, 2012, as under:</p> <table border="1"> <thead> <tr> <th>Financial Year</th> <th>No. of Options granted prior to Sub-division of shares</th> <th>Adjusted No. of Options post Sub-division of shares</th> </tr> </thead> <tbody> <tr> <td>2002-03</td> <td>70,000</td> <td>3,50,000</td> </tr> <tr> <td>2003-04</td> <td>55,000</td> <td>2,75,000</td> </tr> <tr> <td>2004-05</td> <td>23,700</td> <td>1,18,500</td> </tr> <tr> <td>2005-06</td> <td>14,500</td> <td>72,500</td> </tr> <tr> <td>2006-07</td> <td>1,210</td> <td>6,050</td> </tr> <tr> <td>2012-13</td> <td>14,000</td> <td>70,000</td> </tr> <tr> <td>2013-14*</td> <td>-</td> <td>50,000</td> </tr> <tr> <td>Total</td> <td>1,78,410</td> <td>9,42,050</td> </tr> </tbody> </table> <p>*Options issued subsequent to the sub-division</p>	Financial Year	No. of Options granted prior to Sub-division of shares	Adjusted No. of Options post Sub-division of shares	2002-03	70,000	3,50,000	2003-04	55,000	2,75,000	2004-05	23,700	1,18,500	2005-06	14,500	72,500	2006-07	1,210	6,050	2012-13	14,000	70,000	2013-14*	-	50,000	Total	1,78,410	9,42,050
Financial Year	No. of Options granted prior to Sub-division of shares	Adjusted No. of Options post Sub-division of shares																										
2002-03	70,000	3,50,000																										
2003-04	55,000	2,75,000																										
2004-05	23,700	1,18,500																										
2005-06	14,500	72,500																										
2006-07	1,210	6,050																										
2012-13	14,000	70,000																										
2013-14*	-	50,000																										
Total	1,78,410	9,42,050																										
(b) The pricing formula	<p>Prior to the amendment to the Employee Stock Option Scheme (ESOS) of the Company at the Annual General Meeting held on 7th August, 2012, the exercise price was ₹ 10/- per share.</p> <p>After the said amendment, the exercise price was determined in accordance with the pricing formula approved by the shareholders on 7th August, 2012, i.e. at the latest available closing market price on the stock exchange having highest trading volume, prior to the date of the meeting of the Board of Directors or Nomination and Remuneration Committee in which options were granted.</p> <p>Accordingly, the options were granted at an exercise price of ₹ 10/- per share for the grants made during the Financial Years 2002-03 to 2006-07, i.e. prior to the amendment to the scheme on 7th August, 2012.</p> <p>Subsequent to the amendment, 14,000 options were granted at an exercise price of ₹ 528.25 being the closing market price on the previous date of grant, i.e. 6th August, 2012, for the grants made on 7th August, 2012, which was prior to the sub-division of shares.</p> <p>Consequent upon the sub-division of equity shares on and from 31st October, 2012, the exercise price was adjusted as under:</p> <table border="1"> <thead> <tr> <th>Date of Grant</th> <th>Adjusted Exercise Price (₹/share)</th> </tr> </thead> <tbody> <tr> <td>07.08.2012</td> <td>105.65</td> </tr> </tbody> </table> <p>Further, 50,000 Options were granted at an exercise price of ₹ 79.50, being the closing market price on the previous date of grant, i.e. 27th May, 2013 for the grants made on 28th May, 2013.</p>	Date of Grant	Adjusted Exercise Price (₹/share)	07.08.2012	105.65																							
Date of Grant	Adjusted Exercise Price (₹/share)																											
07.08.2012	105.65																											

Particulars	No. of Options
(c) Options vested (as at 31 st March, 2016)	8,59,550 Options Options vest 1 year after the date of grant of options
(d) Options exercised (as at 31 st March, 2016)	7,89,550 Options
(e) The total number of shares arising as a result of exercise of option	7,89,550 Equity Shares
(f) Options lapsed	82,500 Equity Shares
(g) variation of terms of options	N/A
(h) Money realized by exercise of options	₹ 15,79,100/-
(i) Total number of options in force	70,000 Options
(j) Employee wise details of options granted to:	
(i) Senior managerial personnel	70,000 Options granted to the ex-Joint Managing Director, Mr. Durgesh Mehta
(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	N/A
(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	N/A
(k) Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 Earnings Per Share	₹ (4.13)
(l) Employee compensation cost:	
(i) Method of calculating employee Compensation cost	The Company has calculated the employee compensation cost using the intrinsic value method of accounting for the Options granted under the Scheme
(ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the Options	₹ Nil

Particulars	No. of Options																			
(iii) The impact of this difference on the profits and on EPS of the Company	<p>The effect on the profits and earnings per share, had the fair value method been adopted, is presented below:</p> <table border="1"> <thead> <tr> <th>Profit After Tax</th> <th>₹ in crore</th> </tr> </thead> <tbody> <tr> <td>As reported</td> <td>(85.24)</td> </tr> <tr> <td>Add: Compensation cost as per Intrinsic Value</td> <td>Nil</td> </tr> <tr> <td>Less: Compensation cost as Per Fair Value (Black-Scholes model)</td> <td>Nil</td> </tr> <tr> <td>Adjusted Profit</td> <td>(85.24)</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Earnings Per Share</th> <th>Basic (₹)</th> <th>Diluted (₹)</th> </tr> </thead> <tbody> <tr> <td>As reported</td> <td>(4.13)</td> <td>(4.13)</td> </tr> <tr> <td>As adjusted</td> <td>(4.13)</td> <td>(4.13)</td> </tr> </tbody> </table>	Profit After Tax	₹ in crore	As reported	(85.24)	Add: Compensation cost as per Intrinsic Value	Nil	Less: Compensation cost as Per Fair Value (Black-Scholes model)	Nil	Adjusted Profit	(85.24)	Earnings Per Share	Basic (₹)	Diluted (₹)	As reported	(4.13)	(4.13)	As adjusted	(4.13)	(4.13)
Profit After Tax	₹ in crore																			
As reported	(85.24)																			
Add: Compensation cost as per Intrinsic Value	Nil																			
Less: Compensation cost as Per Fair Value (Black-Scholes model)	Nil																			
Adjusted Profit	(85.24)																			
Earnings Per Share	Basic (₹)	Diluted (₹)																		
As reported	(4.13)	(4.13)																		
As adjusted	(4.13)	(4.13)																		
(m) Weighted-average exercise price and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. [Also refer point (b)]	No options were granted during the year																			
(n) Description of method and significant assumptions used during the year to estimate the fair values of options: <ul style="list-style-type: none"> i) risk – free interest rate ii) expected life of options iii) expected volatility iv) expected dividends v) the price of the underlying share in market at the time of option grant 	Not Applicable																			

On behalf of the Board of Directors

Place: Mumbai
Date: 27th May, 2016.

NUSLI N.WADIA
Chairman

ANNEXURE C to Directors' Report:

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L17120MH1879PLC000037
ii	Registration Date	23 rd August, 1879
iii	Name of the Company	The Bombay Dyeing and Manufacturing Company Limited
iv	Category/Sub-category of the Company	Company limited by shares / Indian Non – Government Company
v	Address of the Registered office & contact details	Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400 001 Tel:022-66620000 Fax:022-66193262
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32,Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India Telephone number: +91 40 6716 2222 Fax number: +91 40 2342 0814 E-mail: einward.ris@karvy.com Website: www.karvycomputershare.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

SL No	Name & Description of main products/services	NIC Code of the Product /Service	% to total turnover of the Company
1	Polyster Staple Fibre	20302	57.95
2	Finishing of Cotton and Blended Cotton Textiles	13131	16.57
3	Manufacture of Bedding, Quilts, pillows, sleeping bags etc.	13924	
4	Real estate activities	6810	25.49

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES:

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Archway Investment Company Limited	U67120MH1976PLC019304	SUBSIDIARY	95.69	2(87)
2	Pentafil Textile Dealers Limited	U65993MH1984PLC253516	ASSOCIATE	49.00	2(6)
3	Bombay Dyeing Real Estate Company Limited	U70102MH2008PLC183489	ASSOCIATE	40.00	2(6)
4	PT Five Star Textile Indonesia	Incorporated in Indonesia	Joint Venture	33.89	2(6)

IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % TO TOTAL EQUITY):

1) Category - wise shareholding

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	
A. Promoters									
(1) Indian									
a) Individual/HUF	2085453	0	2085453	1.01	2085453	0	2085453	1.01	0.00
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0.00
c) Bodies Corporates	88359097	0	88359097	42.78	90717957	0	90717957	43.92	1.14
d) Bank/Fl	0	0	0	0	0	0	0	0	0.00
e) Any other									
- Trusts	1983030	0	1983030	0.96	1983030	0	1983030	0.96	0.00
SUB TOTAL:(A) (1)	92427580	0	92427580	44.75	94786440	0	94786440	45.89	1.14
(2) Foreign									
a) NRI- Individuals	5161248	0	5161248	2.50	2802388	0	2802388	1.36	-1.14
b) Other Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corporates	10533790	0	10533790	5.10	10533790	0	10533790	5.10	0.00
d) Banks/FIs	0	0	0	0	0	0	0	0	0.00
e) Any other	0	0	0	0	0	0	0	0	0.00
SUB TOTAL (A) (2)	15695038	0	15695038	7.60	13336178	0	13336178	6.46	-1.14
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	108122618	0	108122618	52.35	108122618	0	108122618	52.35	0.00
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	10645042	10935	10655977	5.16	6772902	10935	6783837	3.28	-1.87
b) Banks/FIs	533964	102365	636329	0.31	643972	102365	746337	0.36	0.05
c) Central Govt.	0	0	0	0	0	0	0	0	0.00
d) State Govt.	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	8716720	1250	8717970	4.22	8716720	1250	8717970	4.22	0.00
g) FIs	13945688	3900	13949588	6.75	11302064	3900	11305964	5.47	-1.28
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others - Foreign Portfolio - Investors	611466	0	611466	0.30	4598749	0	4598749	2.23	1.93
Foreign Bodies	0	0	0	0	1950	0	1950	0	0
SUB TOTAL (B)(1):	34452880	118450	34571330	16.74	32036357	118450	32154807	15.57	-1.17

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	
(2) Non Institutions									
a) Bodies Corporates									
i) Indian	12721012	92835	12813847	6.20	9871893	92325	9964218	4.82	-1.38
ii) Overseas	0	15400	15400	0.01	0	15400	15400	0.01	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	37326770	4544485	41871255	20.27	42475773	4399260	46875033	22.70	2.42
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	4932227	126000	5058227	2.45	4929183	0	4929183	2.39	-0.06
c) Others (specify)									
(i) Non Resident Individuals	978142	161230	1139372	0.55	1359062	160780	1519842	0.74	0.18
(ii) Trusts	144760	0	144760	0.07	134075	0	134075	0.06	-0.01
(iii) Foreign Nationals	366	18300	18666	0.01	16777	0	16777	0.01	0.00
(iv) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0.00
(v) NBFC	0	0	0	0	23522	0	23522	0.01	0.01
SUB TOTAL (B)(2):	56103277	4958250	61061527	29.56	58810285	4667765	63478050	30.73	1.17
Total Public Shareholding (B) = (B)(1)+(B)(2)	90556157	5076700	95632857	46.30	90846642	4786215	95632857	46.30	0.00
C. Shares held by Custodian for GDRs & ADRs	2762170	17255	2779425	1.35	2762170	17255	2779425	1.35	0.00
Grand Total (A+B+C)	201440945	5093955	206534900	100.00	201731430	4803470	206534900	100.00	0.00

(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	AFCO INDUSTRIAL AND CHEMICALS LIMITED	59660	0.03	-	59660	0.03	-	0.00
2	LOTUS VINIYOG LIMITED	144690	0.07	-	144690	0.07	-	0.00
3	DPI PRODUCTS AND SERVICES LIMITED	264900	0.13	-	264900	0.13	-	0.00
4	THE BOMBAY BURMAH TRADING CORPORATION LIMITED	3000000	1.45	-	3000000	1.45	-	0.00
5	NUSLI NEVILLE WADIA (TRUST A/C)	180530	0.09	-	180530	0.09	-	0.00
6	NUSLI NEVILLE WADIA (TRUST A/C)	137000	0.07	-	137000	0.07	-	0.00
7	ESTATE OF SMT. BACHOOBAI WORONZOW	814030	0.39	-	814030	0.39	-	0.00
8	MACROFIL INVESTMENTS LIMITED	409700	0.20	-	409700	0.20	-	0.00
9	N W EXPORTS LIMITED	2771550	13.45	-	27847740	13.48	-	0.04
10	NOWROSJEE WADIA AND SONS LIMITED	2131070	1.03	1545000	3005293	1.46	600000	0.42
11	NUSLI NEVILLE WADIA	1310020	0.63	-	0	0.00	-	-0.63
12	N N WADIA ADMIN OF ESTATE OF LT. EF DINSHAW	500	0.00	-	500	0.00	-	0.00
13	NESSVILLE TRADING PRIVATE LIMITED	24550	0.01	-	24550	0.01	-	0.00
14	SUNFLOWER INVESTMENTS AND TEXTILES PRIVATE LIMITED	21681037	10.50	4760500	22139783	10.72	6513500	0.22
15	MAUREEN NUSLI WADIA	378080	0.18	-	378080	0.18	-	0.00
16	JEHANGIR NUSLI WADIA	128525	0.06	-	128525	0.06	-	0.00
17	NUSLI NEVILLE WADIA (TRUST A/C)	1665500	0.81	-	1665500	0.81	-	0.00
18	ELIZABETH ANNE GUHL	108188	0.05	-	1328	0.00	-	-0.05
19	NESS NUSLI WADIA	1151918	0.56	640000	1151918	0.56	640000	0.00
20	THE BOMBAY BURMAH TRADING CORPORATION LIMITED	25783320	12.48	-	25783320	12.48	-	0.00
21	WADIA INVESTMENTS LIMITED	419750	0.20	-	419750	0.20	-	0.00
22	NATIONAL PEROXIDE LIMITED	1489700	0.72	-	1489700	0.72	-	0.00
23	MAUREEN NUSLI WADIA	19750	0.01	-	19750	0.01	-	0.00

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	
24	DINA NEVILLE WADIA	458220	0.22	-	458220	0.22	-	0.00
25	HAVENKORES REAL ESTATES PVT LTD	122640	0.06	-	268672	0.13	-	0.07
26	NUSLI NEVILLE WADIA	567100	0.27	-	0	0.00	-	-0.27
27	NUSLI NEVILLE WADIA	49650	0.02	-	0	0.00	-	-0.02
28	DIANA CLAIRE WADIA	1854040	0.90	-	1528810	0.74	-	-0.16
29	MAUREEN NUSLI WADIA	180180	0.09	-	180180	0.09	-	0.00
30	JEHANGIR NUSLI WADIA	159000	0.08	-	159000	0.08	-	0.00
31	NESS NUSLI WADIA	67500	0.03	-	67500	0.03	-	0.00
32	NEWPOINT ENTERPRISES LIMITED	250000	0.12	-	250000	0.12	-	0.00
33	BEN NEVIS INVESTMENTS LTD	10283790	4.98	-	10283790	4.98	-	0.00
34	NIDHIVAN INVESTMENTS AND TRADING CO PVT LTD	500	0.00	-	263058	0.13	-	0.13
35	SAHARA INVESTMENTS PVT LTD	500	0.00	-	467008	0.23	-	0.23
36	HEERA HOLDINGS AND LEASING PVT LTD	500	0.00	-	75103	0.04	-	0.04
37	NAPEROL INVESTMENTS LIMITED	406200	0.20	-	406200	0.20	-	0.00
38	GO INVESTMENTS AND TRADING PRIVATE LIMITED	500	0.00	-	500	0.00	-	0.00
39	WADIA TECHNO ENGINEERING SERVICES LIMITED	195460	0.09	-	195460	0.09	-	0.00
40	GO AIRLINES (INDIA) LTD	1000	0.00	-	1000	0.00	-	0.00
41	N W EXPORTS LIMITED	135815	0.07	-	135815	0.07	-	0.00
42	NOWROSJEE WADIA AND SONS LIMITED	3455000	1.67	-	3455000	1.67	450000	0.00
43	THE BOMBAY BURMAH TRADING CORPORATION LIMITED	861055	0.42	-	861055	0.42	-	0.00
Total		108122618	52.35	6945500	108122618	52.35	8203500	0.00

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE):

Sl. No.	Name of the Promoter/Promoter Group	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Shareholding at the end of the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	N W EXPORTS LIMITED	27771550	13.45	04.09.2015	76190	Transfer	27847740	13.48
2	NOWROSJEE WADIA AND SONS LIMITED	2131070	1.03	04.09.2015	874223	Transfer	3005293	1.46
3	NUSLI NEVILLE WADIA	1310020	0.63	28.08.2015	-1310020	Transfer	0	0
4	SUNFLOWER INVESTMENTS AND TEXTILES PRIVATE LIMITED	21681037		26.06.2015	27000	Transfer	22139783	10.72
				04.09.2015	431746	Transfer		
5	ELIZABETH ANNE GUHL	108188	0.05	19.06.2015	-10000	Transfer	1328	0
				26.06.2015	-17000	Transfer		
				13.11.2015	-30000	Transfer		
				15.01.2016	-49860	Transfer		
6	HAVENKORES REAL ESTATES PVT LTD	122640	0.06	04.09.2015	146032	Transfer	268672	0.13
7	NUSLI NEVILLE WADIA	567100	0.27	28.08.2015	-567100	Transfer	0	0
8	NUSLI NEVILLE WADIA	49650	0.02	28.08.2015	-49650	Transfer	0	0
9	DIANA CLAIRE WADIA	1854040	0.90	28.08.2015	-325230	Transfer	1528810	0.72
10	NIDHIVAN INVESTMENTS AND TRADING CO PVT LTD	500	0	04.09.2015	212698	Transfer	263058	0.13
				15.01.2016	49860	Transfer		
11	SAHARA INVESTMENTS PVT LTD	500	0	28.08.2015	175230	Transfer	467008	0.23
				04.09.2015	261278	Transfer		
				13.11.2015	30000	Transfer		
12	HEERA HOLDINGS AND LEASING PVT LTD	500	0	04.09.2015	74603	Transfer	75103	0.04

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):

Sr. No.	Top ten Shareholders	Shareholding at the beginning of the year		Date of transaction	Increase/Decrease in shareholding	Reason	Shareholding at the end of the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	RELIANCE CAPITAL TRUSTEE COMPANY LIMITED A/C RELIANCE GROWTH FUND	9467211	4.58	26.06.2015	-13100.00	Transfer	6267460	3.03
				30.06.2015	-4300.00	Transfer		
				10.07.2015	-1343100.00	Transfer		
				31.07.2015	-394200.00	Transfer		
				07.08.2015	-478000.00	Transfer		
				20.11.2015	-271231.00	Transfer		
				27.11.2015	-9820.00	Transfer		
				25.12.2015	-34700.00	Transfer		
				31.12.2015	-343200.00	Transfer		
				08.01.2016	-272100.00	Transfer		
				18.03.2016	-36000.00	Transfer		
2	LIFE INSURANCE CORPORATION OF INDIA	6618784	3.20				6618784	3.20
3	MORGAN STANLEY ASIA (SINGAPORE) PTE.	6009994	2.91	08.05.2015	753175.00	Transfer	8222539	3.98
				15.05.2015	331269.00	Transfer		
				22.05.2015	311003.00	Transfer		
				29.05.2015	622020.00	Transfer		
				05.06.2015	194664.00	Transfer		
				26.06.2015	414.00	Transfer		
4	GOVERNMENT PENSION FUND GLOBAL	822787	0.40	17.04.2015	345252.00	Transfer	1701474	0.82
				24.04.2015	406279.00	Transfer		
				01.05.2015	127156.00	Transfer		
5	CITIBANK N.A. NEW YORK, NYADR DEPARTMENT	2762170	1.34				2762170	1.34
6	THE ORIENTAL INSURANCE COMPANY LIMITED	2097436	1.02				2097436	1.02
7	DIMENSIONAL EMERGING MARKETS VALUE FUND	1567477	0.76	18.12.2015	-62277.00	Transfer	1505200	0.73
8	C M Jain Impex & Investments Private Limited	787500	0.38				787500	0.38
9	THE EMERGING MARKETS SMALL CAP SERIES OF THE DFA INVESTMENT TRUST COMPANY	1119888	0.54	10.04.2015	21872.00	Transfer	958407	0.46
				17.04.2015	4406.00	Transfer		

Sr. No.	Top ten Shareholders	Shareholding at the beginning of the year		Date of transaction	Increase/ Decrease in shareholding	Reason	Shareholding at the end of the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
				24.04.2015	101013.00	Transfer		
				01.05.2015	23307.00	Transfer		
				08.05.2015	45153.00	Transfer		
				15.05.2015	62870.00	Transfer		
				22.05.2015	86124.00	Transfer		
				29.05.2015	18138.00	Transfer		
				28.08.2015	-59997.00	Transfer		
				04.09.2015	-70871.00	Transfer		
				11.09.2015	-78582.00	Transfer		
				18.09.2015	-97888.00	Transfer		
				25.09.2015	-86513.00	Transfer		
				30.09.2015	-37553.00	Transfer		
				09.10.2015	-92960.00	Transfer		
10	EMERGING MARKETS CORE EQUITY PORTFOLIO (THE PORTFOLIO) OF DFA INVESTMENT DIMENSIONS GROUP INC (DFAID)	1027241	0.50	01.05.2015	90451.00	Transfer	1162336	0.56
				08.05.2015	22703.00	Transfer		
				17.07.2015	43683.00	Transfer		
				28.08.2015	-47505.00	Transfer		
				04.09.2015	-23656.00	Transfer		
				16.10.2015	40231.00	Transfer		
				23.10.2015	30062.00	Transfer		
				18.12.2015	-20874.00	Transfer		
11	Chinappa M B	0	0	17.07.2015	100000.00	Transfer	816092	0.40
				24.07.2015	100000.00	Transfer		
				21.08.2015	110000.00	Transfer		
				11.12.2015	350000.00	Transfer		
				25.12.2015	100000.00	Transfer		
				31.12.2015	75000.00	Transfer		
				12.02.2016	-68908.00	Transfer		
				19.02.2016	-50000.00	Transfer		
				31.03.2016	100000.00	Transfer		

(v) Shareholding of Directors & KMPs:

Sr. No.	Name of Directors & KMPs	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Nusli N. Wadia	1926770	0.93	0	0.00
2	Mr. R. A. Shah	7100	0.00	7100	0.00
3	Mr. A. K. Hirjee	3800	0.00	3800	0.00
4	Mr. S. M. Palia	0	0.00	0	0.00
5	Mr. S. Ragothaman	35000	0.02	35000	0.02
6	Mr. S. S. Kelkar	50000	0.02	50000	0.02
7	Mr. Ishaat Hussain	0	0.00	0	0.00
8	Mr. Ness N. Wadia	1219418	0.59	1219418	0.59
9	Dr. (Mrs.) Sheela Bhide	0	0.00	0	0.00
10	Mr. Jehangir N. Wadia (KMP-MD)	287525	0.14	287525	0.14
11	Mr. Vinod Hiran (KMP-CFO) upto 03.11.2015	0	0.00	0	0.00
12	Mr. J. C. Bham (KMP-CS) upto 31.05.2015	250	0.00	250	0.00
13	Mr. K. Subharaman (KMP-CS) from 01.06.2015-30.04.2016	0	0	0	0

V. INDEBTEDNESS:

₹ in crore

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,574.72	56.44	96.95	1,728.12
ii) Interest due but not paid	0.21			0.21
iii) Interest accrued but not due	1.58			1.58
Total (i+ii+iii)	1,576.50	56.44	96.95	1,729.91
Change in Indebtedness during the financial year				
Additions	784.71	692.15	0.00	1,476.86
Reduction	(348.84)	(407.42)	(18.40)	(774.66)
Net Change	435.87	284.73	(18.40)	289.67
Indebtedness at the end of the financial year				
i) Principal Amount	2,010.59	341.17	78.55	2,430.31
ii) Interest due but not paid	2.20			2.20
iii) Interest accrued but not due	2.23			2.23
Total (i+ii+iii)	2,015.02	341.17	78.55	2,434.74

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl. No	Particulars of Remuneration	Jehangir N. Wadia Managing Director	Total Amount (in ₹)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	54,816,455	54,816,455
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	2,817,712	2,817,712
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
	others (specify)	-	-
5	Others: Bonus	6,089,071	6,089,071
	Perquisites and Allowances	1,804,248	1,804,248
	Total (A)	65,527,486	65,527,486
	Ceiling as per the Act (@ 5% of profits calculated under Section 198 of the Companies Act, 2013)	Since the Company has no profit or inadequate profits, the limits of schedule V would apply	

B. Remuneration to other directors: (in ₹)

Sl. No	Particulars of Remuneration	Name of the Directors								Total Amount
		Mr. R A Shah	Mr. A. K. Hirjee	Mr. S. M. Palia	Mr. S. Ragothaman	Mr. S. S. Kelkar	Mr. Ishaat Hussain	Dr. (Mrs.) Sheela Bhide		
1	Independent Directors									
	(a) Fee for attending board committee meetings (Total fees paid for attending Board and Committee meetings)	700000	735000	1080000	940000	875000	940000	520000	5790000	
	(b) Commission									
	(c) Others, please specify									
	Total (1)	700000	735000	1080000	940000	875000	940000	520000	5790000	
2	Other Non Executive Directors									
	(a) Fee for attending board committee meetings (Total fees paid for attending Board and Committee meetings)	660000	520000						1180000	
	(b) Commission									
	(c) Others, please specify									
	Total (2)	660000	520000						1180000	
	Total (B)=(1+2)	1360000	1255000	1080000	940000	875000	940000	520000	6970000	
	Total Managerial Remuneration								65527486*	
	Overall Ceiling as per the Act	Since the Company has no profit or inadequate profits, the limits of schedule V would apply								

* Total remuneration to Managing Director, Whole-time Directors and the other Directors (being the total of A and B)

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

(in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. J. C. Bham (Company Secretary upto 31.05.2015)	Mr. K. Subharaman (Company Secretary from 01.06.2015)	Mr. Vinod Hiran (CFO) (from 19.05.2015 to 02.11.2015)	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	2933394	4229224	6900015	14062633
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	17087	24648	14812	56547
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others, specify				
5	Others, please specify: Allowances	77280	180000	325161	582441
	Total	3027761	4433872	7239988	14701621

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

ANNEXURE D to Directors' Report:

MANAGEMENT DISCUSSION AND ANALYSIS

Indian economy is slowly emerging out of the sluggishness experienced during the last 3 financial years characterized by slow manufacturing growth, rising inflation, weak currency and drop in foreign investments. With strong focus on reducing policy paralysis and steps taken to enable ease of doing business, the Government of India ("GoI") initiative like 'Make in India', 'Digital India' and 'Swachh Bharat Abhiyaan' have contributed to the current improved state of the economy. The GDP growth was reported at a much higher figure of 7.3% during FY2015. Further, as per the fiscal consolidation planned by the GoI, the fiscal deficit is expected to decline from 4.1% of GDP in FY2015 to 3% by FY2018.

The expectation of more than normal rainfall in 2016 will have a positive impact on the Agricultural and Manufacturing Sectors. Thus the economy looks poised for rapid growth in the second half of the financial year.

BOMBAY REALTY

INDUSTRY STRUCTURE AND DEVELOPMENTS

After a sluggish 2 to 3 years, realty experts believe that the year 2016 will be positive for the sector and may witness a pick up in sales with an improvement in the sale of unsold inventories across class. The year gone by, saw regulatory changes that included relaxing of foreign direct investment laws and the Parliament approving the much awaited Real Estate Bill. The sector has strong linkage with various industries like cement, steel, chemicals, paints, tiles, etc., which enables private sector involvement in the economic growth of the Country.

The Sector is undergoing transformation from being largely fragmented and unorganized to becoming structured and organized through development of integrated townships, industrial parks and affordable homes.

Residential real estate in India accounts for 80% of the real estate sector. The demand for residential real estate market in India is expected to be good as the economy grows, disposable incomes increase, credit availability improves and urbanization picks up pace.

To this end the rate cut of 50 basis points by Reserve Bank of India and the implementation of the seventh pay Commission will boost the demand for housing.

The Real Estate market has been adjusting to aligning supply to the available demand. Developers across all categories are paying more attention to the requirements of buyers and have started supplying inventories at a quicker pace. New launches across all markets have reduced and the developers are more focused on completion of their projects. High demand for ready-to-move in projects and increased focus on project completion will set the contours for the realty sector outlook in 2016.

Industry experts also feel that, though the government is focusing on mass affordable housing, the super luxury products will continue to have an increased demand in this fiscal. The positive outlook of the economy coupled with an improved growth rate will induce the well to do sector in the community to support in a sustained basis demand for both investment and end use luxurious products in prime locations.

OPPORTUNITIES & THREATS

Both houses of Parliament have passed the Real Estate (Regulation and Development) Bill, 2016.

The regulations impacting the real estate sector include – the Real Estate (Regulation and Development) Bill 2015, the Land Acquisition, Rehabilitation and Resettlement bill, the FDI rules for building townships, housing, built-up infrastructure and construction development projects. Some of the FDI norms have been relaxed providing more opportunities to invest in Real Estate for foreign players. The Land Acquisition, Rehabilitation and Resettlement bill outlines the rules under which the land can be acquired and rehabilitation provided to the affected families by the land acquisition.

According to experts, the overall urban housing demand is expected to reach 15 million units by 2019 on account of population growth & rapid urbanization. The total demand for housing is expected to reach 3.4 million units between 2015 & 2019.

Most property markets are expected to see a significant turnaround in the later part of 2016. There is bound to be consolidation in the sector and the new Real Estate Regulations will act as a catalyst for your Company. Regulation is always good for companies that are well-managed.

Important events like banks lowering interest rates, RBI offering incentives for infrastructure financing, creation of Real Estate Investment Trusts (REITs), relaxation of FDI norms in construction sector will only boost real estate development.

Your Company enjoys the benefits of two large contiguous land parcels with clear titles, giving it a significant advantage over other real estate players. The strategic location of two sites, well connected with the commercial hub of Central Mumbai and equidistant from the commercial hubs of South Mumbai and Bandra-Kurla Complex, is expected to add value to the sites. The plan is to develop these sites as mixed-use developments, comprising of residences, offices and luxury retail, with well-planned amenities and large open spaces.

RISKS AND CONCERNS

Slow pace of economic growth and structural challenges of the real estate industry in terms of delays in approvals, high construction costs, limited availability of institutional funding and an inventory overhang have come in the way of the growth of the industry. This may continue if the Government fails to redress the issues of the construction industry in a timebound manner.

The Company's projects were affected due to legal and regulatory delays. Excessive supply of 'luxury residences' in the Central Mumbai area by competing developers may impact the project profitability.

HOME & YOU

Industry Structure and Developments

Domestic textile sector has evolved over the years. Changing tastes for vibrant new designs aside, the consumer is exploring alternative sales channels for purchase and convenience. E-Commerce and Large Format Lifestyle Stores are fast evolving as the preferred shopping destinations with wider product choices and customised experiences. Traditional general trade is turning out to be the destination only for niche customers.

Innovations in Products and Designs are gaining significance to attract emerging young consumers across the value chain. Increasing disposable income and nuclear families will continue to expand the growth opportunities for the Category. Various researches and studies indicate the industry to grow upwards of 8% over the next 10 years.

OPPORTUNITIES & THREATS

Your Company sees enormous opportunity in Product and Design innovations to address the changing tastes of young vibrant India across all bed, bath and co-ordinates categories. The Company will be investing in reviving the brand visibility, digital media and product merchandising to reinforce its leadership and to connect with the youth. Sales Channels proliferation in urban as well as semi urban markets will be its thrust area. The Company will widen product availability, offer numerous product ranges and provide unique shopping experience to its customers. The Company will be investing aggressively in technology to jump shift Speed to Market, improve Customer Experience and facilitate seamlessly integrated operations.

The sector continues to be influenced by fluctuations in commodity prices and constant inflow of cheaper alternatives from unorganised sector as well as neighbouring countries. Any increased activity in the un-organised sector and irrational dumping can have a bearing on the Division's performance.

OUTLOOK

Your company is geared up to exploit all emerging opportunities in the market place. Through investments in organisation capabilities, brand, new products and information technology enabled, the Company expects to grow ahead of the industry and retain its market leadership status.

RISKS AND CONCERNS

Emerging alternate channels like e-commerce, large life style and cash

& carry stores have been investing in their private labels as alternates to branded home textiles. Proliferation of such Private labels may have direct impact on volumes of your Company and make the cost of merchandising expensive as well.

The key concern for business remains the sluggish consumer demand, both in the urban and rural markets. This coupled with the intense competition from the existing players and new players will provide a major challenge.

POLYESTER BUSINESS

Industry Structure and Developments

Your Company is one of the four producers of Polyester Staple Fibre (PSF) in the country with a market share of about 15%. While the market leader is fully vertically integrated, the other producers, including the Company are stand-alone PSF manufacturers.

PSF industry saw a meagre volume growth of 2% which was mainly met through increased cheap imports from China. The overall polyester industry's capacity utilization remained under 80%, but the Company's utilization remained comparatively stable at 91% (previous year 93%). The division recorded a negative growth in sales volume of 6% during the year.

Raw material, PTA and MEG prices remained very volatile in line with crude oil prices. With the commissioning of new production capacity of PTA in the country, the availability in the domestic market improved. However, due to imposition of Anti-dumping duties on imports of PTA, and consequential increase in price by domestic PTA producers, the cost of raw material has increased during the year.

Lower fuel prices have resulted in reduced conversion cost of PSF.

Recycled polyester has been gaining market share due to preferential excise duty treatment in India. However, fibre produced by your Company is of much superior quality and has wider usage compared to such recycled fibre. Therefore, despite competition from such cheaper fibre, your Company is able to maintain the market share. The Government of India has partially addressed the differential excise duty structure for recycled polyester in the budget for fiscal year 2016-17.

OPPORTUNITIES AND THREATS

The opportunity for PSF is driven by its durability, versatility of end usage and lower price as compared to cotton and other substitute fibres, natural or man-made. Polyester is used in apparels, sportswear, home furnishing, automotive and industrial textiles. India has an enormous market potential, with per capita consumption of all fibres at approximately 50% of global per capita consumption. The Government of India's push to substantially increase the size of the textile industry output will pave the way for larger man-made fibre consumption due to limited availability of cotton, benefiting the polyester industry at large.

New PSF production capacities aggregating 12% of existing domestic PSF capacity have been announced and likely to be commissioned in 2016-17 creating new competition for your Company.

China has a dominant influence on polyester, fibre intermediaries and downstream textile industries. Any significant developments in the Chinese polyester chain could impact your Company's business dynamics.

OUTLOOK

The year 2015-16 was a challenging year from the polyester business perspective. Meagre domestic demand growth, increased imports and volatile raw material prices put increased pressure on margins. With crude oil prices and petrochemical prices having stabilized and tight situation in cotton supplies the demand for PSF should improve in the current year.

Improving demand, sustained efforts to achieve higher capacity utilization, continuing focus on cost reduction and development of value added products should result in improved performance.

RISKS AND CONCERNS

Prices of raw materials as well as energy cost, the two major input costs for PSF Division are significantly dependent on crude oil price. Changes in oil prices could lead to an impact on margins and profitability. With the main input costs based in US\$, fluctuations in the Indian Rupee/US\$ exchange rate could impact the business and margin. Supply and price of cotton and any significant change in the size of cotton crop in India and globally could have an impact on the demand of PSF. Increased competition from new capacities being built in the country may result in pressure on margins due to price undercutting by new entrants.

SEGMENT-WISE PERFORMANCE

Segment wise performance together with a discussion on operational and financial performance has been covered in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis.

GENERAL

INTERNAL CONTROLS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

M/s. Ernst & Young, Chartered Accountants, are the Internal Auditors

of the Company. The reports and findings of the internal auditors and the internal control system are periodically reviewed by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiary. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

HUMAN RESOURCES

The Company continues to strengthen its people capabilities in its quest to build a growing and sustainable business. An increased focus is being maintained to further build employee retention at all levels in the Company.

Towards this several programs related to Learning & Development, Reward & Recognition are being worked upon. The HR structure is being revised to manage Company's talent pool in a better manner so that employees can have successful long term careers and can productively contribute to the Company's working and success in the future.

RESOURCES & LIQUIDITY

The liquidity pressures felt during the year are expected to ease with the proposed sale of the Textile Unit and improved sale of flats.

The working capital requirement of the Company continued to be funded by a consortium of banks led by State Bank of India.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulation, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

ANNEXURE E to the Directors' Report: REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance:

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

2. Board of Directors:

The Board is composed of eminent persons with considerable professional experience in diverse fields and comprises a majority of Non-Executive Directors. Over two thirds of the Board consists of Non-Executive Directors and of these, the majority are Independent Directors. Mr. Nusli N. Wadia is the Chairman of the Board. The details are given below:-

Name/DIN Nos.	Category	No. of Board Meetings attended during 2015-16		Whether attended AGM held on 6 th August, 2015	No. of Directorships in other public companies as on 31.3.2016*		No. of Committee positions held in other public companies** as on 31.3.2016	
		held	attended		Chairman	Member	Chairman	Member
Mr. Nusli N. Wadia (Chairman) (DIN: 00015731)	Non-Executive/ Promoter	8	8	Yes	3	4	-	-
Mr. R. A. Shah (DIN: 00009851)	Independent	8	7	No	3	6	3	4
Mr. S. S. Kelkar (DIN: 00015883)	-do-	8	8	Yes	-	8	2	1
Mr. S. Ragothaman (DIN: 00042395)	-do-	8	7	Yes	-	8	1	4
Mr. A. K. Hirjee (DIN: 00044765)	-do-	8	7	No	2	2	5	2
Mr. S. M. Palia (DIN: 00031145)	-do-	8	8	Yes	-	3	1	-
Mr. Ishaat Hussain (DIN: 00027891)	-do-	8	8	Yes	4	5	2	4
Dr. (Mrs.) Sheela Bhide (DIN: 01843547)	-do-	8	7	Yes	-	4	2	1
Mr. Ness N. Wadia (DIN: 00036049)	Non-Executive/ Promoter	8	7	Yes	1	5	-	3
Mr. Jehangir N. Wadia (DIN: 00088831)	Managing Director/ Promoter	8	8	Yes	-	4	-	1

Note: Other than Mr. Nusli N. Wadia, Mr. Ness N. Wadia and Mr. Jehangir N. Wadia who are related to each other, no Director is related to any other Director.

* Excludes directorship in foreign companies, private companies and companies governed by Section 8 of the Companies Act, 2013.

** Excludes Committees other than Audit Committee and Stakeholders Relationship Committee and companies other than public limited companies.

During the year under review, 8 Board Meetings were held, the dates being 24th April, 2015, 25th May, 2015, 6th August, 2015, 24th September, 2015, 3rd November, 2015, 18th December, 2015, 8th February, 2016 and 31st March, 2016.

3. Board Committees:

The Board has constituted the following Committees of Directors:

(a) Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with revised Clause 49 of the Listing Agreement and Regulation 18 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. The Committee comprises of members who possess financial and accounting expertise/exposure. The Committee consists of the following 5 Non-Executive Independent Directors:

Mr. Ishaat Hussain [Chairman]

Mr. S. Ragothaman

Mr. R. A. Shah

Mr. S. S. Kelkar

Mr. S. M. Palia

The Managing Director, Chief Financial Officer, Internal Auditors, Cost Auditors, Statutory Auditors and other Senior Managers attend the Audit Committee Meetings as invitees. The Company Secretary acts as the Secretary to the Audit Committee.

The Company had adopted a revised Audit Committee Charter, containing the terms of reference effective from 1st October, 2014, in accordance with the Companies Act, 2013, and Clause 49 of the Listing Agreement. The Charter was suitably amended to incorporate the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from 14th May, 2015.

The role of the Audit Committee flows directly from the Board of Director's overview function on corporate governance, which holds the Management accountable to the Board and the Board accountable to the stakeholders. The term of reference of the Audit Committee broadly includes acting as a catalyst, in helping the organization achieve its objectives. The Audit Committee's primary role is to review the Company's financial statements, internal financial reporting process, internal financial controls, the audit process, adequacy, reliability and effectiveness of the internal control systems, vigil mechanism, related party transactions, monitoring process for compliance with laws and regulations and the code of conduct.

The Audit Committee also reviews the reports and presentations and the responses thereto by the management.

During the year under review, 4 Meetings of the Audit Committee were held, the dates being 22nd May, 2015, 6th August, 2015, 31st October, 2015 and 5th February, 2016.

Details of attendance of each member at the Audit Committee Meetings are as follows:-

Name	No. of Audit Committee Meetings attended
Mr. Ishaat Hussain	4
Mr. S. Ragothaman	4
Mr. R. A. Shah	2
Mr. S. S. Kelkar	4
Mr. S. M. Palia	4

Internal Audit and Control:

M/s. Ernst & Young, Chartered Accountants were appointed as the Internal Auditors of the Company with effect from 1st January, 2016. M/s. Aneja & Associates, Chartered Accountants, ceased to be the Internal Auditors of the Company with effect from 31st December, 2015.

Their internal audit plan and remuneration are approved by the Audit Committee. The reports and findings of the internal auditor and the internal control system are periodically reviewed by the Audit Committee.

Whistle Blower policy:

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has implemented a Whistle Blower Policy, with a view to provide a mechanism for employees and Directors of the Company to approach the Ethics Committee or Chairman of the Audit Committee of the Company to report instances of violations of laws, rules and regulations, unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The vigil mechanism also provides adequate safeguards against victimisation of persons who use such mechanisms and also to ensure direct access to the Ethics Committee or Chairman of the Audit Committee in appropriate or exceptional cases. The Board has approved the whistle blower policy which has been uploaded on the Company's website: <http://teknowits.com/bombaydyeing/Corporategov.aspx>

The Company had received a complaint under the Whistle Blower Policy. Based on their investigations, the Ethics Committee reported that the complaint by an employee against another employee lacked evidence and were based on apprehensions and did not proceed further in the matter.

(b) Nomination and Remuneration Committee:

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee consists of the following Non-Executive Directors:

Mr. S. M. Palia (Chairman)

Mr. Ishaat Hussain

Mr. Nusli N. Wadia

Mr. R. A. Shah

Mr. S. Ragothaman

Mr. A. K. Hirjee

The Chairman of the Committee, Mr. S. M. Palia, is an Independent Director.

During the year under review, the Committee met 5 times on 24th April, 2015, 25th May, 2015, 6th August, 2015, 24th September, 2015 and 31st March, 2016.

Details of attendance of each member at the Nomination and Remuneration Committee Meetings are as follows:-

Name	No. of Nomination and Remuneration Committee Meetings attended
Mr. S. M. Palia	5
Mr. Ishaat Hussain	5
Mr. Nusli N. Wadia	5
Mr. R. A. Shah	4
Mr. S. Ragothaman	5
Mr. A. K. Hirjee	5

The broad terms of reference of the Nomination and Remuneration Committee includes:

- Setup and composition of the Board, its committees and the leadership team of the Company comprising of Key Managerial Personnel ("KMP" as defined under the Companies Act, 2013) and Executive Team (as defined by the Committee).
- Evaluation of performance of the Board, its Committees and Individual Directors.
- Remuneration for Directors, KMPs, Executive Team and other employees.
- Oversight of the familiarisation programme of Directors.
- Oversight of the HR philosophy, HR and people strategy and key HR practices.

Remuneration Policy:

Payment of remuneration to the Managing Director is governed by the Agreement executed between him and the Company. His Agreement is approved by the Board and by the shareholders. His remuneration structure comprises salary, incentive, bonus, benefits, perquisites and allowances, contribution to provident fund, superannuation and gratuity. The Non-Executive Directors do not draw any remuneration from the Company other than sitting fees and such commission as may be determined by the Board from time to time. The remuneration policy as approved by the Board is placed on the website of the Company: <http://teknowits.com/bombaydyeing/Corporategov.aspx>

- (i) Details of remuneration paid to the Managing Director during the year 2015-16 are given below: -

(in ₹)

Name	Salary	Benefits**	Bonus***	Total
*Mr. Jehangir. N. Wadia, Managing Director	5,48,16,455	46,21,960	60,89,071	6,55,27,486

* Mr. Jehangir N. Wadia's term as Managing Director of the Company ended on 31st March, 2016. On the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on 31st March, 2016 re-appointed Mr. Jehangir N. Wadia as Managing Director for a further period of 5 years from 1st April, 2016 to 31st March, 2021, subject to shareholders' approval in the ensuing Annual General Meeting.

** Includes the Company's contribution to Provident and Superannuation Funds, Leave Travel Allowance claimed during the year for financial years 2012-13, 2013-14 & 2014-15 aggregating ₹ 18,00,000/-, but excludes gratuity.

*** Bonus pertains to Financial Year 2014-15 paid during Financial Year 2015-16.

Notes:

1. The Agreement with the Managing Director is for a period of five years. Either party to the Agreement is entitled to terminate the Agreement by giving not less than six calendar months' prior notice in writing to the other party; provided that the Company shall be entitled to terminate the incumbent's employment at any time by payment to him of six months' salary in lieu of such notice.
2. Excess Remuneration payable to Mr. Jehangir N. Wadia, Managing Director, is subject to the approval of the Central Government, in respect of which the Company has made an application and approval is awaited.

- (ii) Details of payments made to Non-Executive Directors during the year 2015-16 and the number of shares held by them are given below: -

	Sitting Fees (in ₹)		Total No. of Shares held in the Company as on 31 st March, 2016
	Board Meeting	Committee Meeting	
Mr. Nusli N. Wadia	4,40,000	2,20,000	Nil
Mr. R. A. Shah*	3,80,000	3,20,000	7,100
Mr. S. S. Kelkar	4,40,000	4,35,000	50,000
Mr. S. Ragothaman	3,80,000	5,60,000	35,000
Mr. A. K. Hirjee	3,80,000	3,55,000	3,800
Mr. S. M. Palia	4,40,000	6,40,000	Nil
Mr. Ishaat Hussain	4,40,000	5,00,000	Nil
Mr. Ness N. Wadia	3,80,000	1,40,000	12,19,418
Dr. (Mrs.) Sheela Bhide	3,80,000	1,40,000	Nil
Total	36,60,000	33,10,000	

*In the opinion of Nomination and Remuneration Committee, Mr. R. A. Shah, Director in the Company and is also a partner of Crawford Bayley & Co., a solicitor firm, possesses the requisite qualification for the practice of legal professional and has rendered services of a professional nature to the Company. The quantum of professional fees received by Crawford Bayley & Co. from the Company constitutes less than 10% of the total revenues of the legal firm.

Remuneration of Non-Executive Directors by way of commission, if any, is determined by the Board within the limits stipulated by the Special Resolution passed at the 134th Annual General Meeting held on 8th August, 2014. Earlier Non-Executive Directors were paid sitting fees at the rate of ₹ 40,000/- per meeting for attending the meetings of the Board of Directors/Committees thereof except Stakeholders Relationship Committee wherein the Non-Executive Directors were paid sitting fees at the rate of ₹ 10,000/- per meeting. At the Board Meeting held on 25th May, 2015, the Board revised the payment of sitting fees payable to Non-Executive Directors. Accordingly, the Non-Executive Directors are paid sitting fees at the rate of ₹ 60,000/- per meeting for attending the meetings of the Board of Directors/Committees thereof. Sitting fees for CSR Committee is ₹ 40,000/- and Stakeholders Relationship Committee is ₹ 15,000/- per meeting. The Independent Directors are paid sitting fees at the rate of ₹ 60,000/- per meeting of Independent Directors.

No stock options have been granted to Non-Executive Directors.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 ("Act") and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under revised Clause 49 of the Equity Listing Agreement ("Clause 49") and/or various applicable regulations of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Board of Directors ("Board") has carried out an annual evaluation of its own performance, and that of its committees and individual directors.

The performance of the Board and individual directors was evaluated by the Board seeking inputs from all the Directors. The performance of the committees was evaluated by the Board seeking inputs from the committee members. The Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors. A separate meeting of Independent Directors was also held to review the performance of non-independent directors; performance of the Board as a whole and performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors. This was followed by a Board meeting that discussed the performance of the Board, its committees and individual directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of committees of the Board included aspects like composition of committees, effectiveness of committee meetings etc. The criteria for performance evaluation of the individual directors included aspects on contribution to the

Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairperson was also evaluated on the key aspects of his/her role.

(c) Stakeholders Relationship Committee:

The Committee's constitution and terms of reference are in compliance with provisions of the Section 178(5) of the Companies Act, 2013 and Clause 49 of the Listing Agreement and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The broad terms of reference of the said Committee are as follows:

- i. To look into the redressal of grievances such as transfer of security, non-receipt of annual reports, dividends, interest etc. of various stakeholders of the Company viz. shareholders, debenture holders, fixed deposit holders and other security holders.
- ii. To approve and monitor transfers, transmission, splitting, consolidation, dematerialisation, rematerialisation of securities issued by the Company and issue of duplicate security certificates.
- iii. To carry out the functions as envisaged under the Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information adopted by the Company in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Committee consisted of 2 Non-Executive Directors and the Managing Director, namely: -

Mr. S. S. Kelkar (Chairman)

Mr. A. K. Hirjee

Mr. Jehangir N. Wadia

During the year under review, the Committee met once on 30th March, 2016 and all the members attended the meeting.

The Board at its meeting held on 20th October, 2010 and as modified by the Board at its meeting held on 28th May, 2013, had delegated the powers to approve transfer and transmission of securities, to issue consolidated/new certificates etc. subject to certain guidelines and limits laid down, severally to the Managing Director, Chief Financial Officer and the Company Secretary. Accordingly, the transfer and transmission of shares, issue of consolidated/new certificates, etc. upto the limits laid down are approved on a weekly basis by any of the above delegates. As per Rule 6(2)(a) of the Companies (Share Capital and Debentures) Rules, 2014 the duplicate share certificate is to be issued in lieu of those lost or destroyed, only with the prior consent of the Board or Committee thereof. Duplicate share certificates are therefore issued with the prior approval of the Committee.

Name and designation of Compliance Officer:

Company Secretary

Mr. J. C. Bham (upto 31st May, 2015)

Mr. K. Subharaman (from 1st June, 2015 upto 30th April, 2016)

No. of shareholders' complaints received during the year:	169
No. of complaints not resolved to the satisfaction of shareholders:	Nil
No. of pending complaints:	Nil

(d) Finance Committee:

The Finance Committee consists of the following Directors:

Mr. S. S. Kelkar
Mr. A. K. Hirjee
Mr. S. Ragothaman
Mr. Ness N. Wadia
Mr. S. M. Palia

The terms of reference of the Finance Committee cover (i) Liability Management related to raising of Rupee/Foreign Currency resources both short-term and long-term to meet the funding requirements of the various operating divisions and approval of terms and conditions covering the borrowing programme; (ii) Foreign Exchange Management involving review of the Company's forex policy and providing direction to the Treasury Department with regard to maintenance and covering of open positions; (iii) Investment Management related to the employment of temporary and/or long-term surpluses of the Company in various securities whether or not traded on the stock exchanges like units of Mutual Funds and providing direction to the Treasury Department on the composition and the turnover of the investment portfolio from time to time and (iv) To open and operate various bank accounts of the Company. The Managing Director and Chief Financial Officer are permanent invitees.

During the year under review, the Committee met once on 26th February, 2016 and all members attended the meeting.

Communication was also undertaken by way of e-mails and discussions were held, as and when required, among the Committee members and decisions taken in matters coming within the Committee's purview.

(e) Executive Committee:

The Executive Committee consists of the following Directors:

Mr. Nusli N. Wadia (Chairman)
Mr. S. Ragothaman
Mr. S. M. Palia
Mr. S. S. Kelkar
Mr. A. K. Hirjee
Mr. Ishaat Hussain

The Managing Director, Chief Financial Officer and Mr. Ness N. Wadia are permanent invitees.

Broad terms of reference of the Executive Committee include (i) review with the Business Heads of the operating divisions from time to time of business plans and strategies, (ii) addressing issues related to capital expenditure and (iii) review of performance of the business of the Company.

No meeting of the Executive Committee was held during the year under review.

The Company Secretary acts as the Secretary of the Committee.

(f) Corporate Social Responsibility (CSR) Committee:

The Committee's constitution and terms of reference are in compliance with provisions of Section 135 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and applicable provisions of SEBI (LODR) Regulations, 2015.

The CSR Committee consists of the following Directors:

Mr. Ness N. Wadia (Chairman)
Mr. S. M. Palia
Mr. S. S. Kelkar
Dr. (Mrs.) Sheela Bhide

The CSR Committee will:

- review the existing CSR Policy from time to time and the activities to be undertaken by the Company towards CSR activities;
- recommend the project/programme to be undertaken, amount of expenditure to be incurred, roles and responsibilities of various stakeholders, etc. in respect of CSR activities; and
- monitor for ensuring implementation of the projects/programmes undertaken or the end use of the amount spent by the Company towards CSR activities.

During the year under review, the Committee met twice on 24th April, 2015 and 7th August, 2015.

Details of attendance of each member at the Corporate Social Responsibility Committee Meetings are as follows:-

Name	No. of CSR Committee Meetings attended
Mr. Ness N. Wadia	2
Mr. S. M. Palia	2
Mr. S. S. Kelkar	2
Dr. (Mrs.) Sheela Bhide	2

The details of CSR contribution has been provided in Annexure 'H' to the Directors' Report.

(g) Independent Directors Meeting:

During the year under review, the Independent Directors met on 31st March, 2016, inter-alia, to discuss:

- Evaluation of the performance of the Board as a whole;
- Evaluation of performance of the Non-Independent Non-Executive Directors and the Board Chairman.
- To assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

(h) Familiarisation programme for Independent Directors:

The Board members are provided with necessary documents/ brochures and reports to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business strategy and risks involved.

Quarterly updates on relevant statutory changes encompassing important laws are regularly circulated to the Directors.

The policy of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://teknowits.com/bombaydeying/BoardofDirectors.aspx>.

4. General Body Meetings:**(a) Location and time where last three AGMs were held:**

Date & Time	Location	Special Resolutions Passed
6 th August, 2015 at 3.45 p.m.	Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400020	(i) To pay remuneration to Mr. Jehangir N. Wadia (DIN: 00088831), Managing Director of the Company.
8 th August, 2014 at 3.45 p.m.	Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400021	(i) To increase the borrowing limits. (ii) To create charges, mortgages and hypothecation and to sell, lease or otherwise dispose of the part or whole of the undertaking. (iii) To renew and accept fixed deposits from the public. (iv) Remuneration to non-executive directors.
6 th August, 2013 at 3.45 p.m.	Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400021	NIL

(b) Whether any Special Resolutions were passed last year through postal ballot:

During the year the following resolutions were passed through postal ballot:

Date of passing of Resolution	Purpose	Votes in favour of the Resolution		Votes against the Resolution	
		No of Votes	% to total votes	No of Votes	% to total votes
09.07.2015	Consent of the Company under Section 180(1) (a) of the Companies Act, 2013, to the Board of Directors to sell/dispose off its undertaking.	11,55,94,660	91.11%	1,12,82,120	8.89%
09.11.2015	Approval for Remuneration to be paid to Managing Director of the Company.	11,05,78,234	88.96%	1,37,18,616	11.04%

During the conduct of the Postal Ballot, the Company had in terms of Clause 35B of the Listing Agreement provided e-voting facility to its shareholders to cast their votes electronically. Postal ballot forms and business reply envelopes were sent to shareholders to enable them to cast their vote in writing on the postal ballot. The Company also published a notice in the newspaper declaring the details of completion of despatch and other requirements as mandated under the Companies Act, 2013 and applicable Rules.

The Company had appointed Mr. P. N. Parikh of M/s. Parikh & Associates, Practising Company Secretary, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. The scrutinizer submitted his report to the Chairman, after completion of the scrutiny and the results of voting by posting ballot were then announced by the Authorised Director. The voting results were sent to the Stock Exchanges and displayed on the Company's website. The date of declaration of the results by the Company is deemed to be the date of passing of the resolutions.

5. Other disclosures :**(a) Related Party Transactions**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement and/or Regulation 23 of SEBI (Listing Obligations and Disclosures) Regulation, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

As required under clause 49(VIII) of the Listing Agreement and/or Regulation 23(1) of SEBI (Listing Obligations and Disclosures) Regulations, 2015, with Stock Exchanges, the Company has formulated a policy on Related Party

Transactions which has been put up on the website of the Company: <http://teknowits.com/bombaydyeing/Corporategov.aspx>

- (b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: None.

- (c) Risk Management:

A detailed review of business risks and the Company's plan to mitigate them is presented to the Audit Committee and Board. The Company has been taking steps to mitigate foreseeable business risks. Business risk evaluation and management is an ongoing and continuous process within the Company and regularly updated to the Audit Committee and Board.

The Company has formulated a Risk Assessment & Management Policy, duly reviewed by the Audit Committee, establishing the philosophy of the Company towards risk identification, analysis and prioritization of risks, development of risk mitigation plans and reporting to the Board periodically. The Policy is applicable to all the functions and departments of the Company. The Risk Assessment & Management Policy is implemented through the establishment of the Risk Management Committee accountable to the Board of Directors. The Committee includes the Managing Director ('MD'), Chief Financial Officer, Chief Executive Officers, internal auditor of the Company and such other members as included by the Board/MD. The MD is the Chairman of the Committee.

- (d) CEO/CFO Certification:

Mr. Jehangir N. Wadia, Managing Director and Mr. Puspamitra Das, Chief Financial Officer, have certified to the Board in accordance with Regulation 17(8) of SEBI (Listing Obligations and Disclosures) Regulations, 2015, pertaining to CEO/CFO certification for the financial year ended 31st March, 2016.

- (e) Code of Conduct:

The Board of Directors has adopted the Code of Ethics and Business Principles for Non-Executive Directors as also for the employees including Whole-Time Directors and other members of Senior Management. The said Code has been communicated to all the Directors and members of the Senior Management. The Code has also been posted on the Company's website: <http://teknowits.com/bombaydyeing/Corporategov.aspx>

- (f) Prevention of Insider Trading Code:

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

All the Directors, employees at senior management level and other employees who could have access to unpublished price sensitive information of the Company are governed by this code.

- (g) Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

During 2015-16, your Company received 1 complaint which was inquired into by it and the said complaint has been resolved.

6. Means of communication:

- (i) Quarterly results:

The unaudited quarterly results are announced within forty-five days from the end of the quarter and the audited annual results within sixty days from the end of the last quarter as stipulated under the Listing Agreement with the Stock Exchanges.

- (ii) Newspapers wherein results normally published:

Financial Express (all editions) & Mumbai Lakshadeep (Mumbai).

- (iii) Any Website where displayed:

www.bombaydyeing.com

- (iv) Whether Website also displays official news releases:

Yes. Financial Results, distribution of shareholding, notices and press releases, if any, are displayed on the website.

- (v) Whether presentations made to institutional investors or to analysts:

No presentations were made to institutional investors or to analysts.

- (vi) Management Discussion & Analysis Report:

The Management Discussion & Analysis Report is annexed to the Directors' Report and forms a part of the Annual Report.

7. General Shareholder information:

- a. AGM: Date, time and venue:

Wednesday, 10th August, 2016 - 3.45 p.m. at Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400021.

- b. Financial calendar (tentative):

Financial results for the quarter ending 30th June, 2016: 2nd week August, 2016.

Financial results for the quarter ending 30th September, 2016: 2nd week November, 2016.

Financial results for the quarter ending 31st December, 2016: 2nd week February, 2017.

Financial results for the year ending 31st March, 2017: End May, 2017.

Annual General Meeting for the year ending 31st March, 2017: 1st or 2nd week of August, 2017.

- (c) Book closure period: Friday, 29th July, 2016 to Wednesday, 10th August, 2016, both days inclusive.
- (d) Dividend payment date: On or from 11th August, 2016.
- (e) Listing on Stock Exchanges: Currently, the Company's securities are listed at:

1. BSE Ltd., Mumbai.
 2. National Stock Exchange of India Ltd. (NSE), Mumbai.
- The Global Depository Receipts are listed at: Societe de la Bourse de Luxembourg.

Annual Listing Fees for the year 2016-17 have been paid to BSE Ltd. and National Stock Exchange of India Ltd.

Listing fee to the Societe de la Bourse de Luxembourg for listing of GDRs has been paid for the calendar year 2016.

- (f) Stock Code:
BSE Ltd. (BSE): 500020
National Stock Exchange of India Ltd. (NSE): BOMDYEING
- (g) Stock Market Data: Please see Annexure 1
- (h) Stock Performance: Please see Annexure 2
- (i) **Change in Registrars and Transfer Agents ("RTA") from Sharepro Services (India) Pvt. Ltd., to M/s. Karvy Computershare Private Limited:**

The Company's agreement with Sharepro Services (India) Pvt. Ltd. came to an end on 31st March, 2016 by efflux of time.

The Company at its Board Meeting held on 31st March, 2016, has appointed M/s. **KARVY COMPUTERSHARE PRIVATE LIMITED**, ("Karvy") having its Registered Office at "Karvy House" No 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500034, as the Company's Registrar and Transfer Agent with effect from 1st April, 2016.

M/s. Karvy Computershare Private Limited, Hyderabad, the Company's Registrar and Transfer Agent (R&TA) handle the entire share registry work, both physical and electronic. Accordingly, all documents, transfer deeds, demat requests and other communications in relation thereto including dividend should be addressed to the R&TA at its following offices:

1) Corporate office of RTA:

Karvy Computershare Private Limited
(Unit : Bombay Dyeing)
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad,
Telangana – 500032, India
Telephone number: +91 40 6716 2222
Fax number: +91 40 2342 0814
E-mail: einward.ris@karvy.com
Website: www.karvycomputershare.com

2) RTA's Mumbai front office address where investor requests/complaints/queries are entertained:

Karvy Computershare Pvt. Ltd.
(Unit : Bombay Dyeing)
24-B ,Raja Bahadur Mansion,
Ground Floor,
Ambalal Doshi Marg,
Behind BSE, Fort,
Mumbai 400023.
Tel: 022 6623 5454/412/427

(j) Share Transfer Details:

Share transfers in physical form are registered within a period of 7 to 15 days from the date of receipt in case documents are complete in all respects. The number of shares transferred/transmitted during the year is as under:

	No. of Applications	No. of Shares
Transfers	135	25125
Transmissions	36	20290
Total	171	45415

(k) Dematerialisation of shares and liquidity:

97.67% of the outstanding Equity Shares have been dematerialised up to 31st March, 2016. All shares held by Promoters/Promoter Group Companies have been dematerialised. Trading in Equity Shares of the Company on the stock exchanges, is permitted only in dematerialised form effective from 29th November, 1999, as per Notification issued by the Securities & Exchange Board of India (SEBI).

(l) Share Capital Audit:

M/s Parikh & Associates, Practicing Company Secretaries, have carried out the Secretarial Audit of the Company for the Financial Year 2015-16 and as per the provisions of Section 204 of the Companies Act, 2013, a Secretarial Audit Report in the prescribed format given by M/s. Parikh & Associates is annexed to this Report.

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practising Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), shares held physically as per the register of members and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, NSDL and CDSL and is also placed before the Board of Directors.

(m) Outstanding GDRs/Warrants, Convertible Bonds, conversion date and likely impact on equity:

- (i) 27,79,425 GDRs were outstanding as at 31st March, 2016, each GDR representing one underlying equity share of ₹ 2/- each.
- (ii) 928 (2014-15: 928) Warrants as part of the rights entitlement kept in abeyance out of the rights issue of non-convertible debentures (NCDs)/secured premium

notes (SPNs) with two detachable warrants attached to each NCD/SPN entitling the warrant-holder to apply for and be allotted five equity shares of the Company for

each warrant at a price of ₹ 12 per share. Likely impact on full conversion will be ₹ 0.09 lakh on share capital and ₹ 0.46 lakh on share premium.

(n) (i) Distribution of Shareholding as on 31st March, 2016:

Description	No. of Shareholders	%	Share Holding	%
1 - 50	31,200	30.49	7,90,028	0.38
51 - 100	15,229	14.88	13,69,294	0.66
101 - 250	23,265	22.74	44,13,836	2.14
251 - 500	15,751	15.39	65,28,612	3.16
501 - 1000	8,386	8.19	67,86,983	3.29
1001 - 5000	6,979	6.82	1,52,89,617	7.40
5001 & Above	1,527	1.49	17,13,56,530	82.97
Total	1,02,337	100.00	20,65,34,900	100.00

(ii) Shareholding Pattern as on 31st March, 2016.

	No. of Shares	%
Promoter Group *	10,81,22,618	52.35
Insurance Companies	87,17,970	4.22
Financial Institutions/Banks	7,46,337	0.36
Mutual Funds	67,83,837	3.28
FII's	1,13,05,964	5.47
GDR Holders	27,79,425	1.35
Others	6,80,78,749	32.97
Total	20,65,34,900	100.00

*Promoter Group comprises:

Mr. Nusli N. Wadia and his relatives in terms of Section 2(77) of the Companies Act, 2013, Mr. Jehangir N. Wadia, Mr. Ness N. Wadia, Ms. Diana Claire Wadia, Ms. Elizabeth Anne Guhl, Estate of Smt. Bachoobai Woronzow, Jer Mavis Settlement No. II, Diana Claire Wadia Trust, Nusli Neville Wadia Trust, N. N. Wadia – Administrator of Estate of Late E. F. Dinshaw, Nowrosjee Wadia & Sons Limited, The Bombay Burmah Trading Corporation Limited, National Peroxide Limited, Sunflower Investments & Textiles Pvt. Ltd., Wadia Techno-Engineering Services Ltd., Ben Nevis Investments Limited, Macrofil Investments Limited, Nessville Trading Private Limited, Lotus Viniyog Private Limited, Go Airlines India Ltd., Go Investment & Trading Pvt. Ltd., Nidhivan Investment & Trading Co. Pvt. Ltd., Heera Holdings & Leasing Pvt. Ltd. and Sahara Investments Pvt. Ltd. and their subsidiaries and associates.

(o) In terms of Section 205C of the Companies Act, 1956, read with the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001, (which are still applicable as the relevant sections under the Companies Act, 2013, are yet to be notified), the Company has credited during the year ended 31st March, 2016, an aggregate amount of ₹ 11.99 lakhs to the Investor Education and Protection Fund (IEPF).

(p) Plant Locations :

Textile Processing Unit,
B-28, MIDC Industrial Area,
Ranjangaon, Tal. Shirur,
Dist. Pune – 412 220.
Tel. No.: 021-38232700 / 38232800
Fax No.: 021-38232600.
PSF Plant,
A-1, Patalganga Industrial Area,
Dist. Raigad, Taluka Khalapur,
Maharashtra.
Tel. No.: 952192 251096/103
Fax No.: 952192 250263.

Address for correspondence:

For share transfer/dematerialisation of shares/payment of dividend/other queries relating to shares:

Contact M/s. Karvy Computershare Private Limited at the addresses printed in Sr. No. 7(i) above.

For any queries on Annual Report or investors' assistance:

The Company Secretary OR The Dy. General Manager (Secretarial), at C-1, Wadia International Centre

(Bombay Dyeing), Pandurang Budhkar Marg, Worli, Mumbai-400 025.
Tel: (91) (22) 66620000 Fax: (91) (22) 66193262.

Note: As required in terms of Clause 47(f) of the Listing Agreement and/or Regulation 13 of SEBI (Listing Obligations and Disclosures) Regulations, 2015, the Company has designated an e-mail ID exclusively for the purpose of registering complaints by investors. The e-mail ID is: grievance_redressal_cell@bombaydyeing.com.

(q) **Green Initiative:**

By virtue of Ministry of Corporate Affairs ("MCA") Circular Nos. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively, read with Rule 11 of the Companies (Accounts) Rules, 2014, service of documents may be made to members through electronic mode.

We therefore appeal to the members to be a part of the said 'Green Initiative' and request the members to register their name in getting the said documents in electronic mode by sending an email giving their Registered Folio Number and/or DP Id/Client ID to the dedicated email address at einward@karvy.com.

Those members who want the above documents in physical form, must indicate their option by sending a letter or an email to the Registrar's address or at the specially created e-mail ID einward@karvy.com giving their Registered Folio Number and/or DP Id/Client ID.

Non-Mandatory Requirements:

(a) **Office of the Chairman of the Board:**

The Company defrays the secretarial and travel expenses of the Chairman's Office.

(b) **Shareholder rights – furnishing of half yearly results:**

The Company's half yearly results are published in the newspapers and also posted on its website and are, therefore, not sent to the shareholders. However, the Company furnishes the quarterly and half yearly results on receipt of a request from the shareholders.

(c) **Unqualified Financial Statements:**

There are no qualifications in the Auditor's Report on the accounts for the year 2015-16.

Mumbai, 27th May, 2016.

DECLARATION

As provided under Regulation 17 of SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015 with the Stock Exchanges, this is to confirm that all the Members of the Board and the Senior Management have affirmed compliance with the Code of Conduct for the year ended 31st March, 2016.

For The Bombay Dyeing & Mfg. Co. Ltd.

Jehangir N. Wadia
Managing Director

Mumbai, 27th May, 2016.

Auditor's Certificate on Corporate Governance

To the Members of The Bombay Dyeing and Manufacturing Company Limited

We have examined the compliance of conditions of corporate governance by The Bombay Dyeing and Manufacturing Company Limited ("the Company") for the year ended 31st March 2016, as stipulated in Clause 49 of the listing agreement of the Company with relevant stock exchanges for the period April 1, 2015 to November 30, 2015 and as per Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreement and Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as applicable.

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 management has conducted the affairs of the Company.

For KALYANIWALLA & MISTRY
Chartered Accountants
Registration No. 104607W

ERMIN K. IRANI
Partner
Membership No.: 35646

Place: Mumbai
Date: May 27, 2016

ANNEXURE -1

STOCK MARKET DATA

	Month's High Price (₹)		Month's Low Price (₹)		No. of shares Traded		No. of Trades		Value (₹ in lacs)	
	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
Apr. 2015	75.90	75.85	62.55	62.75	7248575	19979030	75894	132774	5083.35	14023.92
May. 2015	72.85	73.50	63.20	63.20	4512608	12308170	33775	88892	3058.71	8378.37
Jun. 2015	74.20	74.20	58.55	58.55	5832804	15977426	36352	96643	3914.48	10719.45
Jul. 2015	91.70	91.75	71.65	71.70	15885525	46988604	91639	244040	12546.73	37369.72
Aug. 2015	94.00	92.45	57.00	57.00	11645247	38884310	74579	243189	9178.44	30764.40
Sep. 2015	66.85	66.60	58.85	58.80	3936423	11152919	24598	94119	2450.65	6943.71
Oct. 2015	72.20	72.35	63.10	63.10	5375694	17729532	34283	113051	3698.87	12191.31
Nov. 2015	68.40	68.25	59.40	59.25	4274878	12932276	29451	67742	2771.68	8390.70
Dec. 2015	68.25	68.40	59.60	59.60	4841862	17362265	32267	91490	3133.00	10880.77
Jan. 2016	67.20	67.20	50.90	50.60	4476743	12947891	24932	72888	2677.17	7851.81
Feb. 2016	54.40	54.40	39.05	39.00	3429667	8318386	24614	56725	1538.34	3736.32
Mar. 2016	48.40	48.50	40.30	40.15	3474485	8478478	20545	50887	1588.12	3871.14

ANNEXURE 2



ANNEXURE F to Directors' Report:

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP's AND EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2015-16 (₹ in crore)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Nusli N. Wadia, Chairman of the Company	xxx	xxx	0
2	Mr. Jehangir N. Wadia, Managing Director	6.55	11%	118.06
3	Mr. Ness N. Wadia, Promoter and Non-Executive	xxx	xxx	0
4	Mr. R. A. Shah, Non-Executive and Independent	xxx	xxx	0
5	Mr. S. S. Kelkar, Non-Executive and Independent	xxx	xxx	0
6	Mr. S. Ragothaman, Non-Executive and Independent	xxx	xxx	0
7	Mr. A. K. Hirjee, Non-Executive and Independent	xxx	xxx	0
8	Mr. S. M. Palia, Non-Executive and Independent	xxx	xxx	0
9	Mr. Ishaat Hussain, Non-Executive and Independent	xxx	xxx	0
10	Dr. (Mrs.) Sheela Bhide, Non-Executive and Independent	xxx	xxx	0
11	Mr. Vinod Hiran, Chief Financial Officer*	xxx	*	*
12	Mr. Jairaj C. Bham, Company Secretary**	xxx	**	**
13	Mr. K. Subharaman, Company Secretary***	xxx	***	***

*Details not given for Mr. Vinod Hiran, Chief Financial Officer & Key Managerial Personnel as he was employed only for part of the financial year 2015-16 i.e. from 15th may 2015 to 2nd November 2015.

** Details not given for Mr. Jairaj C. Bham, Company Secretary & Key Managerial Personnel as he was employed only for part of the financial year 2015-16 i.e. upto 31st May, 2015.

*** Details not given for Mr. K. Subharaman, Company Secretary & Key Managerial Personnel as he was employed only for part of the financial year 2015-16 i.e. he joined with effect from 1st June, 2015.

- ii. The median remuneration of employees of the Company during the financial year was ₹ 0.05 crore. In the Financial year 2015-16, there was an increase of 0.35 % in the median remuneration of employees;
- iii. There were 917 number of permanent employees on the rolls of the Company as on 31st March, 2016;
- iv. The explanation on the relationship between average increase in remuneration and company performance: The increase in remuneration is linked to the performance of the Company as a whole, the performance of the concerned Division, the performance of the employees and other factors like industry trends and economic environment.
- v. a) Variations in the market capitalisation of the Company : The market capitalization as on 31st March, 2016, was ₹ 982.07 crore (₹ 1319.76 crore as on 31st March, 2015).
- b) Price Earnings ratio of the Company was ₹ -11.51 as at 31st March, 2016 and was ₹ 53.70 as at 31st March, 2015.
- c) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer - The exact date of the listing of the Company's shares is not available but the shares were listed before the year 1934. Since the listing of the shares, the Company has not made any public offer. The market capitalisation as on

31st March, 2016, was ₹ 982.07 crore and the closing price of the same at NSE on 31st March, 2016, was ₹ 47.55 per equity share of the face value of ₹ 2/- each.

- vi. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 whereas the increase in the managerial remuneration for the same financial year: There were no exceptional circumstances for increase in Managerial Remuneration as Managerial & Non Managerial levels were provided with similar increases.
- vii. Comparison of Remuneration of each Key Managerial Personnel(s) and All Key Managerial Personnel(s) together against the performance of the Company:

	Mr. Jehangir N. Wadia
Aggregate remuneration of Key managerial personnel (KMP) in Financial Year 2015-16 (₹ In crore)	6.55
Revenue (₹ In crore)	1884.39
Remuneration of KMPs (as % of revenue)	0.35%
Profit/(Loss) before Tax (PBT) (₹ In crore)	(85.24)
Remuneration of KMP (as % of PBT)	-

- viii. The key parameters for any variable component of remuneration availed by the directors - Performance Bonus
- ix. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: There are no such cases wherein any Employee received Remuneration in excess of the highest paid Director.
- x. Affirmation that the remuneration is as per the remuneration policy of the company: It is hereby affirmed that the Remuneration paid is as per the Remuneration policy of the Company.

On behalf of the Board of Directors

Place: Mumbai
Date: 27th May, 2016.

NUSLI N.WADIA
Chairman

ANNEXURE G to Directors' Report:

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,

The Members,

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Bombay Dyeing and Manufacturing Company 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, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (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')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and

Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company, namely:
 1. Contract Labour (R&A) Act, 1970 & Maharashtra Rules, 1971
 2. Inter State Migrant Workers (Regulation of Employment & Condition of Service) Act, 1979
 3. Air, Water & Environment (Prevention & Control of Pollution) Act, 1974
 4. Air (Prevention & Control of Pollution) Act, 1974
 5. Building & Other Construction Workers-BOCW (Regulation of Employment & Conditions of Service) Act, 1996 with Maharashtra Rules, 2007
 6. Labour Welfare Cess under Building & Other Construction Workers Welfare Cess Act, 1996, Cess Rules, 1998 with Maharashtra Govt. Latest Notification.
 7. Copyright Act, 1957 and the Rules thereunder
 8. Designs Act, 2000 and the Rules thereunder
 9. Legal Metrology Act, 2009 and Rules thereunder

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 Company has revised the remuneration payable to the Managing Director of the Company with effect from 1st April, 2015 to 31st March, 2016 which is subject to the approval of the Central Government.

During the period under review, the Company has an unspent amount of ₹ 1.19 crores against the amount of ₹ 1.49 crores to be spent during the year towards Corporate Social Responsibility.

We further report that:

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

Adequate notice was given to all directors 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.

Decisions at the Board Meetings were taken unanimously.

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 had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.:

The Shareholders have approved the Company's proposal to sell/dispose off textile processing Unit situated at B-28, MIDC Industrial Area, Ranjangaon, Maharashtra (Undertaking) to Oasis Procon Pvt. Ltd., New Delhi for a consideration of ₹ 230 crores (Rupees Two Hundred and Thirty Crores).

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date : 27th May, 2016

P. N. Parikh
Partner
FCS No: 327 CP No: 1228

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

'ANNEXURE A'

To,

The Members

The Bombay Dyeing and Manufacturing Company Limited

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

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

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date : 27th May, 2016

P. N. Parikh
Partner
FCS No: 327 CP No: 1228

ANNEXURE H to the Directors' Report:

CORPORATE SOCIAL RESPONSIBILITY

The Company has already constituted a Corporate Social Responsibility Committee and has aligned its CSR Policy in accordance with the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 to make it compliant with the provisions of the Act and the Rules and to undertake the admissible CSR activities notified by the Ministry of Corporate Affairs in Schedule VII to the Act.

The CSR Policy of the Company are available at the link <http://teknowits.com/bombaydyeing/Corporategov.aspx>

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The Company has undertaken projects like contribution towards restoration of hospitals for children, donation of textile products to areas affected adversely due to natural calamities like floods, landslides, earthquake, etc. Please refer the Corporate Social Responsibility Policy on the Company's website, <http://teknowits.com/bombaydyeing/Corporategov.aspx>

2. The Composition of the CSR Committee:

Mr. Ness N. Wadia (Chairman), Mr. S. M. Palia, Mr. S. S. Kelkar and Dr. (Mrs.) Sheela Bhide.

3. Average Net Profit of the Company for last three financial years (2012-13, 2013-14 & 2014-15): ₹ 69.74 crore.

4. Prescribed CSR expenditure (two percent of the Amount as in item 3 above) (2012-2014): Expenditure for the financial year 2015-16 amounts to ₹ 1.39 crore.

5. Details of CSR spend during the financial Year 2015-16:

(a) Total amount spent during the Financial Year 2015-16: ₹ 0.31 crore.

(b) Amount unspent, if any: ₹ 1.08 crore (Refer Note 6)

(c) Manner in which the Amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	CSR Project or Activity identified	Sector in which the project is covered	Projects or programmes [1] Local area or other [2] Specify the state and district where projects or programmes were undertaken	Amount outlay (Budget) projects or programmes wise (₹)	Amount spent on the projects or programmes		Cumulative expenditure up to the reporting period (₹)	Amount spent: directly or through implementing agency (₹)
					Direct expenditure on programme or projects (₹)	Overheads (₹)		
1.	Donations of textiles products for Tamil Nadu floods relief operations	Promoting preventive health care	State: Tamil Nadu	0.31 crore	0.31 crore	Nil	0.31 crore	₹ 0.31 crore spent through an NGO.

6. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:

The Company had spent ₹ 79.53 lakh towards Nepal Earth Quake Relief during May 2015, which could not be accounted for CSR activity since the money was not spent in India as required under the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company had incurred substantial loss during the nine months ended 31st December, 2015. Considering the total amount of ₹ 1.11 crore spent towards CSR activities (including for Nepal earthquake relief), it was decided not to spend shortfall of ₹ 1.08 crore (as required under section 135 of the Companies Act, 2013) in financial year 2015-16.

7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

For and behalf of the
Corporate Social Responsibility Committee of
The Bombay Dyeing and Mfg. Co. Limited

Ness N. Wadia

Chairman

Corporate Social responsibility Committee

For The Bombay Dyeing and Mfg. Co. Limited

Nusli N. Wadia

Chairman

Place: Mumbai

Date: May 27, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, Statement of Profit and Loss and the 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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, of the state of affairs of the Company as at March 31, 2016 and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

- 1) Note 37 to the financial statements regarding agreements to sell certain apartments in the proposed residential towers being constructed at Island City Centre to SCAL Services Ltd., a Group Company, in terms of various MOUs entered between the companies till March 2016. The Company has during the year recognized net revenues of ₹ 239.26 crores (2014-15: ₹ 301.11 crore) and resultant profit before tax of ₹ 158.63 crore (2014-15: ₹ 224.49 crore) on sale of said apartments to SCAL.
- 2) Note 41 to the financial statements regarding the remuneration paid to the Managing Director in excess of the limits prescribed under Section 197 read with Schedule V of the Act by ₹ 4.40 crore, due to inadequacy of profits. The excess remuneration is subject to the approval of the Central Government for which an application has been made.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure 'A' 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 that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the 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, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on

March 31, 2016 from being appointed as a director in terms of section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'; and,
- (g) 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, we further report that:
- i. The Company has disclosed the impact of pending litigations on its financial position in the financial statements – Refer Notes 31 and 40 to the standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No. 104607W

ERMIN K. IRANI

Place: Mumbai
Date: 27th May, 2016

Partner
Membership No.: 35646

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' of our Report to the members of the Company on the standalone financial statements for the year ended March 31, 2016:

Statement on Matters Specified in paragraphs 3 and 4 of the Companies (Auditors Report) Order, 2016

1. (a) The Company has maintained records showing full particulars, including quantitative details and situation of fixed assets. The records of certain assets need to be assimilated to make identification possible.
- (b) The Company has a program for physical verification of fixed assets in a phased manner. In our opinion, the period of verification is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed in respect of the assets physically verified during the year.
- (c) According to the information and explanation given to us and based on the documents and records produced before us, the title deeds of immoveable properties are held in the name of the company.
2. (a) The Management has conducted physical verification of inventory (excluding stocks lying with third parties) at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.
- (b) The discrepancies noticed on verification between physical stock and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
3. The Company has granted unsecured loans / deposits to two companies and an interest free shareholders' deposit to a jointly controlled entity covered in the register maintained under section 189 of the Companies Act.
 - (a) The terms and conditions of the grant of such loans are not prima facie prejudicial to the Company's interest;
 - (b) The principal amount and interest on the loans / deposits have been repaid regularly, as stipulated. The shareholder's deposit is free of interest and repayment thereof was due on December 31, 2015.
- (c) The shareholder's deposit is overdue for more than ninety days. The Company has made an application to Reserve Bank of India for further extension of five years which is pending.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by Reserve Bank of India and the provision of sections 73 to 76 or any other applicable provisions of the Act and The Companies (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
6. We have broadly reviewed the books of accounts and records maintained by the Company in respect of manufacture of products covered under the Rules made by the Central Government for maintenance of cost records, under section 148 (1) of the Companies Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanation given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues, including dues pertaining to provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues which have remained outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, service tax, excise duty or cess which have not been deposited on account of any dispute, except as stated below:

No.	Name of the statute	Nature of dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
1	Sales Tax and Value Added Tax	Sales tax	0.09	1999-2000	Deputy Commissioner Appeal - II
		MVAT	2.33	2008-09	Maharashtra Sales Tax Tribunal
		CST	4.00	2008-09	Maharashtra Sales Tax Tribunal
2	Income Tax Act, 1961	Income tax	0.03	2007-08	Deputy Commissioner of Income Tax- TDS, Mumbai
		Income tax	0.02	2008-09	Deputy Commissioner of Income Tax- TDS, Mumbai
3	The Customs Act, 1962	Interest on customs duty	0.95	1995-2012	Commissioners of Customs (Appeals), Mumbai
4	The Central Excise Act, 1944	Excise Duty	0.16	1989-90 to 1995-96	Commissioners of Central Excise (Appeals), Mumbai
		Excise Duty	0.62	1995-96 to 1996-97	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai
		Excise Duty	0.03	1997-1998	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai
		Excise Duty	0.09	2000-2001	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai
		Service Tax	0.76	2003-04 to 2005-06	Commissioner of Service Tax, Mumbai Tribunal
5	Municipal Corporation of Greater Mumbai Octroi Rules, 1965	Interest on excise duty	0.20	2002-2006	Bombay High Court
		Octroi	2.16	2007-2008	Deputy Assessor & Collector (Octroi)

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans on borrowing to financial institutions, banks or government. The Company has not issued any debentures.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The monies raised by way of term loans were applied for the purposes for which those were raised.
10. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud by the Company or fraud on the Company by its officers or employee has been noticed or reported during the year.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the managerial remuneration paid or provided to the Managing Director is in excess of the limits prescribed under Section 197 read with Schedule V of the Act by ₹ 4.40 crore, due to inadequacy of profits. The Company has made an application to the Central Government for the excess remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
13. According to the information and explanations given to us and based on the documents and records produced before us, the transactions with related parties are in compliance with section 177 and 188 of the Act and the details thereof have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on the documents and records produced before us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause (xiv) of the order are not applicable.
15. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not has entered into any non-cash transactions with directors or persons connected with them.
16. According to the information and explanations given to us and based on the documents and records produced before us, the Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No. 104607W

ERMIN K. IRANI
Partner
Membership No.: 35646

Place: Mumbai
Date: 27th May, 2016

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' of our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2016:

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED** ("the Company") as at March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No. 104607W

ERMIN K. IRANI

Partner

Membership No.: 35646

Place: Mumbai

Date: 27th May, 2016

BALANCE SHEET as at 31st March, 2016

		₹ in crores	
	Note	As at 31 st March, 2016	As at 31 st March, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	41.31	41.31
Reserves and surplus	3	1,270.81	1,530.97
		1,312.12	1,572.28
Non-current liabilities			
Long-term borrowings.....	4	1,215.07	906.03
Other long-term liabilities.....	5	10.44	6.85
Long-term provisions.....	6	14.92	13.60
		1,240.43	926.48
Current liabilities			
Short-term borrowings.....	7	824.07	430.50
Trade payables	8	296.49	480.75
Other current liabilities	9	678.82	540.21
Short-term provisions.....	10	41.52	42.47
		1,840.90	1,493.93
TOTAL		4,393.45	3,992.69
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	588.44	834.65
Intangible assets	12	1.87	3.31
Capital work-in-progress.....		72.41	74.59
Incidental expenditure relating to construction / development	13	-	-
Non-current investments	14	55.96	55.96
Long-term loans and advances.....	15	34.86	37.25
Other non current assets	16	1,812.82	1,190.74
		2,566.36	2,196.50
Current assets			
Inventories.....	17	679.87	710.27
Trade receivables	18	238.15	264.79
Cash and bank balances	19	113.77	68.42
Short-term loans and advances.....	20	143.11	221.01
Other current assets	21	429.46	531.70
Assets held for sale.....	22	222.73	-
		1,827.09	1,796.19
TOTAL		4,393.45	3,992.69
Significant Accounting Policies	1		
The accompanying notes are an integral part of the standalone financial statements			

As per our report attached

FOR KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No.104607W

Ermin K. Irani
Partner
Membership No.35646

NUSLI N. WADIA

JEHANGIR N. WADIA

PUSPAMITRA DAS

Signatures to the Balance Sheet and Notes to financial statements

For and on behalf of the Board of Directors

R.A. SHAH
S. S. KELKAR
S. RAGOTHAMAN
A. K. HIRJEE
S. M. PALIA
SHEELA BHIDE
ISHAAT HUSSAIN
NESS N. WADIA

Directors

Mumbai, 27th May, 2016Mumbai, 27th May, 2016

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2016

₹ in crores

	Note	2015-16	2014-15
INCOME			
Revenue from operations	23	1,944.34	2,511.84
Less : Excise Duty		99.33	133.57
Revenue from operations (net)		1,845.01	2,378.27
Other income	24	39.38	54.91
Total Revenue		1,884.39	2,433.18
EXPENSES			
Cost of materials consumed	25	897.96	1,270.59
Purchases of Stock-in-Trade		206.75	187.87
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	(152.08)	(400.59)
Employee benefits expense	27	100.47	90.02
Finance costs	28	282.64	227.22
Depreciation and amortization expense	29	33.91	46.82
Impairment loss on fixed assets		-	13.26
Other expenses	30	599.98	963.05
		1,969.63	2,398.24
(Loss) / Profit before tax		(85.24)	34.94
Tax expense:			
Current tax		-	10.38
(Loss) / Profit for the year		(85.24)	24.56
Earnings per equity share of nominal value ₹ 2 each (Refer Note No.47)			
- Basic		(4.13)	1.19
- Diluted		(4.13)	1.19
Significant Accounting Policies	1		
The accompanying notes are an integral part of the standalone financial statements			

As per our report attached

FOR KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No.104607W

Ermin K. Irani
Partner
Membership No.35646

Signatures to the Statement of Profit & Loss and Notes to financial statements

NUSLI N. WADIA *Chairman*
JEHANGIR N. WADIA *Managing Director*
PUSPAMITRA DAS *CFO*

For and on behalf of the Board of Directors

R.A. SHAH
S. S. KELKAR
S. RAGOTHAMAN
A. K. HIRJEE
S. M. PALIA
SHEELA BHIDE
ISHAAT HUSSAIN
NESS N. WADIA

Directors

Mumbai, 27th May, 2016Mumbai, 27th May, 2016

CASH FLOW STATEMENT for the year ended 31st March, 2016

₹ in crores

	2015-16	2014-15
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	(85.24)	34.94
Adjusted for		
Depreciation and amortisation.....	33.91	46.82
Impairment of Assets	-	13.26
Foreign exchange (gain) / loss (net)	(9.94)	2.61
Provision for doubtful debts/advances	8.55	14.58
Sundry balances / excess provision written back (net)	(1.78)	(3.59)
Interest income.....	(29.56)	(16.07)
Profit on sale of fixed assets (net).....	(4.45)	(16.18)
Interest and other finance charges	282.64	227.22
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES AND OTHER ADJUSTMENTS	194.13	303.59
Changes in		
Inventories.....	(133.46)	164.13
Trade receivables	26.43	(78.36)
Other current and non-current assets.....	(493.57)	(192.17)
Trade payables and acceptances	(181.78)	(165.19)
Other current and non-current liabilities.....	152.56	26.57
Provisions.....	9.20	(9.41)
CASH GENERATED FROM OPERATIONS.....	(426.49)	49.16
Direct taxes paid (net)	(8.75)	(4.17)
NET CASH FROM OPERATING ACTIVITIES	(a) (435.24)	44.99
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets.....	(7.38)	(25.72)
Proceeds from sale of fixed assets.....	5.59	29.71
Inter-corporate deposits placed	(167.76)	(64.35)
Inter-corporate deposits received back.....	218.46	13.65
Restricted deposits placed with banks	(28.43)	(140.96)
Restricted deposits with banks - matured	59.62	86.82
(Increase)/Decrease in balances with banks in escrow accounts	(67.96)	(0.22)
Interest received.....	29.93	14.02
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(b) 42.07	(87.05)

CASH FLOW STATEMENT for the year ended 31st March, 2016 (Contd.)

₹ in crores

	2015-16	2014-15
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings.....	634.63	1,110.53
Repayment of borrowings.....	(348.87)	(877.98)
Proceeds from fixed deposits / Inter-corporate borrowings.....	767.59	255.75
Repayment of matured fixed deposits / Inter-corporate borrowings.....	(498.72)	(253.68)
Increase in demand loan, cash credit from banks	150.12	50.99
Interest and other finance charges paid	(281.01)	(236.33)
Dividend paid (including corporate dividend tax)	(19.89)	(19.27)
NET CASH FROM FINANCING ACTIVITIES	(c) 403.85	30.01
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(a + b + c) 10.68	(12.05)
CASH AND CASH EQUIVALENTS AT THE COMMENCEMENT OF THE YEAR	8.07	20.12
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	18.75	8.07
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	10.68	(12.05)
Notes :		
1. Cash and Cash Equivalents comprises of :		
Balances with banks in current accounts.....	13.03	3.67
Cheques on hand.....	5.62	4.23
Cash on hand	0.10	0.17
Cash and cash equivalents	18.75	8.07
2. Figures in brackets are outflows/deductions.		
3. Previous year's figures have been regrouped where necessary.		

As per our report attached

FOR KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No.104607W

Ermin K. Irani
Partner
Membership No.35646

NUSLI N. WADIA *Chairman*
JEHANGIR N. WADIA *Managing Director*

PUSPAMITRA DAS *CFO*

Signatures to the Cash Flow Statement
For and on behalf of the Board of Directors

R.A. SHAH
S. S. KELKAR
S. RAGOTHAMAN
A. K. HIRJEE
S. M. PALIA
SHEELA BHIDE
ISHAAT HUSSAIN
NESS N. WADIA

Directors

Mumbai, 27th May, 2016Mumbai, 27th May, 2016

NOTES to financial statements for the year ended 31st March, 2016

NOTE NO.1 :- SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements are prepared under the historical cost convention, except for revaluation of certain freehold land on conversion to stock-in-trade, on the accrual basis of accounting and in accordance with the generally accepted accounting principles in India. The financial statements have been prepared to comply in all material aspects with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act, to the extent applicable.

The classification of assets and liabilities of the Company into current or non-current is based on the Company's normal operating cycle and other criterion specified in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

(b) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported balances of assets, liabilities and contingent liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. However, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets and liabilities in future periods.

(c) Revenue recognition

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods are transferred to the customers/dealers. Revenue from sale of products is recognised net of discounts.

Revenue from real estate activity

Revenue from real estate activity is recognised to the extent that it is probable that the economic benefits will flow to the Company, all significant risks and rewards of ownership are transferred to the customers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

The freehold land (including FSI entitlement thereon) under Real Estate Development planned for sale is converted from fixed assets into stock-in-trade at market value. The difference between

the market value and cost of that part of freehold land is credited to revaluation reserve and is released to the Statement of Profit and Loss in the proportion of revenue recognized under the percentage of completion method on entering into agreements / contracts for sale.

Revenue from real estate development activity where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, is recognised on the 'Percentage of Completion Method'. Revenue is recognised in relation to the sold areas, on the basis of percentage of actual cost incurred, including land, development and construction costs as against the total estimated cost of project. Revenue is recognised, if the cost incurred is in excess of 25% of the total estimated cost and the outcome of the project can be reliably ascertained. The company continues to recognize revenue in accordance with the Guidance Note on Recognition of Revenue by Real Estate Developers (Issued 2006) for the projects commenced before 1st April 2012.

Cost of Construction / Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to area sold and the balance cost is carried over under Inventory as part of Development Work-in-Progress. Cost of construction / development includes all costs directly related to the Project and other expenditure as identified by the management which are reasonably allocable to the project.

Unbilled revenue disclosed under other non-current and other current assets represents revenue recognized over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognized profits to date on projects under construction are disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables.

The estimates of saleable area and cost of construction are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined. The estimated cost of construction as determined is based on management's estimate of the cost expected to be incurred till the final completion and includes cost of materials, service and other related overheads. Unbilled costs are carried as real estate development work in progress.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project / activity and the foreseeable losses to completion.

NOTES to financial statements for the year ended 31st March, 2016

(d) Fixed assets

Fixed assets are stated at cost (net of cenvat credit wherever applicable) less accumulated depreciation and impairment losses, if any. The cost includes cost of acquisition, construction, erection, installation etc, preoperative expenses (including trial run) and borrowing costs incurred during construction period.

(e) Depreciation

Depreciation on fixed assets other than furniture & fixtures and motor vehicles is provided on the straight line method, prorata to the period of use, over the useful life as prescribed in Schedule II to the Companies Act, 2013 or as estimated by the management, whichever is lower. Depreciation on furniture & fixtures and motor vehicles is provided on the written down value method over the useful life as prescribed in Schedule II. The asset categories and their useful lives over which depreciation is provided are as under:

Asset	Useful Life
Leasehold land	lease period namely 95 years
Buildings	30 to 60 years
Office equipment	5 years
Computers	3 to 6 years
Plant & machinery	15 to 25 years
Furniture & fixtures	10 years
Assets of retail shops including leasehold improvements	6 years
Movable site offices	10 years
Motor vehicles	8 years
Computer software	5 years
Technical know-how	10 years

The Textile processing plant at Ranjangaon and the PSF manufacturing plant at Patalganga are treated as a Continuous process plants based on technical assessment.

(f) Impairment

The carrying amounts of the Company's tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have

been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

(g) Borrowing costs

Borrowing costs include interest, amortization of ancillary costs, amortization of discounts related to borrowings and foreign exchange to the extent they are regarded as adjustment to interest costs. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such asset till such time that the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(h) Investments

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

(ii) Long term investments are stated at cost. Provision for diminution is made to recognise a decline, other than temporary, in value of each long term investment, where applicable.

(iii) Current investments are stated at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

(i) Inventories

(i) Inventories are valued at lower of cost and net realisable value.

(ii) Cost is determined as follows:

(a) Raw materials, stores & spares, finished goods and stock-in-trade on a weighted average method.

(b) Work-in-progress

PSF division-

Material cost included in the valuation is determined on the basis of the weighted average rate and cost of conversion and other costs are determined on the basis of average cost of conversion of the preceding month.

(c) Real estate under development

Real estate under development comprises undivided interest in the freehold land at market value, determined at the rate at which it was converted

NOTES to financial statements for the year ended 31st March, 2016

from fixed assets into stock-in-trade for present and future development, expenditure relating to construction and allocated expenses incidental to the projects undertaken by the Company. Cost of land and construction / development is charged to Statement of Profit and Loss proportionate to area sold and at the time when corresponding revenue is recognised.

(j) Foreign currency transactions

- (i) Transactions in foreign currency are recorded at standard exchange rates determined monthly. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of all monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit & Loss.
- (ii) Forward exchange contracts other than those entered into to hedge foreign currency risk of firm commitments or highly probable forecast transactions are translated at period end exchange rates and the resultant gains and losses as well as the gains and losses on cancellation of such contracts are recognised in the Statement of Profit and Loss. Premium or discount on such forward exchange contracts is amortised as income or expense over the life of the contract. Forward exchange contracts entered into to hedge foreign currency risk of firm commitments or highly probable forecast transactions are treated as derivative financial instruments.
- (iii) The company uses forward foreign exchange contracts to hedge its exposure against movements in foreign exchange rates.

(k) Derivative Financial Instruments and Hedging

The Company enters into derivative financial instruments to hedge foreign currency risk of firm commitments and highly probable forecast transactions. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The carrying amount of a derivative designated as a hedge is presented as a current asset or liability. The company does not enter into any derivatives for trading purposes.

Cash Flow Hedge

Forward exchange contracts entered into to hedge foreign currency risks of firm commitments or highly probable forecast transactions, that qualify as cash flow hedges are recorded in accordance with the principles of hedge accounting enunciated in Accounting Standard (AS) 30 – Financial Instruments Recognition and Measurement. The gains or losses on designated hedging instruments that qualify as effective hedges is recorded in the

Hedging Reserve account and is recognized in the Statement of Profit and Loss in the same period or periods during which the hedged transaction affects profit or loss.

Gains or losses on ineffective hedge transactions are immediately recognized in the Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognized in the Hedging Reserve are transferred to the Statement of Profit and Loss immediately.

(l) Employees benefits

(i) Short term employee benefits:

Short term employee benefits are recognised as expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

(ii) Post-employment benefits:

(I) Defined Contribution Plan:

a) Provident and Family Pension Fund

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund and pension fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company has no further obligations beyond making the contribution, except that any shortfall in the fund assets based on the Government specified minimum rates of return in respect of provident fund set up by the Company, and the Company recognises such contributions and shortfall, if any, as an expense in the year it is incurred.

b) Superannuation

The eligible employees of the Company are entitled to receive post-employment benefits in respect of superannuation fund in which the Company makes annual contribution at a specified percentage of the employees' eligible salary (currently 10% or 15% of employees' eligible salary). The contributions are made to the Superannuation fund set up as irrevocable trust by the Company. Superannuation is classified as Defined Contribution Plan as the Company has no further obligations beyond making

NOTES to financial statements for the year ended 31st March, 2016

the contribution. The Company's contribution to Defined Contribution Plan is charged to Statement of Profit and Loss as incurred.

(II) Defined Benefit Plan:

a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days or 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Contributions are made to the Gratuity Fund set up as irrevocable trust by the Company. The Company accounts for gratuity benefits payable in future on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method. Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the Statement of Profit and Loss.

b) Other long-term employee benefits - compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The leave accumulated to the credit of the employees up to Dec 31, 2014 is available for carry forward and encashment on separation. The Company makes provision for such compensated absences based on an actuarial valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method. Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the Statement of Profit and Loss.

Post 2014, leave earned during the year has to be utilized by the employees within the following year. Such leave is a short term employee benefit and is provided at the undiscounted amount in the period in which it is incurred.

c) Termination Benefits

The Company provides for compensation payable as part of termination benefits when it is probable that an outflow of resources embodying economic

benefits will be required to settle the obligation. Termination benefits falling due more than twelve months after the balance sheet date are provided on the basis of an actuarial valuation by an independent actuary as at the year-end using Project Unit Credit Method.

(m) Employee share based payments

Equity settled stock options granted under the Company's Employee Stock Option Scheme (ESOP) are accounted as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share based payments issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method and compensation expense, if any, is amortised over the vesting period of the option on a straight line basis.

(n) Taxation

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets and MAT credit entitlement are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are not recognised on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(o) Provisions and Contingent Liabilities

A provision is recognised when the enterprise has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. . No disclosure is made in case of possible obligations in respect of which likelihood of outflow of resources is remote.

NOTES to financial statements for the year ended 31st March, 2016

(p) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments/receipts are recognised as an expense/income in the Statement of Profit and Loss on a straight-line basis over the lease term.

(q) Government Grants

Grants in the nature of subsidies related to revenue are recognized in the Statement of Profit and Loss over the period in which the corresponding costs are incurred and are recorded on accrual basis.

(r) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less.

(s) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding

during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(t) Segment Reporting

The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income/Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income/expenses. Inter-segment transfers are accounted at prevailing market prices.

₹ in crores

2. SHARE CAPITAL	As at 31 st March, 2016	As at 31 st March, 2015
AUTHORISED		
25,00,00,000 (2014-15: 25,00,00,000) Equity shares of ₹ 2 each	50.00	50.00
ISSUED, SUBSCRIBED AND PAID-UP		
20,65,34,900 (2014-15 :20,65,34,900) Equity shares of ₹ 2 each fully paid-up	41.31	41.31
	41.31	41.31

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

Equity shares

	As at 31 st March, 2016		As at 31 st March, 2015	
	Numbers	₹ in crores	Numbers	₹ in crores
At the beginning of the period	206,534,900	41.31	206,534,900	41.31
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the period	206,534,900	41.31	206,534,900	41.31

(b) Rights, preferences and restrictions attached to Equity shares

The company has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES to financial statements for the year ended 31st March, 2016

(c) Details of shareholders holding more than 5% shares in the company

	As at 31 st March, 2016		As at 31 st March, 2015	
	Numbers	% holding	Numbers	% holding
	Face Value of ₹ 2		Face Value of ₹ 2	
N.W.Exports Limited	27,847,740	13.48	27,771,550	13.45
The Bombay Burmah Trading Corporation Limited	25,783,320	12.48	29,644,375	14.35
Sunflower Investment and Textiles Private Limited	22,139,783	10.72	21,681,037	10.50
	75,770,843	36.68	79,096,962	38.30

(d) Shares reserved for issue under options

Pursuant to the Employee Stock Option Scheme (ESOS) approved by the shareholders on 13th August, 2002 and as further amended by the shareholders on 07th August, 2012, the Company had granted 14,000 options, (70,000 options post sub-division) to the Ex-Joint Managing Director of the Company at an exercise price of ₹ 528.25 (₹ 105.65 post sub-division) per share. As per the terms of the ESOS, each option is exercisable for conversion into one equity share of the Company (Refer Note 45).

(e) Information regarding issue of shares during last five years

- (i) No shares were allotted pursuant to contracts without payment being received in cash.
- (ii) No bonus shares have been issued.
- (iii) No shares have been bought back.

(f) Shares held in Abeyance

Under orders from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992, - the allotment of 4,640 shares (2014-15- 4,640 shares) of face value of ₹ 2/- each against warrants carrying rights of conversion into equity shares of the Company has been kept in abeyance in accordance with section 126 of the Companies Act, 2013, till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges.

₹ in crores

3. RESERVES AND SURPLUS	As at 31 st March, 2016	As at 31 st March, 2015
Capital Reserve		
As per last balance sheet	28.60	28.60
Capital Redemption Reserve		
As per last balance sheet	2.55	2.55
Securities Premium Account		
As per last balance sheet	141.37	141.37
Revaluation Reserve [Refer Note 1 (c)]		
As per last balance sheet	1,098.28	993.30
Add: Addition on conversion of a part of the freehold land into stock-in-trade	-	694.29
Less: Reversal of excess reserve consequent to reduction of base FSI on ICC land due to handover of additional land to MCGM and MHADA under Integrated Development Scheme	-	(238.07)
Less: Released to statement of profit and loss in proportion of revenue recognised on entering into agreements for sale	(163.86)	(351.24)
	934.42	1,098.28

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

3. RESERVES AND SURPLUS	As at 31 st March, 2016	As at 31 st March, 2015
Investment Reserve		
As per last balance sheet	1.31	1.31
Hedging Reserve Account		
As per last balance sheet	(0.45)	(1.07)
Add :Fair value gain on derivative contracts designated as cash flow hedges	1.37	0.62
	0.92	(0.45)
General Reserve		
As per last balance sheet	155.81	155.81
Surplus in statement of profit and loss		
Balance as per last balance sheet	103.50	100.37
Depreciation on assets where remaining useful life is nil, recognised in retained earnings	-	(1.54)
(Less) / Add: (Loss) / Profit for the year	(85.24)	24.56
	18.26	123.39
Less: Appropriations		
Proposed dividend	(10.33)	(16.52)
Dividend distribution tax	(2.10)	(3.37)
Net surplus in the statement of profit and loss	5.83	103.50
	1,270.81	1,530.97

₹ in crores

4. LONG-TERM BORROWINGS	As at 31 st March, 2016	As at 31 st March, 2015
Secured		
Term Loans		
- from banks	1,098.53	858.51
- from others	39.37	47.50
	1,137.90	906.01
Unsecured		
Fixed Deposits	77.17	0.02
	1,215.07	906.03

a) Nature of Security and terms of repayment of secured borrowing:

- i) Term Loans (TUFS) aggregating ₹ 7.80 crores (2014-15 ₹ 27.04 crores) are secured by first pari passu charge on the Company's existing as well as future fixed assets at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga other than fixed assets charged exclusively to term lenders. Repayable in quarterly instalments over the remaining period of 1 to 2 years.
- ii) Term loan amounting to ₹ 66.64 crores (2014-15 ₹ 100.00 crores) is secured by first pari-passu charge on Company's plant & machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga. Repayable in half yearly instalments in the next year.
- iii) Term loan amounting to ₹ Nil (2014-15 ₹ 90.00 crores) is secured by first pari-passu charge on Company's plant and machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga and second charge of portion of Spring Mills land & buildings and structure thereon.

NOTES to financial statements for the year ended 31st March, 2016

- iv) Term loans aggregating to ₹ 407.20 crores (2014-15 ₹ 529.50 crores) are secured by first / secondary pari-passu charge over part of the land of the Company at Textile Mills at Mumbai and plant and machinery, buildings and structures thereon. Repayable in quarterly installments over the next 2 to 3 years.
- v) Term loan amounting to ₹ 26.40 crores (2014-15 ₹ 36.30 crores) is secured by first pari-passu charge of rent receivables from premises given on lease by the Company and second charge of portion of Spring Mills land and buildings and structures thereon. Repayable in monthly instalments over the remaining 3 years.
- vi) Term loans under consortium arrangement aggregating to ₹ 571.87 crores (2014-15 ₹ 417.82 crores) are secured by first pari-passu charge / Escrow of receivables of One ICC and Two ICC Tower at Spring Mills, Dadar and first pari passu charge over part of land of the Company at Textile Mills at Mumbai and buildings and structures thereon. Repayable in quarterly instalments over a period of 4 to 5 years.
- vii) Term loan amounting to ₹ 342.32 crores (2014-15 ₹ Nil) are secured by first pari passu charge over part of land of the Company at Worli and building. Repayable over 2 to 4 years.
- viii) Term loan amounting to ₹ 108 crores (2014-15 ₹ Nil) is secured by first pari-passu charge on Company's plant and machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga and second charge of portion of Spring Mills land & buildings and structure thereon. Repayable in ten monthly instalments after initial moratorium of one year.

b) Terms of repayment of unsecured borrowing:

Fixed Deposits from shareholders and public are repayable over a period of 3 years from the date of deposit, maturing between July 2016 and March 2019.

₹ in crores

5. OTHER LONG-TERM LIABILITIES	As at 31 st March, 2016	As at 31 st March, 2015
Trade payables	1.86	1.89
Deposits	8.58	4.96
	10.44	6.85

₹ in crores

6. LONG TERM PROVISIONS	As at 31 st March, 2016	As at 31 st March, 2015
Provision for employee benefits		
- Provision for compensated absences	3.24	4.19
- Provision for loyalty / long service awards	2.00	-
- Provision for termination benefits (Refer Note 36 and 42)	6.58	6.68
- Provision for sales tax forms (Refer Note (a) below)	3.10	2.73
	14.92	13.60
(a) Movement in provisions		
Provision for sales tax forms		
Balance as at the beginning of the year	2.73	1.88
Additions	1.20	0.85
Amounts utilised	(0.83)	-
Balance as at the end of the year	3.10	2.73

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

7. SHORT-TERM BORROWINGS	As at 31 st March, 2016	As at 31 st March, 2015
Secured		
- Working capital demand loans from banks	237.58	158.80
- Packing credit from banks	166.34	95.00
- Buyer's Credit in Foreign currency	76.44	120.26
Unsecured		
Bills discounted with banks	2.71	1.44
Intercompany deposits	341.00	55.00
	824.07	430.50

a) Nature of Security for Short term borrowings

- (i) Working Capital loans of ₹ 237.58 crores (2014-15 ₹ 158.80 crores) and Buyer's Credit amounting to ₹ 29.83 crores (2014-15 ₹ 23.81 crores) from banks under consortium arrangement is secured by hypothecation of present and future stocks, book debts and other current assets on pari passu basis and a second charge over part of the land of the Company at Textile Mills at Mumbai admeasuring 89,819.85 square metres and plant and machinery and buildings thereon on pari passu basis.
- (ii) Packing credit from bank of ₹ 110.84 crores (2014-15 ₹ 95 crores) is secured by way of registered mortgage on the immovable properties in Wadia International Centre (Texturising Building and Hemming Building) located at Worli, Mumbai.
- (iii) Packing credit from bank of ₹ 20.50 crores (2014-15 ₹ Nil) is secured by way of current assets of the company (excluding real estate) on a pari passu basis with other member banks in consortium lead by SBI and second charge on the Textile mill land at Worli admeasuring 89,819.85 sq.m. and plant and machinery and Building on pari passu basis with other lenders in consortium.
- (iv) Packing credit from bank of ₹ 35.00 crores (2014-15 ₹ Nil) is secured by first pari-passu charge over part of the land of the Company at Textile Mills at Mumbai and plant and machinery, buildings and structures thereon.
- (v) Buyer's Credit aggregating ₹ 46.61 crores (2014-15 ₹ 96.45 crores) is secured by first pari-passu charge on land of the Company at Spring Mills at Mumbai admeasuring 36,617.13 square metres.

₹ in crores

8. TRADE PAYABLES	As at 31 st March, 2016	As at 31 st March, 2015
Acceptances under suppliers line of credit	33.09	102.06
Dues to Micro and Small Enterprises (Refer Note (a) below)	-	0.16
Other Creditors	263.40	378.53
	296.49	480.75

- a) The dues payable to Micro and Small enterprises is based on the information available with the Company and takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose (Refer Note 44)

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

9. OTHER CURRENT LIABILITIES	As at 31 st March, 2016	As at 31 st March, 2015
Current maturities of long-term borrowings [Refer Note 4 (a) and (b)]		
- Term loans from banks	392.33	294.65
- Fixed deposits	0.02	94.64
Interest accrued and due on borrowings	2.20	0.21
Interest accrued but not due on borrowings	2.23	1.58
Unclaimed matured deposits	1.36	2.29
Unpaid dividends *	1.05	1.03
Advances from customers	24.83	30.11
Deposits	3.27	7.25
Liability in respect of forward exchange contracts	6.50	17.80
Statutory dues including service tax and withholding tax	17.11	7.60
Creditors for capital expenditure	0.51	1.28
Employees benefits payable	9.92	5.46
Accrued expenses	204.08	71.19
Other liabilities	13.41	5.12
	678.82	540.21

a)* During the year, the Company has transferred an amount of ₹ 0.12 crore (2014-15 ₹ 0.14 crore) to the Investor Education & Protection Fund under section 125 of the Companies Act, 2013. There is no amount due for payment to the Fund as at the year end.

b) Interest accrued and due on borrowings represents interest due as on Balance Sheet date but debited by the bank after the Balance Sheet date.

₹ in crores

10. SHORT TERM PROVISIONS	As at 31 st March, 2016	As at 31 st March, 2015
Provision for employee benefits		
Provision for compensated absences	5.30	1.50
Provision for termination benefits		
- Gratuity (Refer Note 42)	0.47	-
- Others (Refer Note 36 and 42)	0.59	0.58
Provision for loyalty / long service awards	0.43	-
	6.79	2.08
Other provisions		
Provision for litigation and disputes (Refer Note (a) below)	11.96	10.41
Provision for commercial and other matters (Refer Note (a) below)	10.34	10.09
Proposed dividend	10.33	16.52
Provision for tax on proposed dividend	2.10	3.37
	34.73	40.39
	41.52	42.47

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

10. SHORT TERM PROVISIONS		As at 31 st March, 2016	As at 31 st March, 2015
(a) Movement in provisions			
-	Litigation and disputes		
	Balance as at the beginning of the year	10.41	8.86
	Additions	1.55	1.55
	Amounts utilised	-	-
	Balance as at the end of the year	11.96	10.41
-	Commercial and other matters		
	Balance as at the beginning of the year	10.09	22.70
	Additions	1.90	5.20
	Amounts utilised	(1.65)	(17.81)
	Balance as at the end of the year	10.34	10.09

11. TANGIBLE FIXED ASSETS

₹ in crores

Description	Gross Block					Depreciation						Net Block	
	Cost or book value as at 01-04-2015	Additions	Deductions	Adjustments	Cost or book value as at 31-03-2016	Balance as at 01-04-2015	For the year	Deductions	Adjustments	Balance as at 31-03-2016	Impairment	As at 31-03-2016	As at 31-03-2015
Land													
Freehold Land	118.35	-	-	9.35	109.00	-	-	-	-	-	-	109.00	118.35
Leasehold Land	19.02	-	-	18.42	0.60	1.97	0.04	-	1.78	0.23	-	0.37	17.05
Building *	148.78	3.02	-	73.33	78.47	37.25	1.92	-	15.35	23.82	-	54.65	111.53
Computer and data processing units	15.56	2.01	0.12	1.46	15.99	13.11	1.08	0.12	1.40	12.67	-	3.32	2.45
Office Equipment	7.35	0.27	0.01	0.75	6.86	6.82	0.60	0.01	0.73	6.68	-	0.18	0.53
Plant & Machinery	982.49	3.67	9.49	269.18	707.49	416.91	24.47	8.36	131.54	301.48	-	406.01	565.58
Furniture & Fixture	45.45	0.91	0.03	2.95	43.38	30.22	3.92	0.03	2.14	31.97	-	11.41	15.23
Motor Vehicles	4.82	0.18	-	0.48	4.52	0.89	0.42	-	0.29	1.02	-	3.50	3.93
Total	1,341.82	10.06	9.65	375.92	966.31	507.17	32.45	8.52	153.23	377.87	-	588.44	834.65
As at 31.03.2015	1,301.08	749.39	708.59	(0.06)	1,341.82	448.17	45.29	1.03	1.48	493.91	13.26	834.65	

Note:

- There are no adjustments to the fixed assets on account of borrowing cost and exchange differences during the year.
- Adjustments represents gross block and accumulated depreciation in respect of Ranjangaon plant classified as assets held for sale (refer note no.22)
- *The company has given commercial premises on operating lease which form part of its premises at Neville House, Ballard Estate and C-1 Wadia International Centre, Worli. Since only a portion of the buildings are given on lease, the gross carrying amount and accumulated depreciation of the premises given on lease is not separately available.

12. INTANGIBLE FIXED ASSETS

₹ in crores

Description	Gross Block					Depreciation						Net Block	
	Cost or book value as at 01-04-2015	Additions	Deductions	Adjustments	Cost or book value as at 31-03-2016	Balance as at 01-04-2015	For the year	Deductions	Adjustments	Balance as at 31-03-2016	Impairment	As at 31-03-2016	As at 31-03-2015
Technical know how	4.22	-	-	-	4.22	3.17	0.42	-	-	3.59	-	0.63	1.05
Software	10.63	0.07	0.01	0.21	10.48	8.37	1.04	*	0.17	9.24	-	1.24	2.26
Total	14.85	0.07	0.01	0.21	14.70	11.54	1.46	-	0.17	12.83	-	1.87	3.31
As at 31.03.2015	14.89	0.26	0.36	0.06	14.85	10.05	1.53	0.10	0.06	11.54	-	3.31	

* denotes value less than ₹ 1 lakh.

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

13. INCIDENTAL EXPENDITURE RELATING TO CONSTRUCTION / DEVELOPMENT	As at 31 st March, 2016	As at 31 st March, 2015
Opening balance	-	64.69
Less: Capitalised during the year	-	(13.98)
Less: Transferred to Real estate development work-in-progress	-	(50.71)
Closing balance	-	-

₹ in crores

14. NON-CURRENT INVESTMENTS	As at 31 st March, 2016	As at 31 st March, 2015
TRADE INVESTMENTS (Valued at Cost)		
Equity shares fully paid up (Unquoted)		
Investment in associate company		
20,000 (2014-15: 20,000) Equity shares of ₹ 10 each in Bombay Dyeing Real Estate Company Limited	0.02	0.02
Investment in jointly controlled entity		
2,217 (2014-15: 2,217) Series A shares of U.S. \$ 1,000 each in PT. Five Star Textile Indonesia	1.59	1.59
Investment in others		
1,900 (2014-15 :1,900) Equity shares of ₹ 10 each in BDS Urban Infrastructure Pvt.Ltd.	0.01	0.01
30,400 (2014-15: 30,400) Equity shares of ₹ 100 each in Scal Services Ltd.	0.30	0.30
	1.92	1.92
OTHER INVESTMENTS (Valued at Cost)		
Equity shares fully paid up (Unquoted)		
Investment in subsidiary company		
49,80,600 (2014-15: 49,80,600) Equity shares of ₹ 100 each in Archway Investment Co. Ltd.	49.81	49.81
Investment in associate company		
88,200 (2014-15: 88,200) Equity shares of ₹ 100 each in Pentafil Textile Dealers Ltd.	0.88	0.88
Investment in others		
100 (2014-15: 100) Shares of ₹ 25 each in Roha Industries Association's Co-operative Consumers Society Ltd.[₹ 2500/- (2014-15 ₹ 2500/-)]	*	*
Debentures		
Investment in subsidiary company		
3,35,000 (2014-15: 3,35,000) Fully Convertible Unsecured (Interest Free) Debentures of ₹ 100 each in Archway Investment Co.Ltd.	3.35	3.35
	54.04	54.04
	55.96	55.96
* denotes values less than ₹ 1 lakh.		
Aggregate amount of Quoted Investment	-	-
Aggregate provision for diminution in value of investments	-	-
Aggregate amount of Unquoted Investment	55.96	55.96
	55.96	55.96

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

15. LONG-TERM LOANS AND ADVANCES	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, Considered good (unless otherwise stated)		
Capital advances	1.28	2.62
Security deposits		
- Considered good	6.07	5.93
- Considered doubtful	0.57	0.57
- Less : Provision for doubtful advances	(0.57)	(0.57)
	6.07	5.93
Loans and advances to related parties		
- Considered good	23.07	25.08
- Considered doubtful	24.83	17.18
- Less : Provision for doubtful advances	(24.83)	(17.18)
	23.07	25.08
Advances recoverable in cash or kind		
- Considered good	2.38	2.28
- Considered doubtful	2.96	2.76
- Less : Provision for doubtful advances	(2.96)	(2.76)
	2.38	2.28
Prepaid expenses	0.03	0.08
Loans to employees	0.18	0.23
Balances with government authorities		
- Considered good	1.85	1.03
- Considered doubtful	1.46	1.48
- Less : Provision for doubtful advances	(1.46)	(1.48)
	1.85	1.03
	34.86	37.25

- a) Loans and advances to related parties include a deposit of ₹ 15.22 crores (2014-15 ₹ 15.22 crores) and amounts recoverable of ₹ 4.85 crores (net of provisions) (2014-15 ₹ 6.86 crores) from PT. Five Star Textile Indonesia (PTFS), a jointly controlled entity. PTFS has been incurring continuous losses. The Company has proposed disposal of surplus lands / assets of the undertaking for recovery of the deposits and advances. In the opinion of the management the advances and deposits are considered good and fully recoverable.

₹ in crores

b) Loans and advances to related parties pertain to:		
P.T. Five Star Textile Indonesia (net)	20.07	22.08
The Bombay Burmah Trading Corporation Limited - Deposit	3.00	3.00
	23.07	25.08

₹ in crores

16. OTHER NON CURRENT ASSETS	As at 31 st March, 2016	As at 31 st March, 2015
Long term deposits with banks (Refer Note (a) below)	6.40	4.28
Unamortised finance charges	8.01	6.98
Industrial subsidy receivable	18.89	14.67
Unbilled revenue	1,779.07	1,164.81
Interest accrued on deposits	0.45	-
	1,812.82	1,190.74

- (a) Deposits with banks are under lien as security for guarantees issued on behalf of the Company.

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

17. INVENTORIES (Valued at lower of cost and net realisable value)	As at 31 st March, 2016	As at 31 st March, 2015
Raw materials [includes in transit ₹ 25.34 crores (2014-15 ₹ 49.86 crores)]	50.50	67.32
Work-in-progress	7.82	9.39
Finished goods [includes in transit ₹ 7.86 crore (2014-15 ₹ 1 crore)]	64.73	90.28
Stock-in-Trade	59.78	26.77
Stores, spares and catalysts	13.46	15.27
Real estate development work-in-progress	483.58	501.24
	679.87	710.27

Note: Real Estate development work-in-progress includes expenditure amounting to ₹ 39.12 crore (2014-15 ₹ 50.70 crore) incurred by the Company on projects which are delayed or yet to be commenced. Management expects to commence these projects in the near future and does not expect any loss on this account.

₹ in crores

18. TRADE RECEIVABLES	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, considered good unless otherwise stated		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	81.66	40.72
Considered doubtful	19.89	19.48
	101.55	60.20
Less: Provision for doubtful receivables	(19.89)	(19.48)
	81.66	40.72
Other receivables - considered good	156.49	224.07
	238.15	264.79

(a) Trade receivables includes ₹ 38.41 crores (2014-15 ₹ 36.64 crores) due from a customer towards part compensation for sale of property, common area maintenance charges and project related costs. The receivables are under dispute and the matter has been referred to the arbitration. Pending finalisation of arbitration proceedings, the receivables are considered good.

₹ in crores

19. CASH AND BANK BALANCES	As at 31 st March, 2016	As at 31 st March, 2015
Cash and Cash Equivalents		
Balances with banks in current accounts	13.03	3.67
Cheques on hand	5.62	4.23
Cash on hand	0.10	0.17
	18.75	8.07
Other bank balances		
Balance with banks in unpaid dividend accounts	1.05	1.03
Balance with banks in escrow accounts (Refer Note (a) below)	68.18	0.22
Bank deposits under lien, held in trust and in escrow accounts (Refer Note (b) below)	25.79	59.10
	95.02	60.35
	113.77	68.42

(a) Balances with banks in escrow accounts represents amounts held in escrow in accordance with the directions of the Monitoring Committee for redevelopment of land of Cotton Textile Mills.

NOTES to financial statements for the year ended 31st March, 2016

(b) Bank deposits include restricted deposits as under :

- Fixed deposits under lien towards security for guarantees issued on behalf of the Company and as security against a claim on the Company - ₹ 19.31 crores (2014-15 ₹ 25.19 crores).
- Fixed deposits held in trust out of funds received as corpus fund and maintenance deposits from flat owners ₹ Nil (2014-15 ₹ 3.80 crores).
- Short term deposits relating to amounts held under Escrow in accordance with the loan arrangements with a consortium of bankers ₹ 6.32 crores (2014-15 ₹ 29.78 crores)

₹ in crores

20. SHORT-TERM LOANS AND ADVANCES	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, considered good, unless otherwise stated :		
Security deposits	0.13	0.19
Loans and advances to related parties		
- Considered good	1.03	51.22
- Considered doubtful	0.01	0.05
- Less : Provision for doubtful advances	(0.01)	(0.05)
	1.03	51.22
Advances recoverable in cash or kind or for value to be received	68.96	82.78
Advance income-tax (net of provision for taxation)	32.95	24.20
Prepaid expenses	2.02	3.57
Loans/ advances to employees	0.40	0.58
Balances with government authorities	37.62	58.47
	143.11	221.01

a) Advances recoverable in cash or in kind or for value to be received includes ₹ 0.73 crore (2014-15 ₹ 0.73 crore) on account of remuneration recoverable from Mr. M.K.Singh, Executive Director, whose services were terminated on 6th July, 2008 consequent to detection of irregular conduct. A suit has been filed by the Company in the High Court of Judicature of Mumbai alleging fraudulent misconduct. The matter is pending before the Court.

b) Loans and advances to related parties pertain to :

₹ in crores

	As at 31 st March, 2016	As at 31 st March, 2015
Archway Investment Company Limited	-	21.25
Go Airlines (India) Limited (net)	0.76	0.36
The Bombay Burmah Trading Corporation Limited	0.27	0.16
Bombay Dyeing Real Estate Company Limited	-	29.45
	1.03	51.22

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

21. OTHER CURRENT ASSETS	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, considered good		
Interest accrued on deposits	1.40	2.22
Unamortised finance charges	8.85	5.84
Deferred premium	2.77	9.37
Industrial subsidy receivable	-	36.73
Export benefits receivable		
- Considered good	11.68	14.80
- Considered doubtful	0.35	-
- Less : Provision for doubtful advances	(0.35)	-
Export benefits receivable	11.68	14.80
Unbilled revenue	404.76	462.74
	429.46	531.70

₹ in crores

22. ASSETS HELD FOR SALE	As at 31 st March, 2016	As at 31 st March, 2015
Reclassification from Fixed Assets		
Gross block	376.13	-
Accumulated depreciation	(140.14)	-
Impairment loss	(13.26)	-
	222.73	-

The Company is committed to a plan to sell the assets of the Ranjangaon Unit and for this purpose has entered into a term sheet with a proposed purchaser to sell the entire assets including land, building, machineries etc. on slump sale basis. Accordingly the carrying amount of the Ranjangaon assets have been reclassified as held for sale.

₹ in crores

23. REVENUE FROM OPERATIONS	2015-16	2014-15
Sale of products	1,457.35	2,036.34
Processing income	-	4.08
Less : Excise duty	99.33	133.57
	1,358.02	1,906.85
Real estate development activity (Refer Note 37)	446.70	420.83
Other operating revenue		
Lease Rentals	23.53	23.45
Scrap sales	2.00	2.26
Others	14.76	24.88
	40.29	50.59
Revenue from operations (net)	1,845.01	2,378.27
Details of Products Sold		
Polyester staple fibre	1,152.47	1,475.89
Processed long length	91.55	245.26
Made ups	213.33	315.18
	1,457.35	2,036.34

NOTES to financial statements for the year ended 31st March, 2016

		₹ in crores	
24. OTHER INCOME	2015-16	2014-15	
Interest income			
on inter-corporate deposits	12.16	3.95	
on income-tax refunds	9.22	0.02	
on fixed deposits with banks	3.35	3.63	
on others	4.83	8.47	
Profit on sale of fixed assets	4.45	16.18	
Subsidy under Package Incentive Scheme	-	15.66	
Sundry balances / excess provisions written back	1.80	3.65	
Other non-operating income	3.57	3.35	
	39.38	54.91	

		₹ in crores	
25. COST OF MATERIAL CONSUMED	2015-16	2014-15	
Inventory at the beginning of the year	67.33	122.40	
Add : Purchases	881.13	1,215.52	
Less: Inventory at the end of the year	(50.50)	(67.33)	
	897.96	1,270.59	

Details of raw material consumed		₹ in crores	
1. Cotton	-	1.82	
2. Fibre	-	0.33	
3. Yarn	0.10	21.00	
4. Grey cloth	8.53	130.71	
5. Dyes and chemicals	1.61	16.04	
6. Purified Terephthalic Acid	603.99	786.04	
7. Mono Ethylene Glycol	269.19	298.63	
8. Others	14.54	16.02	
	897.96	1,270.59	

		₹ in crores	
26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	2015-16	2014-15	
Manufacturing			
Inventories at the end of the year			
Finished goods	59.75	85.31	
Work-in-progress	7.82	9.39	
Stock-in-trade	59.78	26.77	
	127.35	121.47	
Inventories at the beginning of the year			
Finished goods	85.31	155.77	
Work-in-progress	9.39	18.20	
Stock-in-trade	26.77	30.40	
	121.47	204.37	
Inventory change - manufacturing (a)	(5.88)	82.90	

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	2015-16	2014-15
Real Estate		
Inventories at the end of the year		
Stock in trade	4.98	4.98
Development work-in-progress	483.58	501.24
	488.56	506.22
Inventories at the beginning of the year		
Stock in trade	4.98	5.07
Development work-in-progress	501.24	368.90
	506.22	373.97
Decrease / (increase) in inventory	17.66	(132.25)
Release from revaluation reserve in proportion of revenue recognised on areas agreed for sale / sold	(163.86)	(351.24)
Inventory change - real estate (b)	(146.20)	(483.49)
Inventory change (a) + (b)	(152.08)	(400.59)

₹ in crores

27. EMPLOYEE BENEFIT EXPENSE	2015-16	2014-15
Salaries, wages and bonus	87.67	78.18
Contribution to provident and other funds	7.55	5.93
Workmen and staff welfare expenses	5.25	5.91
	100.47	90.02

₹ in crores

28. FINANCE COSTS	2015-16	2014-15
Interest on long term borrowing	162.46	123.09
Interest on short term borrowing	74.88	48.30
Ancillary borrowing costs	24.37	21.33
Exchange difference to the extent considered as adjustment to borrowing costs	20.93	34.50
	282.64	227.22

₹ in crores

29. DEPRECIATION AND AMORTISATION EXPENSES	2015-16	2014-15
Depreciation on tangible assets	32.45	45.29
Depreciation on intangible assets	1.46	1.53
	33.91	46.82

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

30. OTHER EXPENSES	2015-16	2014-15
Manufacturing Expenses		
Stores, spare parts and catalysts	40.54	51.06
Oil and coal consumed	37.88	64.85
Electric energy (net of refund receivable on account of regulatory liability charges)	46.20	47.78
Water charges	2.71	3.94
Repairs: Buildings	3.38	1.10
Machinery	6.39	6.21
Others	1.76	1.71
Excise duty other than relating to sales	(0.01)	(0.10)
Job work / processing charges	1.17	20.24
	140.02	196.79
Construction Expenses		
Architect fees and technical and project related consultancy	19.14	16.68
Civil, Electrical, contracting etc..	177.86	47.72
Payment to local agencies	89.82	0.40
Fees for cancellation of contracts,acquiring rights in real estate	-	3.44
Land cost on conversion of freehold land to stock in trade (net of revaluation reserve-Refer Note 39)	-	463.92
Compensation for rehabilitation of tenants	4.66	2.20
Incidental expenditure relating to construction / development transferred to projects work-in-progress	-	50.70
	291.48	585.06
Selling and Distribution Expenses		
Brokerage,commision and indenting charges on sales	7.01	8.06
Discount on sales	1.92	1.89
Freight and forwarding	25.27	26.69
Advertisement expense	27.55	29.48
	61.75	66.12
Establishment Expenses		
Rent	18.88	13.90
Rates and taxes	15.77	14.29
Insurance	2.13	1.84
Sundry balances written off	0.02	0.06
Provision for doubtful advances/debts	8.55	14.58
Legal and Professional Fees	16.32	7.48
Retainership Fees	2.32	1.87
Loss on foreign currency transactions (net)	2.41	23.84
Expenditure incurred on corporate social responsibility activities	0.30	1.38
Miscellaneous expenses	40.03	35.84
	106.73	115.07
	599.98	963.05

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

30. OTHER EXPENSES	2015-16	2014-15
Payment to auditor		
As an auditor :		
Audit Fee	0.57	0.47
Limited Review	0.35	0.35
In other capacity:		
Certification fees	0.03	0.02
Reimbursement of expenses	0.02	0.01
	0.97	0.85

(₹ in crores)

31 CONTINGENT LIABILITIES	2015-16	2014-15
A Claims against the company not acknowledged as debt.		
(a) Income-tax matters in respect of earlier years under dispute (including interest of ₹ 5.12 crores) [31.03.2015. ₹ 5.12 crores] as follows:		
i Decided in Company's favour by appellate authorities and department in further appeal	-	0.18
ii Pending in appeal - matters decided against the Company	22.76	23.93
(b) Sales Tax, Service Tax and Excise Duties	8.29	1.85
(c) Custom Duty	0.95	0.95
(d) Other Matters (Including claims related to real estate, employees and other matters)	103.67	44.75
In respect of items (a) to (d) above, it is not possible for the Company to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/authorities.		
B Guarantees		
01. Counter indemnity for an amount of ₹ 193.75 crores (31.3.2015 ₹ 182.82 crores) issued in favour of IDBI Bank Limited which in turn has guaranteed loans granted by Punjab National Bank International London and Bank of India, Jersey to PTFS secured by first pari-passu charge on 36,617.13 square metres of land at Company's Spring Mill Dadar, Naigaon together with all buildings, structures and erections there on.		
02. Corporate guarantee for an amount of ₹35.27 crores (31.03.2015 ₹ 20.76 crores) issued in favour of Bank of Bahrain & Kuwait, Bahrain for loans granted to PTFS. The Company has a pari passu charge on PTFS's assets, which would cover the aforesaid indemnity amount.		
C Other money for which the company is contingently liable		
Bills Discounted	6.65	3.72

NOTES to financial statements for the year ended 31st March, 2016

₹ in crores

32 CAPITAL & OTHER COMMITMENTS	2015-16	2014-15
i Estimated amount of contracts to be executed on capital account and not provided for:	99.75	29.10
ii Other Commitments not provided for related to construction under development	1,075.12	1,252.73
iii Export obligation pending under Advance License Scheme is ₹ 0.72 crores (31.03.2015 ₹ 0.72 crores) and duty saved thereon.	0.17	0.17

- 33 During the year 2000-01, pursuant to the scheme of amalgamation between Scal Investments Limited (SIL) and the Company, sanctioned by the jurisdictional court on 20th April, 2001, the assets, liabilities and reserves of SIL had been transferred to and vested in the Company with effect from 1st October, 2000. The titles in respect of certain immovable properties amalgamated into the Company are still in the process of transfer.
- 34 The proposed sale and transfer of the entire Undertaking consisting of the Textile factory/ plant of the Company situated at Ranjangaon, Maharashtra, on a slump sale basis as a going concern and on as is where is basis for a total consideration of ₹ 230 crore under the Term Sheet signed by the Company on May 13, 2015 could not be consummated and accordingly the Company had forfeited the deposit of ₹ 25 lac paid by the proposed purchaser. The proposed purchaser has again revived the offer and the Company has signed another Term Sheet dated March 28, 2016 with the same proposed purchaser for sale of the textile processing unit at Ranjangaon, on a slump sale basis for the same total consideration of ₹ 230 crores. The proposed purchaser is required to deposit earnest money deposit of ₹ 23 crore in an escrow account before the expiry of 60 days from the date of execution of the Term Sheet. The Company is also considering offers for sale of vacant land separately as well as making efforts to sell the land, building and machinery separately under the "assets sale" route.
- 35 Based on the advice obtained by the Company, the premium charged by the Company on sale of apartments under the deferred payment scheme compared to the price charged under the normal sales scheme is also considered as part of sales consideration and is recognised as revenue under the percentage of completion method
- 36 The Company vide notice dated 8th January 2013 notified the closure of its textile mills manufacturing undertaking at Worli, pursuant to which some of the textile workers accepted alternate employment in the company and the remaining workers accepted closure of the undertaking and consequent termination of services under the memorandum of agreement signed by the Company with the workers union. In accordance with the agreement, the Company has paid / provided to such employees the terminal dues, closure compensation and ex-gratia compensation. Whilst some workers have accepted lump sum compensation, others have opted for a monthly payment up to age 63 or till demise, whichever is earlier. The liability in respect of the monthly payments has been actuarially determined as on the Balance sheet date at ₹ 7.17 crores (2014-15 - ₹ 7.26 crores) by the independent actuary. As at the time of the previous voluntary retirement schemes, the initial cost relating to ex-gratia compensation was added to the development cost of land. The actuarial loss for the year amounting to ₹ 0.48 crore (2014-15 - ₹ 1.40 crore) has been recorded in the Statement of Profit & Loss.
- 37 The Company has agreed to sell several apartments in the proposed residential towers being constructed at Island City Centre to SCAL Services Ltd, a Group company, in terms of various Memorandum of Understanding (MOUs) entered between the companies till March 31, 2016. Based on the method of accounting (percentage of completion) followed by the company, net revenue of ₹ 239.26 crores (March 2015 ₹ 301.11 crores) and the resultant profit before tax of ₹ 158.63 crores (March 2015 ₹ 224.49 crores) has been recognised during the year ended March 31, 2016 in respect of the sales to SCAL. During the year, SCAL has requested the Company for certain concessions on grounds that due to the huge delays in construction by the Company, it had incurred substantial interest costs on account of its borrowings against the unsold inventory of flats, which could not be sold due to the delays in the project. Pursuant to the request, the Company, considering the facts and circumstances that led to SCAL's inability to sell the flats, has granted SCAL deferment of milestone payments till June 2017 or till the sale of all unsold flats, and also considering that SCAL was a bulk customer who had purchased a large number of flats and had not received the discounts given to other bulk purchasers, the Company reduced the advance payment made by SCAL to 7.5% resulting in refund of about ₹ 270.35 crore to SCAL.
- 38 Recognition of income and expenses on on-going real estate project under long term contracts is based on actual sales; estimated costs and work completion status. Determination of profits/ losses, the percentage of completion, costs to completion and realisability of the construction work in progress & unbilled revenues necessarily involves making estimates by the Company, some of which being of a technical nature, are being relied upon by auditors. Profit from these contracts and valuation of construction work in progress / unbilled revenue is based on such estimates.

NOTES to financial statements for the year ended 31st March, 2016

39 Pursuant to the Order of the Supreme Court dated August 2, 2013 and the Order of the Bombay High Court dated November 20, 2013 permitting the Company to surrender land at one location i.e. Spring Mills, Wadala, under the Integrated Development Scheme for consolidating handover obligation, the Company had in December 2014 given advance possession of 32,829.02 sq. mtrs of land to MCGM and 33,822.89 sq. mtrs of land to MHADA at Spring Mills, Wadala after completion of necessary boundary wall, and internal filling/ leveling, SWD, etc. as per the provisions of DCR 58 (6) read with DCR 58 (1) (a) & (b). Both MCGM and MHADA have taken advance possession of the said lands, pending completion of certain administrative formalities, which as per the company's architect are routine.

As per the provisions of DCR 54 and as certified by the Company's Architects, the Company is entitled to Development Rights (FSI) of 43,661.11 sq. mtrs generated in lieu of lands earmarked and handed over to MCGM for utilization by the owners on the said land and to Transferable Development Rights (TDR) of 44,984.44 sq. mtrs. in lieu of lands earmarked and handed over to MHADA under the Integrated Development Scheme as per the provisions of DCR 58.

Since physical possession of the earmarked lands is handed over and Advance Possession Receipts obtained from MCGM and MHADA, the Company has during 2014-15 recognized the entitlement of additional Development Rights (FSI) available for its own use and accordingly converted the same into stock in trade at market value (as ascertained by registered valuers). The Transferable Development Rights (TDR) will be recognised on receipt of TDR certificates

40 Litigations

(a) During the year 2010-11, the Company had agreed to sell certain area in the proposed tower TWO ICC to Shaan Realtors Pvt. Ltd., formerly Accord Holding Pvt. Ltd. ("the claimants"). The area agreed to be sold is under dispute and the matter was referred to arbitration. The arbitrator vide order dated 13th January 2014 passed the final award directing the company to allot to the claimants and/ or its associates, friends, nominees carpet area of 1,00,000 sq. ft. less the carpet area as already allotted to them in the proposed tower TWO ICC, namely additional carpet area of 48,495 sq. ft. The Company has filed an appeal in the Bombay High Court under section 34 of the Arbitration & Conciliation Act, 1996 against the said award, for which the hearings are in progress. The Company is confident that the final award passed by the learned arbitrator will get reversed in view of the strong merits in the case. However, the requisite area has been set aside by the Company and the total area to be allotted to the claimants will be accounted on disposal of the appeal filed in the High Court. No adjustment has been made in the financial statements in view of the uncertainty involved.

(b) The Bombay High Court vide its order dated November 20, 2013 permitted the Company to surrender land at one location i.e. Wadala, as per the application made by the company under integrated development scheme. As per this order the total of 66,651 sq. meter of land has been surrendered to MCGM and MHADA at Island City Centre, Wadala. During the year 2013-14, the Union had filed a writ petition requiring the company to surrender non textile mill land. The Bombay High Court has directed the Company to reserve additional 10,000 sq. meters of land adjacent to the land to be surrendered. The Company believes that above said writ petition filed in Bombay High Court has no impact on the development of the two towers at ICC since the reserved land of 10,000 sq. meters is different from the one where construction of the two towers is in progress.

(c) The company had during the year 2010-11 sold the building known as 'Wadia Tower A' to Axis Bank Ltd for a consideration of ₹ 782.62 crores. The purchaser has till date paid a sum of ₹ 753.69 crores and the balance ₹ 28.93 crores is still outstanding. Axis bank has claimed interest for delayed handover for a period of 4 months from October 2010 to January 2011, and has not paid the common area maintenance charges amounting ₹ 9.48 crores (31.3.2015 : ₹ 7.71 crores). Since the matter could not be amicably resolved, the same was referred to arbitration. Claims from the Bank regarding costs for work completed by the Bank on behalf of the Company and by the Company on behalf of Axis Bank are also matters under arbitration. Pending finalisation of arbitration proceedings, the receivables are considered good.

41 The remuneration paid to Managing Director for the year ended March 31, 2016 is in excess of the limits laid down in section 197 of the Companies Act, 2013 read with Schedule V of the said Act. The excess remuneration of ₹ 4.40 crore is subject to the approval of the Central Government, in respect of which the Company has made an application and the approval is awaited. The remuneration payable to the Managing Director for the year ended March 31, 2015 which was in excess of the limits prescribed under sections 197 and 198 of the Companies Act, 2013 has been approved by the Central Government under section 196, 197, 198 & 200 read with schedule V to the Companies Act, 2013 vide approval dated December 17, 2015.

NOTES to financial statements for the year ended 31st March, 2016

42 Employee Benefits

A. Defined Contribution Plan

The Company has recognized the following amounts in the statement of profit and loss under contribution to provident and other funds as under:

	(₹ in crores)	
	2015-16	2014-15
Employer's contribution to Provident Fund	3.24	2.89
Employer's contribution to Family Pension Fund	0.47	0.41
Employer's contribution to Superannuation Fund	0.32	0.55

B. Defined Benefit Plan

Gratuity and Voluntary Retirement Scheme (VRS) (Refer note 36 above) - as per actuarial valuation as on 31st March, 2016

	(₹ in crores)			
	2015-16	2014-15	2015-16	2014-15
	Gratuity		VRS	
i. Reconciliation of opening and closing balances of Defined Benefit Obligation				
Present value of Defined Benefit Obligation as at 31 st March, 2015	17.84	17.04	7.26	6.40
Interest cost	1.41	1.58	0.58	0.59
Current Service Cost	1.54	1.53	-	-
Benefits paid	(0.75)	(1.36)	(0.57)	(0.54)
Net Actuarial (gain) / loss	(0.61)	(0.95)	(0.10)	0.81
Present value of Defined Benefit Obligation as at 31 st March, 2016	19.43	17.84	7.17	7.26
ii. Reconciliation of fair value of Plan Assets	(₹ in crores)			
	2015-16	2014-15	2015-16	2014-15
Fair value of Plan Assets as at 31 st March, 2015	18.20	17.44	-	-
Expected return on Plan Assets	1.45	1.52	-	-
Net Actuarial gain / (loss)	(0.32)	(0.36)	-	-
Employer's Contribution	0.38	0.96	-	-
Benefits Paid	(0.75)	(1.36)	-	-
Fair value of Plan Assets as at 31 st March, 2016	18.96	18.20	-	-
The Company expects to contribute in 2016-2017	2.05	1.17	-	-
The major categories of Plan Assets as a percentage of the fair value of total Plan Assets are as follows:				
Insurance Funds	100.00	100.00	-	-
Others	-	-	-	-
	100.00	100.00	-	-

NOTES to financial statements for the year ended 31st March, 2016

(₹ in crores)

	2015-16	2014-15	2015-16	2014-15
iii. Net assets / (liabilities) recognised in the Balance Sheet as at 31 st March, 2016				
Present value of Defined Benefit Obligation	(19.43)	(17.84)	(7.17)	(7.26)
Fair value of Plan Assets	18.96	18.20	-	-
Net Assets / (liability) recognised in Balance Sheet	(0.47)	0.36	(7.17)	(7.26)
iv. Components of Employer's Expenses				
Current Service Cost	1.54	1.53	-	-
Interest Cost	1.41	1.57	0.58	0.59
Expected return on Plan Assets	(1.45)	(1.52)	-	-
Net Actuarial (gain) / loss	(0.29)	(0.59)	(0.10)	0.81
Total expenses recognised in the statement of profit and loss	1.21	0.99	0.48	1.40
Actual return on Plan Assets	1.13	1.16	-	-
v. Actuarial Assumptions				
Mortality Table	Indian Assured Lives Mortality (2006-08)			
Discount Rate (per annum)	7.85%	7.95%	7.85%	7.95%
Expected rate of return on Plan Assets	7.85%	7.95%	-	-
Salary escalation	8.50%	8.50%	5.00%	5.00%

vi. Amount recognized in current year and previous years

GRATUITY

(₹ in crores)

	2015-16	2014-15	2013-14	2012-13	2011-12
1. Present Value of Defined Benefit Obligation as at 31 st March	19.43	17.84	17.04	16.41	15.33
2. Fair Value of Plan Assets as on 31 st March	18.96	18.20	17.44	15.08	14.51
3. Funded Status [Surplus / (Deficit)]	(0.47)	0.36	0.40	(1.33)	(0.82)
4. Experience adjustment on Plan Liabilities [(Gain)/ Loss]	(0.56)	(2.23)	(1.00)	1.35	0.74
5. Experience adjustment on Plan Assets [(Loss)/ Gain]	(0.32)	(0.36)	(0.28)	(0.27)	(0.37)

VRS

(₹ in crores)

	2015-16	2014-15
1. Present Value of Defined Benefit Obligation as at 31 st March	7.17	7.26
2. Fair Value of Plan Assets as on 31 st March	-	-
3. Funded Status [Surplus / (Deficit)]	(7.17)	(7.26)
4. Experience adjustment on Plan Liabilities [(Gain)/ Loss]	(0.16)	0.07
5. Experience adjustment on Plan Assets [(Loss)/ Gain]	-	-

NOTES to financial statements for the year ended 31st March, 2016

- vii a. The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- b. The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency and terms of the post-employment benefit obligations.
- c. The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risk, historical results of return on plan assets and the Company's policy for plan assets management.
- viii The above information is certified by the actuary.
- C. Other long term benefits-
- i Amount recognised as a liability in respect of compensated leave absences as per the actuarial valuation as on March 31, 2016 is ₹ 8.54 crores [2014-15- ₹ 5.69 crores]
- ii Amount recognised as a liability in respect of long service awards as per the actuarial valuation as on March 31, 2016 is ₹ 2.43 crores [2014-15- ₹ Nil]

43 Deferred Taxes

(₹ in crores)

	Deferred Tax (Liability)/Asset as at 01 st April, 2015	Credit / (Charge) for the year	Deferred Tax (Liability)/Asset as at 31 st March, 2016
Nature of Timing Difference			
(a) Deferred Tax Liabilities			
Depreciation	(136.10)	9.98	(126.12)
	(136.10)	9.98	(126.12)
(b) Deferred Tax Assets			
Item covered under section 43B	0.41	2.29	2.70
Provision for bad and doubtful debts	10.61	2.61	13.22
Unabsorbed depreciation under the Income-tax Act, 1961, recognised in view of timing difference in (a) above restricted to the extent of deferred tax liability	120.57	(14.88)	105.69
Impairment of Assets	4.51	-	4.51
	136.10	(9.98)	126.12
Net	-	-	-

In the absence of virtual certainty regarding future taxable income, deferred tax assets relating to unabsorbed depreciation under the Income Tax Act is recognised only to the extent of deferred tax liability.

44 Current Liabilities

The amount of dues owed to Micro, Small and Medium Enterprises as on 31st March, 2016 amounted to ₹ Nil (31st March, 2015- ₹ 0.16 crore). This amount has been outstanding for more than 45 days at the Balance Sheet date. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTES to financial statements for the year ended 31st March, 2016

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Company has sought confirmation from vendors whether they fall in the category of Micro, Small and Medium Enterprises. Based on the information available the required disclosure under Micro, Small and Medium Enterprises Development Act, 2006 is given below:

(₹ in crores)

Particulars	2015-16	2014-15
Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	-	0.16
Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	-	-
Interest paid	-	-
Payment made to suppliers (Other than interest) beyond the appointed day, during the year	0.49	13.21
Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	0.02	0.01
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	0.02	-
Amount of further interest remaining due and payable in succeeding year	-	-

- 45 The Company had introduced the Employee Stock Option Scheme (ESOS) as approved by the shareholders at the Annual General Meeting held on 13th August 2002. The scheme was amended by the shareholders at the Annual General Meeting held on 23rd July 2004 to incorporate the amendments under The Stock Option Guidelines vide SEBI circular dated 30th June 2003. The scheme has been further amended by the shareholders at the Annual General Meeting held on 7th August 2012 wherein the exercise price shall be based on the market price as defined in the SEBI (Employee Stock Option Scheme) Guidelines 1999 i.e. at the latest available closing market price, prior to the date of the meeting of the Board of Directors or Remuneration / Compensation Committee in which options were granted.

As per the Scheme, the Remuneration / Compensation Committee grants options to the employees and Whole-time Directors of the Company. The vesting period of the option is one year from the date of grant. Options granted under the Scheme can be exercised within a period of three years from the date of vesting. Vesting of an option is subject to continued employment.

Under the Scheme, during the financial years from 2002-03 to 2006-07 the Company granted 1,64,410 options, each option representing one equity share of ₹ 10/- each. Out of these 1,57,910 options were exercised into equity shares and balance 6,500 options lapsed.

On 7th August 2012, the Board of Directors had granted 14000 stock options (70,000 stock options post sub - division) to the Ex - Joint Managing Director of the Company at an exercise price of ₹ 528.25 (₹ 105.65 post subdivision) per share for the years 2011-12 and 2012-13 which options have vested on 7th August 2013. Consequent upon the sub-division of shares on and from 31st October, 2012, the number of options and the exercise price have been appropriately adjusted.

Method used for accounting of share based payment plan:

The Company has used intrinsic value method to account for the compensation cost of stock options to the Whole-time Director of the Company. Intrinsic value is the amount by which the quoted market price of the underlying share exceeds the exercise price of the option. Since the options under the Scheme were granted at the market price, the intrinsic value of the option is ₹ Nil. Consequently the accounting value of the option (compensation cost) is also ₹ Nil.

Movement in the options under the Scheme:	31 st March, 2016	31 st March, 2015
Options outstanding at the beginning of the year	70,000	70,000
Options granted during the year	NIL	NIL
Options vested during the year	NIL	NIL
Options exercised during the year	NIL	NIL
Options lapsed during the year	NIL	NIL
Unexercised option outstanding as at the end of the year	70,000	70,000
Options excisable at the end of the period	70,000	70,000
Weighted average price per option (₹)	105.65	105.65

NOTES to financial statements for the year ended 31st March, 2016

Fair Value Methodology:

Options have been valued based on Fair Value Method of accounting as described under Guidance Note on Accounting for Employee Share-based Payments using Black-Scholes valuation option-pricing model, using the market values of the Company's shares as quoted on the National Stock Exchange. If the stock based compensation cost was calculated as per the Fair Value method prescribed by Securities and Exchange Board of India, the total cost to be recognised in the financial statements for the period April 1, 2015 - to March 31, 2016 would also be nil.

The key assumptions used in Black-Scholes model for calculating fair value of options under the Scheme as on the date of grant are as follows:

Particulars	31 st March, 2016	31 st March, 2015
No. of option granted	70,000	70,000
Date of grant	07 th August, 2012	07 th August, 2012
Vesting period (years)	1	1
Expected life of option (years)	3	3
Expected volatility	NA	45.42%
Risk free rate	NA	8.09%
Expected dividends	NA	50% of face value of share

Had the compensation cost for the Scheme been determined based on fair value approach, the Company's net profit and earnings per share would have been as per the pro-forma amounts indicated below:

Particulars	31 st March, 2016	31 st March, 2015
Net profit (as reported)	(85.24)	24.56
Less: Stock-based compensation expense determined under fair value based-method, net of Intrinsic Value (without considering tax impact)	-	-
Net profit (pro-forma) considered for computing EPS (pro-forma)	(85.24)	24.56
Basic earnings per share (as reported)	(4.13)	1.19
Basic earnings per share (pro-forma)	(4.13)	1.19
Diluted earnings per share (as reported)	(4.13)	1.19
Diluted earnings per share (pro-forma)	(4.13)	1.19

Weighted Average share price of Options exercised during the year - No options exercised during the year

Range of Exercise price and weighted average remaining contractual life of outstanding options

Grant Date	Number of options outstanding	Weighted average remaining contractual life (in years)	Weighted average exercise price (₹)
07-Aug-12	70,000	0.35	105.65

NOTES to financial statements for the year ended 31st March, 2016

46 Derivative Instruments & unhedged foreign currency exposure

- (i) Particulars of outstanding Forward Foreign Exchange Contracts entered into by the Company as on 31st March, 2016 for hedging the currency risk:

Particulars	Purpose	Amount in foreign currency	
		As at 31 st March, 2016	As at 31 st March, 2015
Forward contracts to buy USD	Hedge of external commercial borrowings & raw material imports	32,259,410	86,131,028
Forward contracts to sell USD	Hedge of firm commitments, highly probable forecast transactions and export of finished goods	-	10,057,013

- (ii) Particulars of unhedged foreign currency exposures as on 31st March, 2016

	As at 31 st March, 2016	As at 31 st March, 2015
(a) Trade Receivables		
USD	1,051,247	-
EURO	106,164	205,384
(b) Trade and Other Payables		
USD	210,908	269,627
EURO	-	5,670

- (iii) The Company has adopted the principles of hedge accounting as set out in Accounting Standard 30, 'Financial Instruments: Recognition and Measurement', issued by The Institute of Chartered Accountants of India. Accordingly, the foreign exchange (gain)/loss of ₹ (0.92) crores (2014-15 ₹ 0.45 crores) as on 31st March, 2016 on forward foreign exchange contracts entered into to hedge firm commitments and highly probable forecast transactions, which qualify for hedge accounting, has been accounted under Hedging Reserve to be ultimately recognised in the profit and loss account when the forecasted transactions arise.

47 Earnings Per Equity Share

(₹ in crores)

	2015-16	2014-15
(i) Profit computation for both basic and diluted earnings per equity share of ₹ 2 each: Net profit as per Statement of profit and loss available for equity Shareholders	(85.24)	24.56
(ii) Number of Equity Share	No. of equity shares	No. of equity shares
Number of Equity Shares at the beginning of the year	206,534,900	206,534,900
Add:- Shares allotted during the year	-	-
Number of Equity Shares at the end of the year	206,534,900	206,534,900
Weighted average number of equity shares		
(a) For basic earnings	206,534,900	206,534,900
(b) For diluted earnings	206,534,900	206,534,900
Face value of Equity Shares (In ₹)	2	2
(iii) Earning per equity share		
Basic (in ₹)	(4.13)	1.19
Diluted (in ₹)	(4.13)	1.19

NOTES to financial statements for the year ended 31st March, 2016

48 Operating Lease

- (a) The Company has taken certain motor vehicles, retail shops, flats and godown on operating lease. The particulars in respect of such leases are as follows:

	(₹ in crores)	
	As at 31 st March, 2016	As at 31 st March, 2015
Lease rent expenses		
(i) Total of minimum lease payments for a period:		
not later than one year	8.64	7.58
later than one year but not later than five years	33.76	31.12
later than five years	7.92	13.89
(ii) Lease payments recognised in the statement of profit and loss for the year	18.47	12.89

- (iii) The lease agreements are for a period of four years for vehicles and for a period of one to nine years for retail shops including further periods for which the Company has the option to continue the lease of retail shop with the condition of increase in rent, for a period of one year for godowns and for a period of 3 years for Retail Shops

- (b) The Company has given commercial space on operating lease. The particulars in respect of such leases are as follows:-

	(₹ in crores)	
	As at 31 st March, 2016	As at 31 st March, 2015
Lease rent income		
(i) Total of lease rent income for a period:		
not later than one year	17.77	23.56
later than one year but not later than five years	37.30	55.10
later than five years	-	-

- (ii) The details such as gross carrying amount, accumulated depreciation and depreciation for the current year, are not available separately in respect of the properties given on lease.

49 Segment Reporting

(₹ in crores)					
(i) Primary Segments - Business Segments	Textile	Polyester	Real Estate	Elimination	Total
A REVENUE					
1 Segment revenue - External sales/ income from operations	305.66	1,069.12	470.23	-	1,845.01
	[569.94]	[1,364.05]	[444.23]	[-]	[2378.22]
2 Inter - segment revenue	-	-	-	-	-
	[-]	[2.70]	[-]	[(2.70)]	-
3 Total segment revenue	305.66	1,069.12	470.23	-	1,845.01
	[569.94]	[1,366.75]	[444.23]	[(2.70)]	[2,378.22]
4 Unallocated revenue					-
					[0.05]
TOTAL					1,845.01
					[2,378.27]

NOTES to financial statements for the year ended 31st March, 2016

(₹ in crores)

(i) Primary Segments - Business Segments	Textile	Polyester	Real Estate	Elimination	Total
B RESULT					
1 Segment result / operating profit / (loss)	(21.31)	(22.66)	277.20		233.23
	[26.20]	[(9.77)]	[302.69]	-	[319.12]
2 Unallocated (Expenses) / Income Net					(65.39)
					[(73.03)]
3 Operating Profit					167.84
					[246.09]
4 Interest Expenses					(282.64)
					[(227.22)]
5 Interest Income					29.56
					[16.07]
6 Income Taxes					-
					[(10.38)]
7 Net Profit					(85.24)
					[24.56]
C OTHER INFORMATION					
1 Segment assets	354.54	651.05	3,215.48		4,221.07
	[423.48]	[758.74]	[2,596.44]		[3,778.66]
2 Unallocated assets					172.38
					[214.05]
3 Total assets					4,393.45
					[3,992.69]
4 Segment liabilities	154.59	333.72	258.73		747.04
	[102.69]	[483.84]	[147.12]		[733.65]
5 Unallocated liabilities					2,334.29
					[1692.51]
6 Total liabilities					3,081.33
					[694.59]
7 Cost incurred during the year to acquire segment fixed assets	1.17	6.60	0.30		8.07
	[5.67]	[26.12]	[23.57]		[55.36]
8 Depreciation	3.91	23.72	5.69		33.32
	[14.38]	[23.91]	[8.53]		[46.82]
9 Non-cash expenses other than depreciation					
-provision for bad & doubtful debts	8.20	0.35	-		8.55
	[6.64]	[7.94]	[-]		[14.58]

NOTES to financial statements for the year ended 31st March, 2016

(₹ in crores)

(i) Primary Segments - Business Segments	Textile	Polyester	Real Estate	Elimination	Total
(ii) Secondary Segments - Geographical Segments					
			India	Rest of the World	Total
A Segment revenue from external customer, based on geographical location of customers			1,566.99	278.02	1,845.01
			[2,048.59]	[329.63]	[2,378.22]
B Segment assets based on geographical location			4,206.37	14.70	4,221.07
			[3,749.51]	[29.15]	[3,778.66]
C Cost incurred during the year to acquire fixed assets			8.07	-	8.07
			[55.36]	[-]	[55.36]

50 Related party disclosures

(a) Names of related parties and nature of relationship:

1. Enterprise controlled by the Company

Subsidiary Company: Archway Investment Company Limited (w.e.f. 23rd Oct 2014)

2. Other related parties with whom Company had transaction during the year

Associate Companies: Archway Investment Company Limited (upto 22nd Oct 2014)

Pentafil Textile Dealers Limited

Bombay Dyeing Real Estate Company Limited

Joint Venture Company: PT.Five Star Textile Indonesia

Key Management Personnel: Mr. Jehangir N Wadia - Managing Director

Mr. Vinod Hiran - Chief Financial Officer (19th May 2015 to 02nd Nov 2015)

Mr. K. Subharaman - Company Secretary & Compliance Officer (w.e.f. 1st June 2015)

Mr. Jairaj C Bham - Company Secretary (upto 31st May 2015)

Mr. Raghuraj Balkrishna - Chief Financial Officer (upto 08th Aug 2014)

Relative of Key Management Personnel : Mr. Nusli N. Wadia - Chairman - Father of Managing Director

Mr. Ness N Wadia - Director- Brother of Managing Director

Mrs. Saroj Jairaj Bham - Spouse of the Company Secretary (upto 31st May 2015)

Entities over which key management

personnel and relatives exercise significant influence : Go Airlines (India) Limited

Gladrags Media Ltd.

The Bombay Burmah Trading Corporation Ltd.

NOTES to financial statements for the year ended 31st March, 2016

(b) Transactions with Related Parties

						(₹ in crores)
Nature of transactions	Subsidiary Company	Associate Companies	Joint Venture Company	Key Management Personnel & their relatives	Entities over which Key Management Personnel & their relatives exercise significant influence	
I) Transactions:						
(i) Inter-Corporate Deposits/Advances given						
- Archway Investment Company Limited	32.04 (1.90)	- (28.50)	- (-)	- (-)	- (-)	- (-)
- Bombay Dyeing Real Estate Co. Ltd.	- (-)	4.50 (33.95)	- (-)	- (-)	- (-)	- (-)
- PT.Five Star Textile Indonesia	- (-)	- (-)	18.57 (-)	- (-)	- (-)	- (-)
(ii) Repayment received against ICD/Advances						
- Archway Investment Company Limited	53.29 (9.15)	- (-)	- (-)	- (-)	- (-)	- (-)
- Bombay Dyeing Real Estate Co. Ltd.	- (-)	33.95 (4.50)	- (-)	- (-)	- (-)	- (-)
- PT.Five Star Textile Indonesia	- (-)	- (-)	18.57 (-)	- (-)	- (-)	- (-)
(iii) Interest income on ICD/Advance						
- Archway Investment Company Limited	2.56 (1.36)	- (1.68)	- (-)	- (-)	- (-)	- (-)
- Bombay Dyeing Real Estate Co. Ltd.	- (-)	3.45 (0.91)	- (-)	- (-)	- (-)	- (-)
- PT.Five Star Textile Indonesia	- (-)	- (-)	0.05 (-)	- (-)	- (-)	- (-)
(iv) Expenses incurred on behalf of related parties (reimbursable)						
- PT. Five Star Textile Indonesia	- (-)	- (-)	5.64 (3.68)	- (-)	- (-)	- (-)
- Go Airlines (India) Limited	- (-)	- (-)	- (-)	- (-)	- (-)	0.66 (0.71)
- The Bombay Burmah Trading Corporation Ltd.	- (-)	- (-)	- (-)	- (-)	- (-)	0.57 (0.58)
- Gladrags Media Ltd.	- (-)	- (-)	- (-)	- (-)	- (-)	0.04 (0.07)
(v) Expenses incurred by related parties on behalf of Company (reimbursable)						
- The Bombay Burmah Trading Corporation Ltd.	- (-)	- (-)	- (-)	- (-)	- (-)	0.02 (0.43)
- Gladrags Media Ltd.	- (-)	- (-)	- (-)	- (-)	- (-)	0.26 (0.12)

NOTES to financial statements for the year ended 31st March, 2016

(₹ in crores)					
Nature of transactions	Subsidiary Company	Associate Companies	Joint Venture Company	Key Management Personnel & their relatives	Entities over which Key Management Personnel & their relatives exercise significant influence
(vi) Directors sitting fees					
- Mr. Nusli N. Wadia	-	-	-	0.07	-
	(-)	(-)	(-)	(0.02)	(-)
- Mr. Ness N. Wadia	-	-	-	0.05	-
	(-)	(-)	(-)	(0.03)	(-)
(vii) Remuneration					
- Mr. Jehangir Wadia	-	-	-	5.82	-
	(-)	(-)	(-)	(5.87)	(-)
- Mr. J. C. Bham	-	-	-	0.30	-
	(-)	(-)	(-)	(0.64)	(-)
- Mr. Raghuraj Balkrishna	-	-	-	-	-
	(-)	(-)	(-)	(0.75)	(-)
- Mr. Vinod Hiran	-	-	-	0.72	-
	(-)	(-)	(-)	(-)	(-)
- Mr. Subharaman Krishnan	-	-	-	0.44	-
	(-)	(-)	(-)	(-)	(-)
(viii) Guarantee and collaterals					
- PT. Five Star Textile Indonesia	-	-	25.44	-	-
	(-)	(-)	(17.11)	(-)	(-)
(ix) Lease Rent income					
- Go Airlines (India) Ltd.	-	-	-	-	1.84
	(-)	(-)	(-)	(-)	(1.84)
(x) Sale of goods					
- Go Airlines (India) Ltd.	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.03)
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.01)
(xi) Repayment of Fixed Deposits					
- Mrs. Saroj Jairaj Bham	-	-	-	0.02	-
	(-)	(-)	(-)	(0.02)	(-)
(xii) Interest paid on Fixed Deposits					
- Mrs. Saroj Jairaj Bham	-	-	-	-	-
	(-)	(-)	(-)	(0.01)	(-)

NOTES to financial statements for the year ended 31st March, 2016

(₹ in crores)					
Nature of transactions	Subsidiary Companies	Associate Companies	Joint Venture Companies	Key Management Personnel & their relatives	Entities over which Key Management Personnel & their relatives exercise significant influence
II) Particulars of amounts due to or due from related parties at the year end					
i) Receivables					
- PT. Five Star Textile Indonesia	-	-	29.68	-	-
	(-)	(-)	(24.04)	(-)	(-)
- Go Airlines (India) Limited	-	-	-	-	0.78
	(-)	(-)	(-)	(-)	(0.40)
- Gladrags Media Ltd.	-	-	-	-	0.05
	(-)	(-)	(-)	(-)	(0.02)
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	-	0.27
	(-)	(-)	(-)	(-)	(0.16)
ii) Inter Corporate deposits					
- Archway Investment Company Limited	-	-	-	-	-
	(21.25)	(-)	(-)	(-)	(-)
- Bombay Dyeing Real Estate Co. Ltd.	-	-	-	-	-
	(-)	(29.45)	(-)	(-)	(-)
III) Advances received for purchase of flats					
- Mr. Ness N Wadia	-	-	-	0.57	-
	(-)	(-)	(-)	(0.57)	(-)
- Mr. Jehangir N Wadia	-	-	-	0.28	-
	(-)	(-)	(-)	(0.28)	(-)
IV) Shareholders' deposit given					
- PT. Five Star Textile Indonesia	-	-	15.22	-	-
	(-)	(-)	(15.22)	(-)	(-)
V) Deposit given					
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	-	3.00
	(-)	(-)	(-)	(-)	(3.00)
VI) Guarantee and collaterals given					
- PT. Five Star Textile Indonesia [Refer footnote (b)]	-	-	229.02	-	-
	(-)	(-)	(203.58)	(-)	(-)
VII) Fixed Deposits accepted					
- Mrs. Saroj Jairaj Bham	-	-	-	0.10	-
	(-)	(-)	(-)	(0.12)	(-)

Notes:

- Dividend paid has not been considered by the Company as a transaction falling under the purview of Accounting Standard 18 "Related Party Disclosures".
- Guarantees and collaterals to PT. Five Star Textile Indonesia are secured by a *pari passu* charge on the assets of the joint venture.

NOTES to financial statements for the year ended 31st March, 2016

51 Additional disclosure as required by the amended clause 32 of the listing agreements and section 186 of the Companies Act, 2013

Sr. No	Name	Nature of transaction	Balance as at 31 st March, 2016 ₹ in crores	Maximum amount outstanding during the year ₹ in crores	No. of shares of the Company held by the loanees as at 31 st March, 2016
A. Investments and Loans and advances in subsidiary and associates					
1	Archway Investment Company Ltd.	Inter corporate deposit (Short term funding requirements at interest rates of 12%-13%)	- [21.25]	30.54 [28.50]	- [-]
		Investment in equity shares	49.81 [49.81]	49.81 [49.81]	- [-]
		Investment in fully convertible debentures (carrying no interest)	3.35 [3.35]	3.35 [51.00]	- [-]
2	Pentafil Textile Dealers Ltd.	Investment in equity shares	0.88 [0.88]	0.88 [0.88]	- [-]
3	Bombay Dyeing Real Estate Company Ltd.	Investment in equity shares	0.02 [0.02]	0.02 [0.02]	- [-]
		Inter corporate deposit (Short term funding requirements at interest rates of 12%-13%)	- [29.45]	33.95 [29.45]	- [-]
			54.06 [104.76]	118.55 [159.66]	- [-]
B. Loans and advances in the nature of loans to jointly controlled entity					
1	PT. Five Star Textile Indonesia	Interest free Shareholders' Deposit	15.22 [15.22]	15.22 [15.22]	- [-]
		Loans & Advances (Technical fees and expenses recoverable)	29.68 [24.04]	29.68 [24.04]	- [-]
			44.90 [39.26]	44.90 [39.26]	- [-]
C. Loans and advances in the nature of loans where there is: (i) repayment beyond seven years or (ii) no interest or interest below section 186 of the Companies Act, 2013, other than referred in A1, A3 and B1 above.					
	Employee Loans		0.25 [0.20]	0.40 [0.23]	- [-]
D. Guarantees given:					
Guarantees are provided to a bank which has in turn provided guarantees to lender banks and also to a lender bank of jointly controlled entity for availing long term loans - Refer Note 31.					

NOTES to financial statements for the year ended 31st March, 2016

52 Joint Ventures

The Company has the following joint venture as on 31st March, 2016 and its proportionate share in the assets, liabilities, income and expenditure of the respective joint venture company is given below:

Name of the joint venture company : PT.Five Star Textile, Indonesia (PTFS) (Incorporated in Indonesia) Percentage holding : 33.89%.

	(₹ in crores)	
	As at 31 st Dec, 2015	As at 31 st Dec, 2014
(a) ASSETS		
Fixed Assets	40.58	40.96
Inventories	0.45	0.88
Trade receivables	0.16	0.20
Cash and bank balances	1.29	0.12
Short-term loans and advances	5.90	4.29
Other current assets	1.34	1.33
Other Non current assets	3.93	-
	53.65	47.78
(b) LIABILITIES		
Long-term borrowings	61.12	27.20
Short-term borrowings	-	48.89
Trade payables	0.07	0.09
Other current liabilities	1.25	0.44
	62.44	76.62
	For The Year Ended 2015	For The Year Ended 2014
(c) INCOME	4.45	8.15
(d) EXPENSES	8.37	11.72
(e) CONTINGENT LIABILITY	-	-

The Company's interest in this Joint Venture is reported as Non-current investment (Refer Note 14) and is stated at cost, The Company's share of each of the assets, liabilities, income, expenses etc. (each without elimination of the effect of transaction between the Company and the Joint Venture) related to its interest in this joint venture, based on the audited financial statements are as above.

53 CIF value of imports of

	(₹ in crores)	
	2015-16	2014-15
(i) Raw material	658.72	869.38
(ii) Stores, spare parts & catalysts	16.29	21.25
(iii) Capital goods	0.14	2.45

54 Expenditure in foreign currency (Disclosure on payment basis)

	(₹ in crores)	
	2015-16	2014-15
(i) Travelling expenses	1.84	2.41
(ii) Interest	4.19	6.40
(iii) Architect Fees, technical & project related Consultancy	-	2.84
(iv) Selling and Distribution Expenses	2.19	-
(v) Other expenditure	2.43	0.31

NOTES to financial statements for the year ended 31st March, 2016

55 Consumption

(₹ in crores)

	2015-16	%	2014-15	%
Imported raw materials, spare parts and components	655.01	69.79	921.86	72.55
Indigenous raw materials, spare parts and components	283.49	30.21	348.74	27.45
	938.50	100.00	1,270.60	100.00

56 Corporate Social Responsibility Statement (CSR)

The company was required to spent ₹ 1.30 crores towards CSR during the year in accordance with the provisions of Section 135 of the Companies Act, 2013. However, the company has spent sum of ₹ 0.30 crores towards Chennai Flood Relief. Accordingly, there is a shortfall in CSR spent by ₹ 1 crores during 2015-16.

57 The financial statements have not been signed by the Company Secretary as required under the provision of Section 134 of the Companies Act, 2013 consequent to his resignation with effect from 30-April-2016.

58 Remittances in foreign currencies

(₹ in crores)

	2015-16	2014-15
Remittance in foreign currencies on account of dividend to four non-resident shareholders i.e. the depository for the GDR holders (2 Accounts) and two Non-Domestic Companies:		
(i) on 1,33,35,715 equity shares of ₹ 2/-each, dividend for 2014-2015	1.07	-
(ii) on 1,33,35,715 equity shares of ₹ 2/-each, dividend for 2013-2014	-	1.07
Apart from the above, the Company has not made any remittance in foreign currencies on account of dividends and does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of the other non-resident shareholders. The particulars of dividends paid to such non-resident shareholders are as under:		
(i) number of non-resident shareholders: 931 (2014-2015 :877)		
(ii) on 2,01,65,689 equity shares of ₹ 2/-each, dividend for 2014-2015	1.61	-
(iii) on 1,64,86,397 equity shares of ₹ 2/-each, dividend for 2013-2014	-	1.32

59 Earnings in foreign exchange

(₹ in crores)

	2015-16	2014-15
(i) Export of goods calculated on FOB basis	269.74	319.32
(ii) Reimbursement of insurance and freight on exports	8.28	10.30

60 Figures in Brackets indicate corresponding figures for the previous year.

61 Previous year figures have been regrouped where necessary.

As per our report attached

Signatures to the Notes to financial statements
For and on behalf of the Board of Directors

FOR KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No.104607W

NUSLI N. WADIA *Chairman*
JEHANGIR N. WADIA *Managing Director*

Ermin K. Irani
Partner
Membership No.35646

PUSPAMITRA DAS *CFO*

R.A. SHAH
S. S. KELKAR
S. RAGOTHAMAN
A. K. HIRJEE
S. M. PALIA
SHEELA BHIDE
ISHAAT HUSSAIN
NESS N. WADIA

Directors

Mumbai, 27th May, 2016

Mumbai, 27th May, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED** ("hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate companies and jointly controlled entity, comprising the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment,

including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the other auditors referred to in the 'Other Matter' 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 as at March 31, 2016, and its consolidated loss and its consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

- Note 37 to the consolidated financial statements regarding agreements to sell certain apartments in the proposed residential towers being constructed at Island City Centre to SCAL Services Ltd., a Group Company, in terms of various MOUs entered between the companies till March 2016. The Company has during the year recognized net revenues of ₹ 239.26 crores (2014-15: ₹ 301.11 crore) and resultant profit before tax of ₹ 158.63 crore (2014-15: ₹ 224.49 crore) on sale of said apartments to SCAL.
- Note 41 to the consolidated financial statements regarding the remuneration paid to the Managing Director in excess of the limits prescribed under Section 197 read with Schedule V of the Act by ₹ 4.40 crore, due to inadequacy of profits. The excess remuneration is subject to the approval of the Central Government for which an application has been made.

Our opinion is not modified in respect of the above matters.

Other Matter

We did not audit the financial statements of a subsidiary company and a jointly controlled entity, whose financial statements reflect the total assets of ₹ 137.27 crore as at March 31, 2016, total revenues of ₹ 14.05 crore and net cash inflow amounting to ₹ 7.60 crore for the year ended on that date, as considered in the preparation of the consolidated financial statements. The Consolidated financial statements also include the Group's share of net loss of ₹ 0.01 crore for the year ended March 31, 2016, as considered in the consolidated financial statements in respect of two associate companies, whose financial statements have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have

been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, jointly controlled entity and associate companies and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, jointly controlled entity and associate companies is based solely on the reports of the other auditors.

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.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and on the basis of the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure "A".
- g) 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 and based on the auditor's report of the subsidiary, jointly controlled entity and associate companies:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Notes 31 and 40 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No. 104607W

Place: Mumbai
Date: May 27, 2016

ERMIN K. IRANI
Partner
Membership No.: 35646

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section in our Report of even date to the members of the Company on the financial statements for the year ended March 31, 2016:

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of **THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED**, ("hereinafter referred to as "the Holding Company"), its subsidiary company and its associate companies incorporated in India as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company and associate companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria

established by the Holding Company and its subsidiary company and its associate companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's, its subsidiary company's and associate companies' incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the

"Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary companies' internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection

of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company and associate companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary company and associate companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under section 143 (3) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a subsidiary company and two associate companies, incorporated in India, is based on the corresponding reports of the auditors of such companies.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No. 104607W

ERMIN K. IRANI

Partner

Membership No.: 35646

Place: Mumbai

Date: May 27, 2016

CONSOLIDATED BALANCE SHEET as at 31st March, 2016

		₹ in crores	
	Note	As at 31 st March, 2016	As at 31 st March, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	41.31	41.31
Reserves and surplus	3	1,244.89	1,510.78
		1,286.20	1,552.09
Minority Interest		2.79	2.69
Non-current liabilities			
Long-term borrowings.....	4	1,281.69	918.29
Other Long-term liabilities.....	5	10.44	6.85
Long-term provisions.....	6	14.92	13.60
		1,307.05	938.74
Current liabilities			
Short-term borrowings.....	7	844.57	527.21
Trade payables	8	296.59	480.84
Other current liabilities	9	680.23	540.87
Short-term provisions.....	10	41.52	42.47
		1,862.91	1,591.39
TOTAL		4,458.95	4,084.91
ASSETS			
Non-current assets			
Fixed assets.....			
Tangible assets	11	629.03	875.62
Intangible assets	12	1.87	3.31
Capital work-in-progress.....		72.41	74.59
Incidental expenditure relating to construction / development	13	-	-
Non-current investments	14	54.38	54.40
Long-term loans and advances.....	15	17.62	22.31
Other non current assets	16	1,812.82	1,190.74
		2,588.13	2,220.97
Current assets			
Inventories.....	17	680.32	711.14
Trade receivables	18	238.31	264.98
Cash and bank balances	19	121.49	68.54
Short-term loans and advances.....	20	177.17	286.25
Other current assets	21	430.80	533.03
Assets held for sale.....	22	222.73	-
		1,870.82	1,863.94
TOTAL		4,458.95	4,084.91
Significant Accounting Policies	1		-
The accompanying notes are an integral part of the consolidated financial statements			

As per our report attached

FOR KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No.104607W

Ermin K. Irani
Partner
Membership No.35646

NUSLI N. WADIA

JEHANGIR N. WADIA

PUSPAMITRA DAS

Signatures to the Balance Sheet and Notes to financial statements

For and on behalf of the Board of Directors

R.A. SHAH
S. S. KELKAR
S. RAGOTHAMAN
A. K. HIRJEE
S. M. PALIA
SHEELA BHIDE
ISHAAT HUSSAIN
NESS N. WADIA

Directors

Mumbai, 27th May, 2016Mumbai, 27th May, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2016

₹ in crores

	Note	2015-16	2014-15
INCOME			
Revenue from operations	23	1,948.79	2,519.99
Less : Excise Duty		99.33	133.57
Revenue from operations (net)		1,849.46	2,386.42
Other income	24	46.50	57.80
Total Revenue		1,895.96	2,444.22
EXPENSES			
Cost of materials consumed	25	899.96	1,276.01
Purchases of Stock-in-Trade		206.75	187.87
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(151.73)	(399.97)
Employee benefits expense	27	102.46	92.47
Finance costs	28	289.92	232.12
Depreciation and amortization expense	29	34.36	47.27
Impairment of fixed assets		-	13.26
Other expenses	30	604.69	964.00
		1,986.41	2,413.03
(Loss) / Profit before tax		(90.45)	31.19
Tax expense :			
Current tax		0.53	10.68
(Loss) / Profit after tax		(90.98)	20.51
Share of (Loss) in Associates		(0.01)	(0.18)
(Loss) / Profit before Minority Interest		(90.99)	20.33
Minority Interest		0.10	0.02
(Loss) / Profit for the year		(91.09)	20.35
Earnings per equity share of nominal value ₹ 2 each (Refer Note No.46)			
- Basic		(4.41)	0.99
- Diluted		(4.41)	0.99
Significant Accounting Policies	1		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report attached

FOR KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No.104607W

Ermin K. Irani
Partner
Membership No.35646

Signatures to the Statement of Profit & Loss and Notes to financial statements

NUSLI N. WADIA *Chairman*
JEHANGIR N. WADIA *Managing Director*

PUSPAMITRA DAS *CFO*

For and on behalf of the Board of Directors

R.A. SHAH
S. S. KELKAR
S. RAGOTHAMAN
A. K. HIRJEE
S. M. PALIA
SHEELA BHIDE
ISHAAT HUSSAIN
NESS N. WADIA

Directors

Mumbai, 27th May, 2016Mumbai, 27th May, 2016

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2016

₹ in crores

	2015-16	2014-15
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	(90.45)	31.19
Adjusted for		
Depreciation and amortisation.....	34.36	47.27
Impairment of Assets	-	13.26
Foreign exchange loss/(gain) (net)	(9.02)	2.61
Profit on sale of investments.....	-	(0.07)
Provision for doubtful debts/advances	8.55	14.58
Sundry balances / excess provision written back (net)	(1.78)	(3.59)
Interest income.....	(35.24)	(18.79)
Dividend income	(1.45)	-
Profit on sale of fixed assets (net).....	(4.45)	(16.18)
Interest and other finance charges	289.92	232.12
Write back of deferred charges	-	(0.43)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES AND OTHER ADJUSTMENTS.....	190.44	301.97
Changes in		
Inventories.....	(133.03)	164.87
Trade receivables	26.47	(77.62)
Other current and non-current assets	(490.53)	(187.24)
Trade payables and acceptances	(181.79)	(165.79)
Other current and non-current liabilities.....	152.47	26.28
Provisions.....	9.20	(9.41)
CASH GENERATED FROM OPERATIONS.....	(426.77)	53.06
Direct taxes paid (net)	(9.58)	(4.86)
NET CASH FROM OPERATING ACTIVITIES	(a) (436.35)	48.20
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets.....	(7.40)	(26.45)
Proceeds from sale of fixed assets.....	5.59	29.71
Proceeds from sale of investments.....	-	0.92
Inter-corporate deposits placed	(167.76)	(76.90)
Inter-corporate deposits received back.....	218.46	20.40
Restricted deposits placed with banks	(28.43)	(140.96)
Restricted deposits with banks - matured	59.62	86.82
Dividend income received.....	1.45	-
(Increase) in balances with banks in escrow accounts	(67.96)	(0.22)
Interest received	35.61	16.74
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(b) 49.17	(89.94)

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2016 (Contd.)

₹ in crores

	2015-16	2014-15
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings.....	674.43	1,125.18
Repayment of borrowings.....	(432.98)	(889.03)
Proceeds from fixed deposits / Inter-corporate borrowings.....	841.49	255.75
Repayment of matured fixed deposits / Inter-corporate borrowings.....	(519.42)	(253.68)
Increase in demand loan, cash credits from banks.....	150.12	50.99
Interest and other finance charges paid.....	(288.29)	(241.22)
Dividend paid (including corporate dividend tax).....	(19.89)	(19.27)
NET CASH FROM FINANCING ACTIVITIES..... (c)	405.46	28.72
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS..... (a+b+c)	18.28	(13.02)
CASH AND CASH EQUIVALENTS AT THE COMMENCEMENT OF THE YEAR.....	8.19	20.24
Upon addition of Subsidiary company.....	-	0.97
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR.....	26.47	8.19
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS.....	18.28	(13.02)

₹ in crores

Notes :	Opening Balance	Closing Balance
(1) Cash and Cash Equivalents comprise of:		
Balances with banks in current accounts	19.46	3.67
Cheques on hand	5.62	4.23
Cash on hand	0.10	0.17
Share in jointly controlled entity	1.29	0.12
Cash and cash equivalents	26.47	8.19

(2) The above Cash Flow Statement includes share of Cash Flows from jointly controlled entities as under:

₹ in crores

	Amount	Amount
Cash and Cash Equivalents (Opening Balance)	0.12	0.12
a. Net Cash from Operating Activities	(0.85)	(0.16)
b. Net Cash used in Investing Activities	(0.03)	(0.73)
c. Net Cash (used in) / from Financing Activities	2.05	0.89
CASH AND CASH EQUIVALENTS FROM JOINTLY CONTROLLED ENTITIES (Closing Balance)	1.29	0.12

(3) Figures in brackets are outflows/deductions.

(4) Previous year's figures have been regrouped where necessary.

As per our report attached

FOR KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No.104607W

Ermin K. Irani
Partner
Membership No.35646

NUSLI N. WADIA *Chairman*
JEHANGIR N. WADIA *Managing Director*

PUSPAMITRA DAS *CFO*

Signatures to the Cash Flow Statement
For and on behalf of the Board of Directors

R.A. SHAH
S. S. KELKAR
S. RAGOTHAMAN
A. K. HIRJEE
S. M. PALIA
SHEELA BHIDE
ISHAAT HUSSAIN
NESS N. WADIA

Directors

Mumbai, 27th May, 2016Mumbai, 27th May, 2016

NOTES to consolidated financial statements for the year ended 31st March, 2016

NOTE NO.1 :- SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements are prepared under the historical cost convention, except for revaluation of certain freehold land on conversion to stock-in-trade, on the accrual basis of accounting and in accordance with the generally accepted accounting principles in India. The financial statements have been prepared to comply in all material aspects with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act, to the extent applicable.

The classification of assets and liabilities of the Company into current or non-current is based on the Company's normal operating cycle and other criterion specified in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

(b) Principles of Consolidation

The Consolidated Financial Statements relate to The Bombay Dyeing and Manufacturing Company Limited ("the Holding company"), its subsidiary (the Holding company and its subsidiary together referred to as "the Group"), its associates and jointly controlled entity. The consolidated financial statements have been prepared in accordance with Accounting Standard 21 - Consolidated Financial Statements, Accounting Standard 23 -Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures respectively of the Companies Accounting Standards (Rules), 2006 (as amended).

The Consolidated Financial Statements are prepared using the Financial Statements of the Parent Company and Subsidiary Company drawn up to the same reporting date i.e 31st March 2016. In case of the foreign joint venture company, financial statements for the year ending 31 December 2015 have been considered for the purpose of consolidation.

The consolidation of financial statements of the Holding Company and its subsidiary is done on line by line basis adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances, intra-group transactions and unrealised profit or loss, except where cost cannot be recovered. The result of operations of the subsidiary is included in the consolidated financial statements from the date on which the parent subsidiary relationship came into existence. The difference between the cost of investment in subsidiary and joint venture and the proportionate share in the equity of the investee company as at the date of acquisition of stake is recognised in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is tested for impairment annually. Minority's interest in net profit of consolidated subsidiary for the year is

identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the company. Their share of net assets is identified and presented in the Consolidated Balance sheet separately. As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The interest in the assets, liabilities, income and expenses of the joint venture is consolidated using proportionate consolidation method. The intra group balances, intra-group transactions and unrealised profit or loss are eliminated to the extent of the company's proportionate share, except where cost cannot be recovered. Revenue items are proportionately consolidated using average foreign exchange rate and balance sheet items are proportionately consolidated using as at the year-end foreign exchange rate. Difference due to translation of foreign jointly controlled entity is transferred to foreign currency translation reserve.

Investments in associates are accounted for using 'Equity Method' in accordance with Accounting Standard 23 (AS-23) "Accounting for Investment in Associates in Consolidated Financial Statements" under which the investment is initially recorded at cost, identifying any goodwill or capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the associate.

Particulars of Subsidiaries, Joint Venture and Associates

Name	Country of Incorporation	Proportion of Ownership Interest	Proportion of Ownership Interest
		March 31, 2016	March 31, 2015
Subsidiary Company			
Archway Investment Company Limited	India	95.68%	95.68%
Jointly Controlled Entity			
PT Five Star Textile, Indonesia	Indonesia	33.89%	33.89%
Associates			
Pentafil Textile Dealers Limited	India	49%	49%
Bombay Dyeing Real Estate Company Limited	India	40%	40%

(c) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported

NOTES to consolidated financial statements for the year ended 31st March, 2016

balances of assets, liabilities and contingent liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. However, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets and liabilities in future periods.

(d) Revenue recognition

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods are transferred to the customers/dealers. Revenue from sale of products is recognised net of discounts.

Revenue from real estate activity

Revenue from real estate activity is recognised to the extent that it is probable that the economic benefits will flow to the Company, all significant risks and rewards of ownership are transferred to the customers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

The freehold land (including FSI entitlement thereon) under Real Estate Development planned for sa is converted from fixed assets into stock-in-trade at market value. The difference between the market value and cost of that part of freehold land is credited to revaluation reserve and is released to the Statement of Profit and Loss in the proportion of revenue recognized under the percentage of completion method on entering into agreements / contracts for sale.

Revenue from real estate development activity where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, is recognised on the 'Percentage of Completion Method'. Revenue is recognised in relation to the sold areas, on the basis of percentage of actual cost incurred, including land, development and construction costs as against the total estimated cost of project. Revenue is recognised, if the cost incurred is in excess of 25% of the total estimated cost and the outcome of the project can be reliably ascertained. The company continues to recognize revenue in accordance with the Guidance Note on Recognition of Revenue by Real Estate Developers (Issued 2006) for the projects commenced before 1st April 2012.

Cost of Construction / Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to area sold and the balance cost is carried over under Inventory as part of Development Work-in-Progress. Cost of construction / development includes all costs directly related to the Project and other expenditure as identified by the management which are reasonably allocable to the project.

Unbilled revenue disclosed under other non-current and other current assets represents revenue recognized over and above amount due as per payment plans agreed with the customers.

Progress billings which exceed the costs and recognized profits to date on projects under construction are disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables.

The estimates of saleable area and cost of construction are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined. The estimated cost of construction as determined is based on management's estimate of the cost expected to be incurred till the final completion and includes cost of materials, service and other related overheads. Unbilled costs are carried as real estate development work in progress.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project / activity and the foreseeable losses to completion.

(e) Fixed assets

Fixed assets are stated at cost (net of cenvat credit wherever applicable) less accumulated depreciation and impairment losses, if any. The cost includes cost of acquisition, construction, erection, installation etc, preoperative expenses (including trial run) and borrowing costs incurred during construction period.

(f) Depreciation

Depreciation on fixed assets other than furniture & fixtures and motor vehicles is provided on the straight line method, prorata to the period of use, over the useful life as prescribed in Schedule II to the Companies Act, 2013 or as estimated by the management, whichever is lower. Depreciation on furniture & fixtures and motor vehicles is provided on the written down value method over the useful life as prescribed in Schedule II. The asset categories and their useful lives over which depreciation is provided are as under:

Asset	Useful Life
Leasehold land	lease period namely 95 years
Buildings	30 to 60 years
Office equipment	5 years
Computers	3 to 6 years
Plant & machinery	15 to 25 years
Furniture & fixtures	10 years
Assets of retail shops including leasehold improvements	6 years
Movable site offices	10 years
Motor vehicles	8 years
Computer software	5 years
Technical know-how	10 years

NOTES to consolidated financial statements for the year ended 31st March, 2016

The Textile processing plant at Ranjangaon and the PSF manufacturing plant at Patalganga are treated as a Continuous process plants based on technical assessment.

(g) Impairment

The carrying amounts of the Company's tangible and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

(h) Borrowing costs

Borrowing costs include interest, amortization of ancillary costs, amortization of discounts related to borrowings and foreign exchange to the extent they are regarded as adjustment to interest costs. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such asset till such time that the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(i) Investments

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

(ii) Long term investments are stated at cost. Provision for diminution is made to recognise a decline, other than temporary, in value of each long term investment, where applicable.

(iii) Current investments are stated at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

(j) Inventories

(i) Inventories are valued at lower of cost and net realisable value.

(ii) Cost is determined as follows:

(a) Raw materials, stores & spares, finished goods and stock-in-trade on a weighted average method.

(b) Work-in-progress

PSF division-

Material cost included in the valuation is determined on the basis of the weighted average rate and cost of conversion and other costs are determined on the basis of average cost of conversion of the preceding month.

(c) Real estate under development

Real estate under development comprises undivided interest in the freehold land at market value, determined at the rate at which it was converted from fixed assets into stock-in-trade for present and future development, expenditure relating to construction and allocated expenses incidental to the projects undertaken by the Company. Cost of land and construction / development is charged to Statement of Profit and Loss proportionate to area sold and at the time when corresponding revenue is recognised.

(k) Foreign currency transactions

(i) Transactions in foreign currency are recorded at standard exchange rates determined monthly. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of all monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit & Loss.

(ii) Forward exchange contracts other than those entered into to hedge foreign currency risk of firm commitments or highly probable forecast transactions are translated at period end exchange rates and the resultant gains and losses as well as the gains and losses on cancellation of such contracts are recognised in the Statement of Profit and Loss. Premium or discount on such forward exchange contracts is amortised as income or expense over the life of the contract. Forward exchange contracts entered into to hedge foreign currency risk of firm commitments or highly probable forecast transactions are treated as derivative financial instruments.

(iii) The company uses forward foreign exchange contracts to hedge its exposure against movements in foreign exchange rates.

(l) Derivative Financial Instruments and Hedging

The Company enters into derivative financial instruments to hedge foreign currency risk of firm commitments and highly probable forecast transactions. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The carrying amount of a derivative designated as a

NOTES to consolidated financial statements for the year ended 31st March, 2016

hedge is presented as a current asset or liability. The company does not enter into any derivatives for trading purposes.

Cash Flow Hedge

Forward exchange contracts entered into to hedge foreign currency risks of firm commitments or highly probable forecast transactions, that qualify as cash flow hedges are recorded in accordance with the principles of hedge accounting enunciated in Accounting Standard (AS) 30 – Financial Instruments Recognition and Measurement. The gains or losses on designated hedging instruments that qualify as effective hedges is recorded in the Hedging Reserve account and is recognized in the Statement of Profit and Loss in the same period or periods during which the hedged transaction affects profit or loss.

Gains or losses on ineffective hedge transactions are immediately recognized in the Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognized in the Hedging Reserve are transferred to the Statement of Profit and Loss immediately.

(m) Employees benefits

(i) Short term employee benefits:

Short term employee benefits are recognised as expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

(ii) Post-employment benefits:

(I) Defined Contribution Plan:

a) Provident and Family Pension Fund

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the provident fund and pension fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company has no further obligations beyond making the contribution, except that any shortfall in the fund assets based on the Government specified minimum rates of return in respect of provident fund set up by the Company, and the Company recognises such contributions and shortfall, if any, as an expense in the year it is incurred.

b) Superannuation

The eligible employees of the Company are entitled to receive post-employment benefits

in respect of superannuation fund in which the Company makes annual contribution at a specified percentage of the employees' eligible salary (currently 10% or 15 % of employees' eligible salary). The contributions are made to the Superannuation fund set up as irrevocable trust by the Company. Superannuation is classified as Defined Contribution Plan as the Company has no further obligations beyond making the contribution. The Company's contribution to Defined Contribution Plan is charged to Statement of Profit and Loss as incurred.

(II) Defined Benefit Plan:

a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days or 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Contributions are made to the Gratuity Fund set up as irrevocable trust by the Company. The Company accounts for gratuity benefits payable in future on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method. Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the Statement of Profit and Loss.

b) Other long-term employee benefits - compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The leave accumulated to the credit of the employees up to Dec 31, 2014 is available for carry forward and encashment on separation. The Company makes provision for such compensated absences based on an actuarial valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method. Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the Statement of Profit and Loss.

Post 2014, leave earned during the year has to be utilized by the employees within the following year. Such leave is a short term employee benefit

NOTES to consolidated financial statements for the year ended 31st March, 2016

and is provided at the undiscounted amount in the period in which it is incurred.

c) Termination Benefits

The Company provides for compensation payable as part of termination benefits when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Termination benefits falling due more than twelve months after the balance sheet date are provided on the basis of an actuarial valuation by an independent actuary as at the year-end using Project Unit Credit Method.

(n) Employee share based payments

Equity settled stock options granted under the Company's Employee Stock Option Scheme (ESOP) are accounted as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share based payments issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method and compensation expense, if any, is amortised over the vesting period of the option on a straight line basis.

(o) Taxation

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets and MAT credit entitlement are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are not recognised on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(p) Provisions and Contingent Liabilities

A provision is recognised when the enterprise has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more

uncertain future events not wholly within the control of the Company. . No disclosure is made in case of possible obligations in respect of which likelihood of outflow of resources is remote.

(q) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments / receipts are recognised as an expense / income in the Statement of Profit and Loss on a straight-line basis over the lease term.

(r) Government Grants

Grants in the nature of subsidies related to revenue are recognized in the Statement of Profit and Loss over the period in which the corresponding costs are incurred and are recorded on accrual basis.

(s) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less.

(t) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(u) Segment Reporting

The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses. Inter-segment transfers are accounted at prevailing market prices.

(v) Cash flow statement

The consolidated cashflow has been prepared by aggregation of the individual cashflow and eliminations of inter company flows.

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

2. SHARE CAPITAL	As at 31 st March, 2016	As at 31 st March, 2015
AUTHORISED		
25,00,00,000 (2014-15: 25,00,00,000) Equity shares of ₹ 2 each	50.00	50.00
ISSUED, SUBSCRIBED AND PAID-UP		
20,65,34,900 (2014-15 :20,65,34,900) Equity shares of ₹ 2 each fully paid-up	41.31	41.31
	41.31	41.31

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

Equity shares

	As at 31 st March, 2016		As at 31 st March, 2015	
	Numbers	₹ in crores	Numbers	₹ in crores
At the beginning of the period	206,534,900	41.31	206,534,900	41.31
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the period	206,534,900	41.31	206,534,900	41.31

(b) Rights, preferences and restrictions attached to Equity shares

The company has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shareholders holding more than 5% shares in the company

	As at 31 st March, 2016		As at 31 st March, 2015	
	Numbers	% holding	Numbers	% holding
	Face Value of ₹ 2		Face Value of ₹ 2	
N.W.Exports Limited	27,847,740	13.48	27,771,550	13.45
The Bombay Burmah Trading Corporation Limited	25,783,320	12.48	29,644,375	14.35
Sunflower Investment and Textiles Private Limited	22,139,783	10.72	21,681,037	10.50
	75,770,843	36.68	79,096,962	38.30

(d) Shares reserved for issue under options

Pursuant to the Employee Stock Option Scheme (ESOS) approved by the shareholders on 13th August, 2002 and as further amended by the shareholders on 07th August, 2012, the company has granted 14000 options, (70000 options post sub-division) to the Ex-Joint Managing Director of the Company at an exercise price of ₹ 528.25 (₹ 105.65 post sub division) per share. As per the terms of ESOS, each option is exercisable for conversion into one equity share of the Company. (Refer note 44)

(e) Information regarding issue of shares during last five years

- No shares were allotted pursuant to contracts without payment being received in cash.
- No bonus shares have been issued.
- No shares have been bought back.

(f) Shares held in Abeyance

Under orders from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992, - the allotment of 4,640 shares (2014-15 : 4,640 shares) of face value of ₹ 2/- each against warrants carrying rights of conversion into equity shares of the Company has been kept in abeyance in accordance with section 126 of the Companies Act, 2013, till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges.

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

3. RESERVES AND SURPLUS	As at 31 st March, 2016	As at 31 st March, 2015
Capital Reserve		
As per last balance sheet	39.07	28.60
Add: Capital Reserve on acquisition of subsidiary	-	10.47
	39.07	39.07
Capital Redemption Reserve		
As per last balance sheet	2.55	2.55
Securities Premium Account		
As per last balance sheet	146.60	141.37
Add : Share in jointly controlled entity	*	5.23
	146.60	146.60
Revaluation Reserve [Refer Note 1 (d)]		
As per last balance sheet	1,134.02	993.30
Add: Addition on conversion of a part of the freehold land into stock-in-trade	-	694.29
Less: Reversal of excess reserve consequent to reduction of base FSI on ICC land due to handover of additional land to MCGM and MHADA under Integrated Development Scheme	-	(238.07)
Less: Released to statement of profit and loss in proportion of revenue recognised on entering into agreements for sale	(163.86)	(351.24)
Add : Share in jointly controlled entity	0.03	35.74
	970.19	1,134.02
Investment Reserve		
As per last balance sheet	1.31	1.31
Foreign Currency Translation Reserve		
As per last balance sheet	0.69	-
Add : Exchange difference on translation of jointly controlled foreign operation	(0.09)	0.69
	0.60	0.69
Hedging Reserve Account		
As per last balance sheet	(0.45)	(1.07)
Add / (Less): Fair value gain / (loss) on derivative contracts designated as cash flow hedges	1.37	0.62
	0.92	(0.45)
General Reserve		
As per last balance sheet	155.81	155.81
Add : Share in jointly controlled entity (₹ 324)	*	*
	155.81	155.81
Surplus in statement of profit and loss		
Balance as per last balance sheet	31.18	100.37
Depreciation on assets where remaining useful life is nil, recognised in retained earnings	-	(1.54)
(Less) / Add: (Loss) / Profit for the year	(91.09)	20.35
	(59.91)	119.19
Less: Share in jointly controlled entity	0.18	(68.53)
Add : Share of accumulated surplus in associates on consolidation	-	0.42
	(59.73)	51.07
Less: Appropriations		
Proposed dividend	(10.33)	(16.52)
Dividend distribution tax	(2.10)	(3.37)
Net surplus in the statement of profit and loss	(72.16)	31.18
	1,244.89	1,510.78

* denotes values less than ₹ 1 lac

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

4. LONG-TERM BORROWINGS	As at 31 st March, 2016	As at 31 st March, 2015
Secured		
Term Loans		
- from banks	1,098.53	858.51
- from others	39.37	47.50
	1,137.90	906.01
Unsecured		
Fixed Deposits	77.17	0.02
Share in jointly controlled entity	66.62	12.26
	1,281.69	918.29

a) Nature of Security and terms of repayment of secured borrowing:

- i) Term Loans aggregating ₹ 7.80 crores (2014-15 ₹ 27.04 crores) are secured by first pari passu charge on the Company's existing as well as future fixed assets at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga other than fixed assets charged exclusively to term lenders. Repayable in quarterly instalments over the remaining period of 1 to 2 years.
- ii) Term loan amounting to ₹ 66.64 crores (2014-15 ₹ 100 crores) is secured by first pari-passu charge on Company's plant & machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga. Repayable in half yearly instalments in the next year.
- iii) Term loan amounting to ₹ Nil (2014-15 ₹ 90 crores) is secured by first pari-passu charge on Company's plant and machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga and second charge of portion of Spring Mills land & buildings and structure thereon.
- iv) Term loans aggregating to ₹ 407.20 crores (2014-15 ₹ 529.50 crores) are secured by first / secondary pari-passu charge over part of the land of the Company at Textile Mills at Mumbai and plant and machinery, buildings and structures thereon. Repayable in quarterly instalments over the next 2 to 3 years.
- v) Term loan amounting to ₹ 26.40 crores (2014-15 ₹ 36.30 crores) is secured by first pari-passu charge of rent receivables from premises given on lease by the Company and second charge of portion of Spring Mills land and buildings and structures thereon. Repayable in monthly instalments over the remaining 3 years.
- vi) Term loans under consortium arrangement aggregating to ₹ 571.87 crores (2014-15 ₹ 417.82 crores) are secured by first pari-passu charge / Escrow of receivables of One ICC and Two ICC at Spring Mills, Dadar and first pari passu charge over part of land of the Company at Textile Mills at Mumbai and buildings and structures thereon. Repayable in quarterly instalments over a period of 4 to 5 years.
- vii) Term loans aggregating to ₹ 342.32 crores (2014-15 ₹ Nil) are secured by first pari passu charge over part of land of the Company at Worli and building. Repayable in quarterly instalments over 2 to 4 years.
- viii) Term loan amounting to ₹ 108 crores (2014-15 ₹ Nil) is secured by first pari-passu charge on Company's plant and machinery at Textile Processing Unit at Ranjangaon and the Polyester Division at Patalganga and second charge of portion of Spring Mills land & buildings and structure thereon. Repayable in ten monthly instalments after initial moratorium of one year.

b) Terms of repayment of unsecured borrowing:

Fixed Deposits from shareholders and public are repayable over three years from the date of deposit, maturing between July 2016 and March 2019.

₹ in crores

5. OTHER LONG-TERM LIABILITIES	As at 31 st March, 2016	As at 31 st March, 2015
Trade payables	1.86	1.89
Deposits	8.58	4.96
	10.44	6.85

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

6. LONG TERM PROVISIONS	As at 31 st March, 2016	As at 31 st March, 2015
Provision for employee benefits		
- Provision for compensated absences	3.24	4.19
- Provision for loyalty / long service awards	2.00	-
- Provision for termination benefits (Refer Note 36 and 42)	6.58	6.68
- Provision for sales tax forms (Refer Note (a) below)	3.10	2.73
	14.92	13.60
(a) Movement in provisions		
Provision for sales tax forms		
Balance as at the beginning of the year	2.73	1.88
Additions	1.20	0.85
Amounts utilised	(0.83)	-
Balance as at the end of the year	3.10	2.73

₹ in crores

7. SHORT-TERM BORROWINGS	As at 31 st March, 2016	As at 31 st March, 2015
Secured		
- Working capital demand loans from banks	237.58	158.80
- Packing credit from banks	166.34	95.00
- Buyer's Credit in Foreign currency	76.44	120.26
Unsecured		
Bills discounted with banks	2.71	1.44
Intercompany deposits	361.50	102.82
Share in jointly controlled entity	-	48.89
	844.57	527.21

a) Nature of Security for Short term borrowings

- (i) Working Capital loans of ₹ 237.58 crores (2014-15 ₹ 158.80 crores) and Buyer's Credit amounting to ₹ 29.83 crores (2014-15 ₹ 23.81 crores) from banks under consortium arrangement is secured by hypothecation of present and future stocks, book debts and other current assets on pari passu basis and a second charge over part of the land of the Company at Textile Mills at Mumbai admeasuring 89,819.85 square metres and plant and machinery and buildings thereon on pari passu basis.
- (ii) Packing credit from bank of ₹ 110.84 crores (2014-15 ₹ 95 crores) is secured by way of registered mortgage on the immovable properties in Wadia International Centre (Texturising Building and Hemming Building) located at Worli, Mumbai.
- (iii) Packing credit from bank of ₹ 20.50 crores (2014-15 ₹ Nil) is secured by way of current assets of the company (excluding real estate) on a pari passu basis with other member banks in consortium lead by SBI and second charge on the Textile mill land at Worli admeasuring 89,819.85 sq.m. and plant and machinery and building on pari passu basis with other lenders in consortium.
- (iv) Packing credit from bank of ₹ 35.00 crores (2014-15 ₹ Nil) is secured by first pari-passu charge over part of the land of the Company at Textile Mills at Mumbai and plant and machinery, buildings and structures thereon.
- (v) Buyer's Credit aggregating ₹ 46.61 crores (2014-15 ₹ 96.45 crores) is secured by first pari-passu charge on land of the Company at Spring Mills at Mumbai admeasuring 36,617.13 square metres.

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

8. TRADE PAYABLES	As at 31st March, 2016	As at 31st March, 2015
Acceptances under suppliers line of credit	33.09	102.06
Dues to Micro and Small Enterprises (Refer Note (a) below)	-	0.16
Other Creditors	263.42	378.53
Share in jointly controlled entity	0.08	0.09
	296.59	480.84

- a) The dues payable to Micro and Small enterprises is based on the information available with the Company and takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

₹ in crores

9. OTHER CURRENT LIABILITIES	As at 31st March, 2016	As at 31st March, 2015
Current maturities of long-term borrowings [Refer Note 4 (a) and (b)]		
- Term loans from banks	392.33	294.65
- Fixed deposits	0.02	94.64
Interest accrued and due on borrowings	2.22	0.21
Interest accrued but not due on borrowings	2.23	1.58
Unclaimed matured deposits	1.36	2.29
Unpaid dividends *	1.05	1.03
Advances from customers	24.83	30.11
Deposits	3.27	7.25
Liability in respect of forward exchange contracts	6.50	17.80
Statutory dues including service tax and withholding tax	17.25	7.83
Creditors for capital expenditure	0.51	1.28
Employee benefits payable	9.92	5.46
Accrued expenses	204.08	71.19
Other liabilities	13.41	5.12
Share in jointly controlled entity	1.25	0.43
	680.23	540.87

- a) *During the year, the Company has transferred an amount of ₹ 0.12 crore (2014-15 ₹ 0.14 crore) to the Investor Education & Protection Fund under section 125 A of the Companies Act, 1956. There is no amount due for payment to the Fund as at the year end.
- b) Interest accrued and due on borrowings represents interest due as on Balance Sheet date but debited by the bank after the Balance Sheet date.

₹ in crores

10. SHORT TERM PROVISIONS	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits		
Provision for compensated absences	5.30	1.50
Provision for termination benefits		
- Gratuity (Refer Note 42)	0.47	
- Others (Refer Note 36 and 42)	0.59	0.58
Provision for loyalty / long service awards	0.43	-
	6.79	2.08

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

10. SHORT TERM PROVISIONS	As at 31 st March, 2016	As at 31 st March, 2015
Other provisions		
Provision for litigation and disputes (Refer Note (a) below)	11.96	10.41
Provision for commercial and other matters (Refer Note (a) below)	10.34	10.09
Proposed dividend	10.33	16.52
Provision for tax on proposed dividend	2.10	3.37
	34.73	40.39
	41.52	42.47
(a) Movement in provisions		
- Litigation and disputes		
Balance as at the beginning of the year	10.41	8.86
Additions	1.55	1.55
Amounts utilised	-	-
Balance as at the end of the year	11.96	10.41
- Commercial and other matters		
Balance as at the beginning of the year	10.09	22.70
Additions	1.91	5.20
Amounts utilised	(1.65)	(17.81)
Balance as at the end of the year	10.34	10.09

11. TANGIBLE FIXED ASSETS

₹ in crores

Description	Gross Block				Cost or book value as at 31-03-2016	Depreciation						Net Block	
	Cost or book value as at 01-04-2015	Additions	Deductions	Adjustments		Balance as at 01-04-2015	For the year	Deductions	Adjustments	Balance as at 31-03-2016	Impairment during the year	As at 31-03-2016	As at 31-03-2015
Land													
Freehold	118.35	-	-	9.35	109.00	-	-	-	-	-	-	109.00	118.35
Leasehold	19.02	-	-	18.42	0.60	1.97	0.04	-	1.78	0.23	-	0.37	17.05
Building #	148.78	3.02	-	73.33	78.47	37.25	1.92	-	15.35	23.82	-	54.65	111.53
Computers and data processing units	15.56	2.01	0.12	1.46	15.99	13.11	1.08	0.12	1.40	12.67	-	3.32	2.45
Office Equipments	7.35	0.27	0.01	0.75	6.86	6.82	0.60	0.01	0.73	6.68	-	0.18	0.53
Plant & Machinery	982.49	3.67	9.49	269.18	707.49	416.91	24.47	8.36	131.54	301.48	-	406.01	565.58
Furniture & Fixture	45.45	0.91	0.03	2.95	43.38	30.22	3.92	0.03	2.14	31.97	-	11.41	15.23
Motor Vehicles	4.82	0.18	-	0.48	4.52	0.89	0.42	-	0.29	1.02	-	3.50	3.93
Share in jointly controlled entity	65.59	0.03	-	(0.04)	65.66	24.62	0.45	-	*	25.07	-	40.59	40.97
Total	1,407.41	10.09	9.65	375.88	1,031.97	531.79	32.90	8.52	153.23	402.94	-	629.03	875.62
As at 31.03.2015	1,365.98	750.08	708.59	(0.06)	1,407.41	472.37	45.74	1.03	1.45	518.53	13.26	875.62	

Note:

- a) There are no adjustments to the fixed assets on account of borrowing cost and exchange differences during the year.
- b) Adjustments includes gross block and accumulated depreciation in respect of Ranjangaon plant classified as assets held for sale (refer note no.22) and ₹ 0.04 crore being exchange difference during the year
- c) # The company has given commercial premises on operating lease which form part of its premises at Neville House, Ballard Estate and C-1 Wadia International Centre, Worli. Since only a portion of the buildings are given on lease, the gross carrying amount and accumulated depreciation of the premises given on lease is not seperately available.

* denotes value less than ₹ 1 lakh.

NOTES to consolidated financial statements for the year ended 31st March, 2016

12. INTANGIBLE FIXED ASSETS

₹ in crores

Description	Gross Block				Cost or book value as at 31-03-2016	Depreciation					Net Block		
	Cost or book value as at 01-04-2015	Additions	Deductions	Adjustments		Balance as at 01-04-2015	For the year	Deductions	Adjustments	Impairment during the year	Balance as at 31-03-2016	As at 31-03-2016	As at 31-03-2015
Technical Know How	4.22	-	-	-	4.22	3.17	0.42	-	-	-	3.59	0.63	1.05
Software	10.63	0.07	0.01	0.21	10.48	8.37	1.04	*	0.17	-	9.24	1.24	2.26
Total	14.85	0.07	0.01	0.21	14.70	11.54	1.46	-	0.17	-	12.83	1.87	3.31
As at 31.03.2015	14.89	0.26	0.36	0.06	14.85	10.05	1.53	0.10	0.06	-	11.54	3.31	

* denotes value less than ₹ 1 lakh.

₹ in crores

13. INCIDENTAL EXPENDITURE RELATING TO CONSTRUCTION / DEVELOPMENT	As at 31 st March, 2016	As at 31 st March, 2015
Opening balance	-	64.69
Less: Capitalised during the year	-	(13.98)
Less: Transferred to Real estate development work-in-progress	-	(50.71)
Closing balance	-	-

₹ in crores

14. NON-CURRENT INVESTMENTS	As at 31 st March, 2016	As at 31 st March, 2015
TRADE INVESTMENTS (Valued at Cost)		
Equity shares fully paid up (Unquoted)		
Investment in associate company (Valued at Carrying Value)		
20,000 (2014-15: 20,000) Equity shares of ₹ 10 each in Bombay Dyeing Real Estate Company Limited	0.16	0.12
Investment in others (Valued at Cost)		
1,900 (2014-15: 1,900) Equity shares of ₹ 10 each in BDS Urban Infrastructure Pvt.Ltd.	0.01	0.01
30,400 (2014-15: 30,400) Equity shares of ₹ 100 each in Scal Services Ltd.	0.30	0.30
	0.47	0.43
OTHER INVESTMENTS (Valued at Cost)		
Equity shares fully paid up (Unquoted)		
Investment in associate company (Valued at Carrying Value)		
88,200 (2014-15: 88,200) Equity shares of ₹ 100 each in Pentafil Textile Dealers Ltd.	0.95	1.01
Investment in others (Valued at Cost)		
100 (2014-15: 100) Shares of ₹ 25 each in Roha Industries Association's Co-operative Consumers Society Ltd. [₹ 2500/- (2014-15 ₹ 2500/-)]	*	*
Equity shares Fully paid up (Quoted - Valued at Cost)		
15,560 (2014-15: 15,560) Equity Shares of ₹ 10/- each fully paid up in Citurgia Biochemicals Limited	0.02	0.02
13,038,600 (2014-15: 130,38,600) Equity Shares of ₹ 2/- each fully paid up in Bombay Burmah Trading Corporation Limited	49.39	49.39
285,000 (2014-15: 285,000) Equity Shares of ₹ 10/- each fully paid up in National Peroxide Limited	2.37	2.37
25,262 (2014-15: 25,262) Equity Shares of ₹ 10/- each fully paid up in D. B. Realty limited	1.18	1.18
	53.91	53.97
	54.38	54.40

* denotes values less than ₹ 1 lakh.

NOTES to consolidated financial statements for the year ended 31st March, 2016

14. NON-CURRENT INVESTMENTS	₹ in crores	
	As at 31 st March, 2016	As at 31 st March, 2015
Aggregate amount of Quoted Investment	52.96	52.96
Market Value of Quoted Investment	496.05	589.59
Aggregate amount of Unquoted Investment	1.42	1.44
Aggregate Provision for diminution in value of investments	-	-

15. LONG-TERM LOANS AND ADVANCES	₹ in crores	
	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, Considered good (unless otherwise stated)		
Capital advances	1.28	2.62
Security deposits		
- Considered good	6.07	5.93
- Considered doubtful	0.57	0.57
- Less : Provision for doubtful advances	(0.57)	(0.57)
	6.07	5.93
Loans and advances to related parties		
- Considered good	5.83	10.14
- Considered doubtful	24.83	17.18
- Less : Provision for doubtful advances	(24.83)	(17.18)
	5.83	10.14
Advances recoverable in cash or kind		
- Considered good	2.38	2.28
- Considered doubtful	2.96	2.76
- Less : Provision for doubtful advances	(2.96)	(2.76)
	2.38	2.28
Prepaid expenses	0.03	0.08
Loans to employees	0.18	0.23
Balances with government authorities		
- Considered good	1.85	1.03
- Considered doubtful	1.46	1.48
- Less : Provision for doubtful advances	(1.46)	(1.48)
	1.85	1.03
	17.62	22.31

- a) Loans and advances to related parties include a deposit of ₹ 8.04 crores (2014-15 ₹ 8.43 crores) and amounts recoverable of ₹ 19.63 crores (net of provisions) (2014-15 ₹ 15.89 crores) from PT. Five Star Textile Indonesia (PTFS), a jointly controlled entity, of which ₹ 24.84 crores (2014-15 ₹ 17.18 crores) is considered doubtful and provided for. PTFS has been incurring continuous losses. The Company has proposed disposal of surplus lands / the assets of the undertaking for recovery of the deposits and advances. In the opinion of the management, the advances and deposits are considered good and fully recoverable.

b)	₹ in crores	
	As at 31 st March, 2016	As at 31 st March, 2015
Loans and advances to related parties pertain to :		
P.T. Five Star Textile Indonesia (net)	2.83	7.14
The Bombay Burmah Trading Corporation Limited - Deposit	3.00	3.00
	5.83	10.14

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

16. OTHER NON CURRENT ASSETS	As at 31 st March,2016	As at 31 st March,2015
Long term deposits with banks (Refer Note (a) below)	6.40	4.28
Unamortised finance charges	8.01	6.98
Industrial subsidy receivable	18.89	14.67
Unbilled revenue	1,779.07	1,164.81
Interest accrued on deposits	0.45	-
	1,812.82	1,190.74

(a) Deposits with banks are under lien as security for guarantees issued on behalf of the Company.

₹ in crores

17. INVENTORIES (Valued at lower of cost and net realisable value)	As at 31 st March,2016	As at 31 st March,2015
Raw materials [includes in transit ₹ 25.34 crores (2014-15 ₹ 49.86 crores)]	50.50	67.32
Work-in-progress	7.82	9.39
Finished goods [includes in transit ₹ 7.86 crore (2014-15 ₹ 1 crore)]	64.73	90.28
Stock-in-Trade	59.78	26.77
Stores, spares and catalysts	13.46	15.27
Real estate development work-in-progress	483.57	501.24
Share in jointly controlled entity	0.45	0.87
	680.31	711.14

Note: Real Estate development work-in-progress includes expenditure amounting to ₹ 39.12 crore (2014-15 ₹ 50.70 crore) incurred by the Company on projects which are delayed or yet to be commenced. Management expects to commence these projects in the near future and does not expect any loss on this account.

₹ in crores

18. TRADE RECEIVABLES	As at 31 st March,2016	As at 31 st March,2015
Unsecured, considered good unless otherwise stated		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	81.66	40.72
Considered doubtful	19.89	19.48
	101.55	60.20
Less: Provision for doubtful receivables	(19.89)	(19.48)
	81.66	40.72
Other receivables - considered good	156.49	224.07
Share in Jointly controlled entity	0.16	0.19
	238.31	264.98

(a) Trade receivables includes ₹ 38.41 crores (2014-15 ₹ 36.64 crores) due from a customer towards part compensation for sale of property, common area maintenance charges and project related costs. The receivables are under dispute and the matter has been referred to the arbitration. Pending finalisation of arbitration proceedings, the receivables are considered good.

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

19. CASH AND BANK BALANCES	As at 31 st March, 2016	As at 31 st March, 2015
Cash and Cash Equivalents		
Balances with banks in current accounts	19.46	3.66
Cheques on hand	5.62	4.23
Cash on hand	0.10	0.17
	25.18	8.07
Other bank balances		
Balance with banks in unpaid dividend accounts	1.05	1.03
Balance with banks in escrow accounts (Refer note (a) below)	68.18	0.22
Bank deposits under lien, held in trust and in escrow accounts (Refer Note (b) below)	25.79	59.10
	95.01	60.35
Share in jointly controlled entity	1.29	0.12
	121.49	68.54

(a) Balances with banks in escrow accounts represents amounts held in escrow in accordance with the directions of the Monitoring Committee for redevelopment of land of Cotton Textile Mills.

(b) Bank deposits include restricted deposits as under :

- Fixed deposits under lien towards security for guarantees issued on behalf of the Company and as security against a claim on the Company - ₹ 19.31 crores (2014-15 ₹ 25.19 crores).
- Fixed deposits held in trust out of funds received as corpus fund and maintenance deposits from flat owners ₹ Nil (2014-15 ₹ 3.80 crores).
- Short term deposits relating to amounts held under Escrow in accordance with the loan arrangements with a consortium of bankers ₹ 6.32 crores (2014-15 ₹ 29.78 crores)

₹ in crores

20. SHORT-TERM LOANS AND ADVANCES	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, considered good, unless otherwise stated :		
Security deposits	0.13	0.19
Loans and advances to related parties		
- Considered good	1.03	29.97
- Considered doubtful	0.01	0.05
- Less : Provision for doubtful advances	(0.01)	(0.05)
	1.03	29.97
Advances recoverable in cash or kind or for value to be received	94.06	161.08
Advance income-tax (net of provision for taxation)	37.24	28.10
Prepaid expenses	2.02	3.57
Loans/ advances to employees	0.40	0.58
Balances with government authorities	37.62	58.47
Share in jointly controlled entity	4.67	4.29
	177.17	286.25

a) Advances recoverable in cash or in kind or for value to be received includes Rs 0.73 crore (2014-15 ₹ 0.73 crore) on account of remuneration recoverable from Mr. M.K.Singh, Executive Director, whose services were terminated on 6th July, 2008 consequent to detection of irregular conduct. A suit has been filed by the Company in the High Court of Judicature of Mumbai alleging fraudulent misconduct. The matter is pending before the Court.

NOTES to consolidated financial statements for the year ended 31st March, 2016

b) Loans and advances to related parties pertain to :

	₹ in crores	
	As at 31 st March,2016	As at 31 st March,2015
Go Airlines (India) Limited (net)	0.76	0.36
The Bombay Burmah Trading Corporation Limited	0.27	0.16
Bombay Dyeing Real Estate Company Limited	-	29.45
	1.03	29.97

	₹ in crores	
21. OTHER CURRENT ASSETS	As at 31 st March,2016	As at 31 st March,2015
Unsecured, considered good		
Interest accrued on deposits	1.40	2.22
Unamortised finance charges	8.85	5.84
Deferred premium	2.77	9.37
Industrial subsidy receivable	-	36.73
Export benefits receivable		
- Considered good	11.68	14.80
- Considered doubtful	0.35	-
- Less : Provision for doubtful advances	(0.35)	-
	11.68	14.80
Unbilled revenue	404.76	462.74
Share in jointly controlled entity	1.34	1.33
	430.80	533.03

	₹ in crores	
22. ASSETS HELD FOR SALE	As at 31 st March,2016	As at 31 st March,2015
Reclassification from Fixed Assets		
Gross block	376.13	-
Accumulated depreciation	(140.14)	-
Impairment loss	(13.26)	-
	222.73	-

The Company is committed to a plan to sell the assets of the Ranjangaon Unit and for this purpose has entered into a term sheet with a proposed purchaser to sell the entire assets including land, building, machineries etc. on slump sale basis. Accordingly the carrying amount of the Ranjangaon assets have been reclassified as held for sale.

NOTES to consolidated financial statements for the year ended 31st March, 2016

		₹ in crores	
23. REVENUE FROM OPERATIONS	2015-16	2014-15	
Sale of products and services			
Sale of products	1,457.35	2,036.34	
Processing income	-	4.08	
Less : Excise duty	99.33	133.57	
	1,358.02	1,906.85	
Real estate development activity (Refer Note 37)	446.70	420.83	
Other operating revenue			
Lease Rentals	23.53	23.45	
Scrap sales	2.00	2.26	
Others	14.76	24.88	
	40.29	50.59	
Share in Jointly controlled entity	4.45	8.15	
Revenue from operations (net)	1,849.46	2,386.42	
Details of Products Sold			
Finished and Traded goods sold			
Polyester staple fibre	1,152.47	1,475.90	
Processed long length	91.55	245.26	
Made ups	213.33	315.18	
	1,457.35	2,036.34	

		₹ in crores	
24. OTHER INCOME	2015-16	2014-15	
Interest income			
on inter-corporate deposits	17.83	6.68	
on income-tax refunds	9.22	0.02	
on fixed deposits with banks	3.35	3.63	
on others	4.83	8.47	
Profit on sale of current investments	-	0.07	
Profit on sale of fixed assets	4.45	16.18	
Subsidy under Package Incentive Scheme	-	15.66	
Sundry balances / excess provisions written back	1.80	3.65	
Dividend on shares	1.45	1.73	
Other non-operating income	3.57	1.62	
Share in Jointly controlled entity	-	0.09	
	46.50	57.80	

		₹ in crores	
25. COST OF MATERIAL CONSUMED	2015-16	2014-15	
Inventory at the beginning of the year	67.33	122.40	
Add : Purchases	881.13	1,215.52	
Less: Inventory at the end of the year	(50.50)	(67.33)	
	897.96	1,270.59	
Share in Jointly controlled entity	2.00	5.42	
Cost of material consumed	899.96	1,276.01	

NOTES to consolidated financial statements for the year ended 31st March, 2016

Details of material consumed

		₹ in crores
1. Cotton	-	1.82
2. Fibre	-	0.33
3. Yarn	0.10	21.00
4. Grey cloth	8.53	130.71
5. Dyes and chemicals	1.61	16.04
6. Purified Terephthalic Acid	603.99	786.04
7. Mono Ethylene Glycol	269.19	298.63
8. Others	14.54	21.44
9. Share in Jointly controlled entity	2.00	-
	899.96	1,276.01

	₹ in crores	
26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	2015-16	2014-15
Manufacturing		
Inventories at the end of the year		
Finished goods	59.75	85.31
Work-in-progress	7.82	9.39
Stock-in-trade	59.78	26.77
	127.35	121.47
Inventories at the beginning of the year		
Finished goods	85.31	155.77
Work-in-progress	9.39	18.20
Stock-in-trade	26.77	30.40
	121.47	204.37
Share in Jointly controlled entity	(0.35)	0.62
Inventory change - manufacturing (a)	(5.53)	83.52
Real Estate		
Inventories at the end of the year		
Stock in trade	4.98	4.98
Development work-in-progress	483.58	501.24
	488.56	506.22
Inventories at the beginning of the year		
Stock in trade	4.98	5.07
Development work-in-progress	501.24	368.90
	506.22	373.97
Decrease / (increase) in inventory	17.66	(132.25)
Release from revaluation reserve in proportion of revenue recognised on areas agreed for sale / sold	(163.86)	(351.24)
Inventory change - real estate (b)	(146.20)	(483.49)
Inventory change - (a+b)	(151.73)	(399.97)

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

27. EMPLOYEE BENEFIT EXPENSE	2015-16	2014-15
Salaries, wages and bonus	87.67	78.18
Contribution to provident and other funds	7.55	5.93
Workmen and staff welfare expenses	5.25	5.91
Share in jointly controlled entity	1.99	2.45
	102.46	92.47

₹ in crores

28. FINANCE COSTS	2015-16	2014-15
Interest on long term borrowing	162.46	156.21
Interest on short term borrowing	74.88	15.18
Ancillary borrowing costs	28.67	23.76
Exchange difference to the extent considered as adjustment to borrowing costs	20.93	34.50
Share in jointly controlled entity	2.98	2.47
	289.92	232.12

₹ in crores

29. DEPRECIATION AND AMORTISATION EXPENSES	2015-16	2014-15
Depreciation on tangible assets	32.45	45.29
Depreciation on intangible assets	1.46	1.53
Share in jointly controlled entity	0.45	0.45
	34.36	47.27

₹ in crores

30. OTHER EXPENSES	2015-16	2014-15
Manufacturing Expenses		
Stores, spare parts and catalysts	40.54	51.06
Oil and coal consumed	37.88	64.85
Electric energy (net of refund receivable on account of regulatory liability charges)	46.20	47.78
Water charges	2.71	3.94
Repairs: Buildings	3.38	1.10
Machinery	6.39	6.21
Others	1.76	1.71
Excise duty other than relating to sales	(0.01)	(0.10)
Job work / processing charges	1.17	20.24
	140.02	196.79
Construction Expenses		
Architect fees and technical and project related consultancy	19.14	16.68
Civil, Electrical, contracting etc..	177.86	47.72
Payment to local agencies	89.82	0.40
Fees for cancellation of contracts, acquiring rights in real estate	-	3.44
Land cost on conversion of freehold land to stock in trade (net of revaluation reversal)	-	463.92
Compensation for rehabilitation of tenants	4.66	2.20
Incidental expenditure relating to construction / development transferred to projects work-in-progress	-	50.70
	291.48	585.06

NOTES to consolidated financial statements for the year ended 31st March, 2016

₹ in crores

30. OTHER EXPENSES	2015-16	2014-15
Selling and Distribution Expenses		
Brokerage, commission and indenting charges on sales	7.01	8.06
Discount on sales	1.92	1.89
Freight and forwarding	25.27	26.69
Advertisement expense	27.55	29.48
	61.75	66.12
Establishment Expenses		
Rent	18.88	13.90
Rates and taxes	15.77	14.29
Insurance	2.13	1.84
Sundry balances written off	0.02	0.06
Provision for doubtful advances/debts	8.55	14.58
Legal and Professional Fees	16.36	7.48
Retainership Fees	2.32	1.87
Loss on foreign currency transactions (net)	2.41	23.84
Expenditure incurred on corporate social responsibility activities	0.30	1.38
Other expenses	40.05	36.37
	106.79	115.61
Share in jointly controlled entity	4.65	0.42
	604.69	964.00
Payment to auditor		
As an auditor :		
Audit Fee	0.57	0.47
Limited Review	0.35	0.35
In other capacity:		
Certification fees	0.03	0.02
Reimbursement of expenses	0.02	0.01
	0.97	0.85

(₹ in crores)

31 CONTINGENT LIABILITIES	2015-16	2014-15
A Claims against the company not acknowledged as debt.		
(a) Income-tax matters in respect of earlier years under dispute (including interest of ₹ 5.12 crores) [31.03.2015. ₹ 5.12 crores] as follows:		
i Decided in Company's favour by appellate authorities and department in further appeal	-	0.18
ii Pending in appeal - matters decided against the Company	26.79	26.90
(b) Sales Tax, Service Tax and Excise Duties	8.29	1.85
(c) Custom Duty	0.95	0.95
(d) Other Matters (Including claims related to real estate, employees and other matters)	103.67	44.75
In respect of items (a) to (d) above, it is not possible for the Company to estimate the timings of cash outflows which would be determinable only on receipt of judgments pending at various forums/authorities.		

NOTES to consolidated financial statements for the year ended 31st March, 2016

(₹ in crores)

31 CONTINGENT LIABILITIES	2015-16	2014-15
B Guarantees		
01. Counter indemnity for an amount of ₹ 193.75 crores (31.3.2015 ₹ 182.82 crores) issued in favour of IDBI Bank Limited which in turn has guaranteed loans granted by Punjab National Bank International London and Bank of India, Jersey to PTFS secured by first pari-passu charge on 36,617.13 square metres of land at Company's Spring Mill Dadar, Naigaon together with all buildings, structures and erections there on.		
02. Corporate guarantee for an amount of ₹35.27 crores (31.03.2015 ₹ 20.76 crores) issued in favour of Bank of Bahrain & Kuwait, Bahrain for loans granted to PTFS. The Company has a pari passu charge on PTFS's assets, which would cover the aforesaid indemnity amount.		
C Other money for which the company is contingently liable		
Bills Discounted	6.65	3.72

₹ in crores

32 CAPITAL & OTHER COMMITMENTS	2015-16	2014-15
i Estimated amount of contracts to be executed on capital account and not provided for:	99.75	29.10
ii Other Commitments not provided for related to construction under development	1,075.12	1,252.73
iii Export obligation pending under Advance License Scheme is ₹ 0.72 crores (31.03.2015 ₹ 0.72 crores) and duty saved thereon.	0.17	0.17

- 33 During the year 2000-01, pursuant to the scheme of amalgamation between Scal Investments Limited (SIL) and the Company, sanctioned by the jurisdictional court on 20th April, 2001, the assets, liabilities and reserves of SIL had been transferred to and vested in the Company with effect from 1st October, 2000. The titles in respect of certain immovable properties amalgamated into the Company are still in the process of transfer.
- 34 The proposed sale and transfer of the entire Undertaking consisting of the Textile factory/ plant of the Company situated at Ranjangaon, Maharashtra, on a slump sale basis as a going concern and on as is where is basis for a total consideration of ₹ 230 crore under the Term Sheet signed by the Company on May 13, 2015 could not be consummated and accordingly the Company had forfeited the deposit of ₹ 25 lac paid by the proposed purchaser. The proposed purchaser has again revived the offer and the Company has signed another Term Sheet dated March 28, 2016 with the same proposed purchaser for sale of the textile processing unit at Ranjangaon, on a slump sale basis for the same total consideration of ₹ 230 crores. The proposed purchaser is required to deposit earnest money deposit of ₹ 23 crore in an escrow account before the expiry of 60 days from the date of execution of the Term Sheet. The Company is also considering offers for sale of vacant land separately as well as making efforts to sell the land, building and machinery separately under the "assets sale" route.
- 35 Based on the advice obtained by the Company, the premium charged by the Company on sale of apartments under the deferred payment scheme compared to the price charged under the normal sales scheme is also considered as part of sales consideration and is recognised as revenue under the percentage of completion method
- 36 The Company vide notice dated 8th January 2013 notified the closure of its textile mills manufacturing undertaking at Worli, pursuant to which some of the textile workers accepted alternate employment in the company and the remaining workers accepted closure of the undertaking and consequent termination of services under the memorandum of agreement signed by the Company with the workers union. In accordance with the agreement, the Company has paid / provided to such employees the terminal dues, closure compensation and ex-gratia compensation. Whilst some workers have accepted lump sum compensation, others have opted for a monthly payment up to age 63 or till demise, whichever is earlier. The liability in respect of the monthly payments has been actuarially determined as on the Balance Sheet date at ₹ 7.17 crores (2014-15 - ₹ 7.26 crores) by the independent actuary. As at the time of the previous voluntary retirement scheme, the initial cost relating to ex-gratia compensation was added to the development cost of land. The actuarial (gain)/loss together with the interest cost for the year amounting to ₹ 0.48 crores (2014-15 - ₹ 1.40 crores) has been recorded in the Statement of Profit & Loss.

NOTES to consolidated financial statements for the year ended 31st March, 2016

37 The Company has agreed to sell several apartments in the proposed residential towers being constructed at Island City Centre to SCAL Services Ltd, a Group company, in terms of various Memorandum of Understanding (MOUs) entered between the companies till March 31, 2016. Based on the method of accounting (percentage of completion) followed by the company, net revenue of ₹ 239.26 crores (March 2015 ₹ 301.11 crores) and the resultant profit before tax of ₹ 158.63 crores (March 2015 ₹ 224.49 crores) has been recognised during the year ended March 31, 2016 in respect of the sales to SCAL. During the year, SCAL has requested the Company for certain concessions on grounds that due to the huge delays in construction by the Company, it had incurred substantial interest costs on account of its borrowings against the unsold inventory of flats, which could not be sold due to the delays in the project. Pursuant to the request, the Company, considering the facts and circumstances that led to SCAL's inability to sell the flats, has granted SCAL deferment of milestone payments till June 2017 or till the sale of all unsold flats, and also considering that SCAL was a bulk customer who had purchased a large number of flats and had not received the discounts given to other bulk purchasers, the Company reduced the advance payment made by SCAL to 7.5% and refunded ₹ 270.35 crore to SCAL.

38 Recognition of income and expenses on on-going real estate project under long term contracts is based on actual sales; estimated costs and work completion status. Determination of profits/ losses, the percentage of completion, costs to completion and realisability of the construction work in progress & unbilled revenues necessarily involves making estimates by the Company, some of which being of a technical nature, are being relied upon by auditors. Profit from these contracts and valuation of construction work in progress / unbilled revenue is based on such estimates.

39 Pursuant to the Order of the Supreme Court dated August 2, 2013 and the Order of the Bombay High Court dated November 20, 2013 permitting the Company to surrender land at one location i.e. Spring Mills, Wadala, under the Integrated Development Scheme for consolidating handover obligation, the Company had in December 2014 given advance possession of 32,829.02 sq. mtrs of land to MCGM and 33,822.89 sq. mtrs of land to MHADA at Spring Mills, Wadala after completion of necessary boundary wall, and internal filling/ levelling, SWD, etc. as per the provisions of DCR 58 (6) read with DCR 58 (1) (a) & (b). Both MCGM and MHADA have taken advance possession of the said lands, pending completion of certain administrative formalities, which as per the company's architect are routine.

As per the provisions of DCR 54 and as certified by the Company's Architects, the Company is entitled to Development Rights (FSI) of 43,661.11 sq. mtrs generated in lieu of lands earmarked and handed over to MCGM for utilization by the owners on the said land and to Transferable Development Rights (TDR) of 44,984.44 sq. mtrs. in lieu of lands earmarked and handed over to MHADA under the Integrated Development Scheme as per the provisions of DCR 58.

Since physical possession of the earmarked lands is handed over and Advance Possession Receipts obtained from MCGM and MHADA, the Company has during 2014-15 recognized the entitlement of additional Development Rights (FSI) available for its own use and accordingly converted the same into stock in trade at market value (as ascertained by registered valuers). The Transferable Development Rights (TDR) will be recognised on receipt of TDR certificates

40 Litigations

(a) During the year 2010-11, the Company had agreed to sell certain area in the proposed tower TWO ICC to Shaan Realtors Pvt. Ltd., formerly Accord Holding Pvt. Ltd. ("the claimants"). The area agreed to be sold is under dispute and the matter was referred to arbitration. The arbitrator vide order dated 13th January 2014 passed the final award directing the company to allot to the claimants and/ or its associates, friends, nominees carpet area of 1,00,000 sq. ft. less the carpet area as already allotted to them in the proposed tower TWO ICC, namely additional carpet area of 48,495 sq. ft. The Company has filed an appeal in the Bombay High Court under section 34 of the Arbitration & Conciliation Act, 1996 against the said award, for which the hearings are in progress. The Company is confident that the final award passed by the learned arbitrator will get reversed in view of the strong merits in the case. However, the requisite area has been set aside by the Company and the total area to be allotted to the claimants will be accounted on disposal of the appeal filed in the High Court. No adjustment has been made in the financial statements in view of the uncertainty involved.

(b) The Bombay High Court vide its order dated November 20, 2013 permitted the Company to surrender land at one location i.e. Wadala, as per the application made by the company under integrated development scheme. As per this order the total of 66,651 sq. meter of land has been surrendered to MCGM and MHADA at Island City Centre, Wadala. During the year 2013-14, the Union had filed a writ petition requiring the company to surrender non textile mill land. The Bombay High Court has directed the Company to reserve additional 10,000 sq. meters of land adjacent to the land to be surrendered. The Company believes that above said writ petition filed in Bombay High Court has no impact on the development of the two towers at ICC since the reserved land of 10,000 sq. meters is different from the one where construction of the two towers is in progress.

NOTES to consolidated financial statements for the year ended 31st March, 2016

(c) The company had during the year 2010-11 sold the building known as 'Wadia Tower A' to Axis Bank Ltd for a consideration of ₹ 782.62 crores. The purchaser has till date paid a sum of ₹ 753.69 crores and the balance ₹ 28.93 crores is still outstanding. Axis bank has claimed interest for delayed handover for a period of 4 months from October 2010 to January 2011, and has not paid the common area maintenance charges amounting ₹ 9.48 crores (31.3.2015 : ₹ 7.71 crores). Since the matter could not be amicably resolved, the same was referred to arbitration. Claims from the Bank regarding costs for work completed by the Bank on behalf of the Company and by the Company on behalf of Axis Bank are also matters under arbitration. Pending finalisation of arbitration proceedings, the receivables are considered good.

41 The remuneration paid to Managing Director for the year ended March 31, 2016 is in excess of the limits laid down in section 197 of the Companies Act, 2013 read with Schedule V of the said Act. The excess remuneration of ₹ 4.40 crore is subject to the approval of the Central Government, in respect of which the Company has made an application and the approval is awaited. The remuneration payable to the Managing Director for the year ended March 31, 2015 which was in excess of the limits prescribed under sections 197 and 198 of the Companies Act, 2013 has been approved by the Central Government under section 196,197,198 & 200 read with schedule V to the Companies Act, 2013 vide approval dated December 17, 2015.

42 Employee Benefits

A. Defined Contribution Plan

The Company has recognized the following amounts in the statement of profit and loss under contribution to provident and other funds as under:

	(₹ in crores)	
	2015-16	2014-15
Employer's contribution to Provident Fund	3.24	2.89
Employer's contribution to Family Pension Fund	0.47	0.41
Employer's contribution to Superannuation Fund	0.32	0.55

B. Defined Benefit Plan

Gratuity and Voluntary Retirement Scheme (VRS) (Refer note 36 above) - as per actuarial valuation as on 31st March, 2016

	(₹ in crores)			
	2015-16	2014-15	2015-16	2014-15
	Gratuity		VRS	
i. Reconciliation of opening and closing balances of Defined Benefit Obligation				
Present value of Defined Benefit Obligation as at 31 st March, 2015	17.84	17.04	7.26	6.40
Interest cost	1.41	1.58	0.58	0.59
Current Service Cost	1.54	1.53	-	-
Benefits paid	(0.75)	(1.36)	(0.57)	(0.54)
Net Actuarial (gain) / loss	(0.61)	(0.95)	(0.10)	0.81
Present value of Defined Benefit Obligation as at 31 st March, 2016	19.43	17.84	7.17	7.26
ii. Reconciliation of fair value of Plan Assets	(₹ in crores)			
	2015-16	2014-15	2015-16	2014-15
Fair value of Plan Assets as at 31 st March, 2015	18.20	17.44	-	-
Expected return on Plan Assets	1.45	1.52	-	-
Net Actuarial gain / (loss)	(0.32)	(0.36)	-	-
Employer's Contribution	0.38	0.96	-	-
Benefits Paid	(0.75)	(1.36)	-	-
Fair value of Plan Assets as at 31 st March, 2016	18.96	18.20	-	-

NOTES to consolidated financial statements for the year ended 31st March, 2016

(₹ in crores)

	2015-16	2014-15	2015-16	2014-15
The Company expects to contribute in 2016-2017 (The major categories of Plan Assets as a percentage of the fair value of total Plan Assets are as follows)	2.05	1.17	-	-
Insurance Funds	100.00	100.00	-	-
Others	-	-	-	-
	100.00	100.00	-	-
iii. Net assets / (liabilities) recognised in the Balance Sheet as at 31 st March, 2016				
Present value of Defined Benefit Obligation	(19.43)	(17.84)	(7.17)	(7.26)
Fair value of Plan Assets	18.96	18.20	-	-
Net Assets / (liability) recognised in Balance Sheet	(0.47)	0.36	(7.17)	(7.26)
iv. Components of Employer's Expenses				
Current Service Cost	1.54	1.53	-	-
Interest Cost	1.41	1.57	0.58	0.59
Expected return on Plan Assets	(1.45)	(1.52)	-	-
Net Actuarial (gain) / loss	(0.29)	(0.59)	(0.10)	0.81
Total expenses recognised in the statement of profit and loss	1.21	0.99	0.48	1.40
Actual return on Plan Assets	1.13	1.16	-	-
v. Actuarial Assumptions				
Mortality Table	Indian Assured Lives Mortality (2006-08)			
Discount Rate (per annum)	7.85%	7.95%	7.85%	7.95%
Expected rate of return on Plan Assets	7.85%	7.95%	-	-
Salary escalation	8.50%	8.50%	5.00%	5.00%

vi. Amount recognized in current year and previous years

GRATUITY

(₹ in crores)

	2015-16	2014-15	2013-14	2012-13	2011-12
1. Present Value of Defined Benefit Obligation as at 31 st March	19.43	17.84	17.04	16.41	15.33
2. Fair Value of Plan Assets as on 31 st March	18.96	18.20	17.44	15.08	14.51
3. Funded Status [Surplus / (Deficit)]	(0.47)	0.36	0.40	(1.33)	(0.82)
4. Experience adjustment on Plan Liabilities [(Gain) / Loss]	(0.56)	(2.23)	(1.00)	1.35	0.74
5. Experience adjustment on Plan Assets [(Loss) / Gain]	(0.32)	(0.36)	(0.28)	(0.27)	(0.37)

VRS

(₹ in crores)

	2015-16	2014-15
1. Present Value of Defined Benefit Obligation as at 31 st March	7.17	7.26
2. Fair Value of Plan Assets as on 31 st March	-	-
3. Funded Status [Surplus / (Deficit)]	(7.17)	(7.26)
4. Experience adjustment on Plan Liabilities [(Gain) / Loss]	(0.16)	0.07
5. Experience adjustment on Plan Assets [(Loss) / Gain]	-	-

NOTES to consolidated financial statements for the year ended 31st March, 2016

- vii a. The estimates of rate of escalation in salary considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- b. The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency and terms of the post-employment benefit obligations.
- c. The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risk, historical results of return on plan assets and the Company's policy for plan assets management.

viii The above information is certified by the actuary.

xi The above information regarding employee benefit is in respect of the holding company only as the subsidiary and associate companies do not have any employees. The jointly controlled entity has computed provision for appreciation and compensation benefits as required by the Ministry of Manpower (Indonesia) Decree no. 150/2000(KEP/150) dated June 20,2000. In the year 2009, provision of ₹ 0.57 crores was made in this behalf. The company has not made any further computation on this stand that the amount is sufficient to recover all the payments for employee benefits.

C. Other long term benefits-

- i Amount recognised as a liability in respect of compensated leave absences as per the actuarial valuation as on March 31, 2016 is ₹ 8.54 crores [2014-15- ₹ 5.69 crores]
- ii Amount recognised as a liability in respect of long service awards as per the actuarial valuation as on March 31, 2016 is ₹ 2.43 crores [2014-15- ₹ Nil]

43 Deferred Taxes

(₹ in crores)

	Deferred Tax (Liability)/Asset as at 01 st April, 2015	Credit / (Charge) for the year	Deferred Tax (Liability)/Asset as at 31 st March, 2016
Nature of Timing Difference			
(a) Deferred Tax Liabilities			
Depreciation	(136.10)	9.98	(126.12)
	(136.10)	9.98	(126.12)
(b) Deferred Tax Assets			
Item covered under section 43B	0.41	2.29	2.70
Provision for bad and doubtful debts	10.61	2.61	13.22
Unabsorbed depreciation under the Income-tax Act, 1961, recognised in view of timing difference in (a) above restricted to the extent of deferred tax liability	120.57	(14.88)	105.69
Impairment of Assets	4.51	-	4.51
	136.10	(9.98)	126.12
Net	-	-	-

In the absence of virtual certainty regarding future taxable income, deferred tax assets relating to unabsorbed depreciation under the Income Tax Act is recognised only to the extent of deferred tax liability.

- 44 The Company had introduced the Employee Stock Option Scheme (ESOS) as approved by the shareholders at the Annual General Meeting held on 13th August 2002. The scheme was amended by the shareholders at the Annual General Meeting held on 23rd July 2004 to incorporate the amendments under The Stock Option Guidelines vide SEBI circular dated 30th June 2003. The scheme has been further amended by the shareholders at the Annual General Meeting held on 7th August 2012 wherein the exercise price shall be based on the market price as defined in the SEBI (Employee Stock Option Scheme) Guidelines 1999 i.e. at the latest available closing market price, prior to the date of the meeting of the Board of Directors or Remuneration / Compensation Committee in which options were granted.

NOTES to consolidated financial statements for the year ended 31st March, 2016

As per the Scheme, the Remuneration / Compensation Committee grants options to the employees and Whole-time Directors of the Company. The vesting period of the option is one year from the date of grant. Options granted under the Scheme can be exercised within a period of three years from the date of vesting. Vesting of an option is subject to continued employment.

Under the Scheme, during the financial years from 2002-03 to 2006-07 the Company granted 1,64,410 options, each option representing one equity share of ₹ 10/- each. Out of these 1,57,910 options were exercised into equity shares and balance 6,500 options lapsed.

On 7th August 2012, the Board of Directors had granted 14000 stock options (70,000 stock options post sub -division) to the Ex - Joint Managing Director of the Company at an exercise price of ₹ 528.25 (₹ 105.65 post subdivision) per share for the years 2011-12 and 2012-13 which options have vested on 7th August 2013. Consequent upon the sub-division of shares on and from 31st October, 2012, the number of options and the exercise price have been appropriately adjusted.

Method used for accounting of share based payment plan:

The Company has used intrinsic value method to account for the compensation cost of stock options to the Whole-time Director of the Company. Intrinsic value is the amount by which the quoted market price of the underlying share exceeds the exercise price of the option. Since the options under the Scheme were granted at the market price, the intrinsic value of the option is ₹ Nil. Consequently the accounting value of the option (compensation cost) is also ₹ Nil.

Movement in the options under the Scheme:	31st March, 2016	31st March, 2015
Options outstanding at the beginning of the year	70,000	70,000
Options granted during the year	NIL	NIL
Options vested during the year	NIL	NIL
Options exercised during the year	NIL	NIL
Options lapsed during the year	NIL	NIL
Unexercised option outstanding as at the end of the year	70,000	70,000
Options excisable at the end of the period	70,000	70,000
Weighted average price per option (₹)	105.65	105.65

Fair Value Methodology:

Options have been valued based on Fair Value Method of accounting as described under Guidance Note on Accounting for Employee Share-based Payments using Black-Scholes valuation option-pricing model, using the market values of the Company's shares as quoted on the National Stock Exchange. If the stock based compensation cost was calculated as per the Fair Value method prescribed by Securities and Exchange Board of India, the total cost to be recognised in the financial statements for the period April 1, 2015 - to March 31, 2016 would also be nil.

The key assumptions used in Black-Scholes model for calculating fair value of options under the Scheme as on the date of grant are as follows:

Particulars	31st March, 2016	31st March, 2015
No. of option granted	70,000	70,000
Date of grant	07 th August, 2012	07 th August, 2012
Vesting period (years)	1	1
Expected life of option (years)	3	3
Expected volatility	NA	45.42%
Risk free rate	NA	8.09%
Expected dividends	NA	50% of face value of share

NOTES to consolidated financial statements for the year ended 31st March, 2016

Had the compensation cost for the Scheme been determined based on fair value approach, the Company's net profit and earnings per share would have been as per the pro-forma amounts indicated below:

Particulars	31 March 2016	31 March 2015
Net profit (as reported)	(91.09)	20.35
Less: Stock-based compensation expense determined under fair value based-method, net of Intrinsic Value (without considering tax impact)	-	-
Net profit (pro-forma) considered for computing EPS (pro-forma)	(91.09)	20.35
Basic earnings per share (as reported)	(4.41)	0.99
Basic earnings per share (pro-forma)	(4.41)	0.99
Diluted earnings per share (as reported)	(4.41)	0.99
Diluted earnings per share (pro-forma)	(4.41)	0.99

Weighted Average share price of Options exercised during the year - No options exercised during the year

Range of Exercise price and weighted average remaining contractual life of outstanding options

Grant Date	Number of options outstanding	Weighted average remaining contractual life (in years)	Weighted average exercise price (₹)
07-Aug-12	70,000	0.35	105.65

45 Derivative Instruments & unhedged foreign currency exposure

(i) Particulars of outstanding Forward Foreign Exchange Contracts entered into by the Company as on 31st March, 2016 for hedging the currency risk:

Particulars	Purpose	Amount in foreign currency	
		As at 31 st March, 2016	As at 31 st March, 2015
Forward contracts to buy USD	Hedge of external commercial borrowings & raw material imports	32,259,410	86,131,028
Forward contracts to sell USD	Hedge of firm commitments, highly probable forecast transactions and export of finished goods	-	10,057,013

(ii) Particulars of unhedged foreign currency exposures as on 31st March, 2016

	As at 31 st March, 2016	As at 31 st March, 2015
(a) Trade Receivables		
USD	1,051,247	-
EURO	106,164	205,384
(b) Trade and Other Payables		
USD	210,908	269,627
EURO	-	5,670

(iii) The Company has adopted the principles of hedge accounting as set out in Accounting Standard 30, 'Financial Instruments: Recognition and Measurement', issued by The Institute of Chartered Accountants of India. Accordingly, the foreign exchange (gain)/loss of ₹ (0.92) crores (2014-15 ₹ 0.45 crores) as on 31st March, 2016 on forward foreign exchange contracts entered into to hedge firm commitments and highly probable forecast transactions, which qualify for hedge accounting, has been accounted under Hedging Reserve to be ultimately recognised in the profit and loss account when the forecasted transactions arise.

NOTES to consolidated financial statements for the year ended 31st March, 2016

46 Earnings Per Equity Share

(₹ in crores)

	2015-16	2014-15
(i) Profit computation for both basic and diluted earnings per equity share of ₹ 2 each:		
Net profit as per Statement of profit and loss available for equity Shareholders	(91.09)	20.35
(ii) Number of Equity Share	No. of equity shares	No. of equity shares
Number of Equity Shares at the beginning of the year	206,534,900	206,534,900
Add:- Shares allotted during the year	-	-
Number of Equity Shares at the end of the year	206,534,900	206,534,900
Weighted average number of equity shares		
(a) For basic earnings	206,534,900	206,534,900
(b) For diluted earnings	206,534,900	206,534,900
Face value of Equity Shares (In ₹)	2	2
(iii) Earning per equity share		
Basic (in ₹)	(4.41)	0.99
Diluted (in ₹)	(4.41)	0.99

47 Operating Lease

- (a) The Company has taken certain motor vehicles, retail shops, flats and godown on operating lease. The particulars in respect of such leases are as follows:

(₹ in crores)

	As at 31 st March, 2016	As at 31 st March, 2015
Lease rent expenses		
(i) Total of minimum lease payments for a period:		
not later than one year	8.64	7.58
later than one year but not later than five years	33.76	31.12
later than five years	7.92	13.89
(ii) Lease payments recognised in the statement of profit and loss for the year	18.47	12.89

- (iii) The lease agreements are for a period of four years for vehicles and for a period of one to nine years for retail shops including further periods for which the Company has the option to continue the lease of retail shop with the condition of increase in rent, for a period of one year for godowns and for a period of 3 years for Retail Shops

- (b) The Company has given commercial space on operating lease. The particulars in respect of such leases are as follows:-

(₹ in crores)

	As at 31 st March, 2016	As at 31 st March, 2015
Lease rent income		
(i) Total of lease rent income for a period:		
not later than one year	17.77	23.56
later than one year but not later than five years	37.30	55.10
later than five years	-	-

- (ii) The details such as gross carrying amount, accumulated depreciation and depreciation for the current year, are not available separately in respect of the properties given on lease.

NOTES to consolidated financial statements for the year ended 31st March, 2016

48 Segment Reporting

(₹ in crores)

(i) Primary Segments - Business Segments	Textile	Polyester	Real Estate	Elimination	Total
A REVENUE					
1 Segment revenue - External sales/ income from operations	310.11	1,069.12	470.23	-	1,849.46
	[578.09]	[1,364.05]	[444.23]	[-]	[2386.37]
2 Inter - segment revenue	-	-	-	-	-
	[-]	[2.70]	[-]	[(2.70)]	-
3 Total segment revenue	310.11	1,069.12	470.23	-	1,849.46
	[578.09]	[1,366.75]	[444.23]	[(2.70)]	[2,386.37]
4 Unallocated revenue					-
					[0.05]
TOTAL					1,849.46
					[2,386.42]
B RESULT					
1 Segment result / operating profit / (loss)	(26.30)	(22.66)	277.20		228.24
	[25.10]	[(9.77)]	[302.69]	-	[318.02]
2 Unallocated (Expenses) / Income Net					64.00
					[(73.51)]
3 Operating Profit					164.24
					[244.51]
4 Interest Expenses					(289.92)
					[(232.12)]
5 Interest Income					35.23
					[18.80]
6 Income Taxes					(0.53)
					[(10.68)]
7 Net Profit					(90.98)
					[20.51]
C OTHER INFORMATION					
1 Segment assets	403.04	651.05	3,215.48	-	4,269.57
	[461.57]	[758.74]	[2,596.44]	-	[3,816.75]
2 Unallocated assets					189.38
					[268.16]
3 Total assets					4,458.95
					[4,084.91]
4 Segment liabilities	222.54	333.72	258.73	-	814.99
	[164.36]	[483.84]	[147.12]	-	[795.32]
5 Unallocated liabilities					2,357.76
					[1737.50]
6 Total liabilities					3,172.75
					[2532.82]
7 Cost incurred during the year to acquire segment fixed assets	1.20	6.60	0.30		8.10
	[6.33]	[26.12]	[23.57]		[56.02]
8 Depreciation	4.36	23.72	5.69		33.77
	[14.38]	[23.91]	[8.53]		[47.27]

NOTES to consolidated financial statements for the year ended 31st March, 2016

(₹ in crores)

(i) Primary Segments - Business Segments		Textile	Polyester	Real Estate	Elimination	Total
9	Non-cash expenses other than depreciation					
-	provision for bad & doubtful debts	8.20	0.35	-		8.55
		[6.64]	[7.94]	[-]		[14.58]
(ii) Secondary Segments - Geographical Segments				India	Rest of the World	Total
A	Segment revenue from external customer, based on geographical location of customers			1,566.99	282.47	1,849.46
				[2,048.59]	[337.78]	[2,386.37]
B	Segment assets based on geographical location			4,206.37	63.20	4,269.57
				[3,754.75]	[62.00]	[3,816.75]
C	Cost incurred during the year to acquire fixed assets			8.07	0.03	8.10
				[55.36]	[0.66]	[56.02]

49 Related party disclosures

(a) Names of related parties and nature of relationship:

Associate Companies:

Pentafil Textile Dealers Limited
Bombay Dyeing Real Estate Company Limited
Archway Investment Company Limited (upto 22nd Oct 2014)

Joint Venture Company:

PT.Five Star Textile Indonesia

Key Management Personnel:

Mr. Jehangir N Wadia - Managing Director
Mr. Vinod Hiran -Chief Financial Officer (19th May 2015 to 02nd Nov 2015)
Mr. K. Subharaman - Company Secretary & Compliance Officer (w.e.f. 1st June 2015)
Mr. Jairaj C Bham - Company Secretary (upto 31st May 2015)
Mr. Raghuraj Balkrishna -Chief Financial Officer (upto 08th Aug 2014)

Relative of Key Management Personnel :

Mr. Nusli N. Wadia - Chairman - Father of Managing Director
Mr. Ness N Wadia - Director - Brother of Managing Director
Mrs. Saroj Jairaj Bham - Spouse of the Company Secretary (upto 31st May 2015)

Entities over which key management

personnel and relatives exercise significant influence :

Go Airlines (India) Limited
Gladrags Media Ltd.
Bombay Burmah Trading Corporation Ltd.

NOTES to consolidated financial statements for the year ended 31st March, 2016

(b) Transactions with Related Parties

(₹ in crores)				
Nature of transactions	Associate Companies	Joint Venture Company	Key Management Personnel & their relatives	Entities over which Key Management Personnel & their relatives exercise significant influence
I) Transactions:				
(i) Inter-Corporate Deposits/Advances given				
- Bombay Dyeing Real Estate Co. Ltd.	4.50 (33.95)	- (-)	- (-)	- (-)
- PT.Five Star Textile Indonesia	- (-)	18.57 (-)	- (-)	- (-)
- Archway Investment Company Limited	- (28.50)	- (-)	- (-)	- (-)
(ii) Repayment received against ICD/Advances				
- Bombay Dyeing Real Estate Co. Ltd.	33.95 (4.50)	- (-)	- (-)	- (-)
- PT.Five Star Textile Indonesia	- (-)	18.57 (-)	- (-)	- (-)
(iii) Interest income on ICD/Advance				
- Bombay Dyeing Real Estate Co. Ltd.	3.45 (0.91)	- (-)	- (-)	- (-)
- PT.Five Star Textile Indonesia	- (-)	0.05 (-)	- (-)	- (-)
- Archway Investment Company Limited	- (1.68)	- (-)	- (-)	- (-)
(iv) Expenses incurred on behalf of related parties (reimbursable)				
- PT. Five Star Textile Indonesia	- (-)	5.64 (3.68)	- (-)	- (-)
- Go Airlines (India) Limited	- (-)	- (-)	- (-)	0.66 (0.71)
- The Bombay Burmah Trading Corporation Ltd.	- (-)	- (-)	- (-)	0.57 (0.58)
- Gladrags Media Ltd.	- (-)	- (-)	- (-)	0.04 (0.07)
(v) Expenses incurred by related parties on behalf of Company (reimbursable)				
- The Bombay Burmah Trading Corporation Ltd.	- (-)	- (-)	- (-)	0.02 (0.43)
- Gladrags Media Ltd.	- (-)	- (-)	- (-)	0.26 (0.12)

NOTES to consolidated financial statements for the year ended 31st March, 2016

(₹ in crores)				
Nature of transactions	Associate Companies	Joint Venture Company	Key Management Personnel & their relatives	Entities over which Key Management Personnel & their relatives exercise significant influence
(vi) Directors sitting fees				
- Mr. Nusli N. Wadia	-	-	0.07	-
	(-)	(-)	(0.02)	(-)
- Mr. Ness N. Wadia	-	-	0.05	-
	(-)	(-)	(0.03)	(-)
(vii) Remuneration				
- Mr. Jehangir Wadia	-	-	5.82	-
	(-)	(-)	(5.87)	(-)
- Mr. J. C. Bham	-	-	0.30	-
	(-)	(-)	(0.64)	(-)
- Mr. Raghuraj Balkrishna	-	-	-	-
	(-)	(-)	(0.75)	(-)
- Mr. Vinod Hiran	-	-	0.72	-
	(-)	(-)	(-)	(-)
- Mr. Subharaman Krishnan	-	-	0.44	-
	(-)	(-)	(-)	(-)
(viii) Guarantee and collaterals				
- PT. Five Star Textile Indonesia	-	25.44	-	-
	(-)	(17.11)	(-)	(-)
(ix) Lease Rent income				
- Go Airlines (India) Ltd.	-	-	-	1.84
	(-)	(-)	(-)	(1.84)
(x) Sale of goods				
- Go Airlines (India) Ltd.	-	-	-	-
	(-)	(-)	(-)	(0.03)
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	-
	(-)	(-)	(-)	(0.01)
(xi) Repayment of Fixed Deposits				
- Mrs. Saroj Jairaj Bham	-	-	0.02	-
	(-)	(-)	(0.02)	(-)
(xii) Interest paid on Fixed Deposits				
- Mrs. Saroj Jairaj Bham	-	-	-	-
	(-)	(-)	(0.01)	(-)

NOTES to consolidated financial statements for the year ended 31st March, 2016

Nature of transactions	(₹ in crores)			
	Associate Companies	Joint Venture Companies	Key Management Personnel & their relatives	Entities over which Key Management Personnel & their relatives exercise significant influence
II) Particulars of amounts due to or due from related parties at the year end				
i) Receivables				
- PT. Five Star Textile Indonesia	-	19.63	-	-
	(-)	(15.89)	(-)	(-)
- Go Airlines (India) Limited	-	-	-	0.78
	(-)	(-)	(-)	(0.40)
- Gladrags Media Ltd.	-	-	-	0.05
	(-)	(-)	(-)	(0.02)
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	0.27
	(-)	(-)	(-)	(0.16)
ii) Inter Corporate deposits				
- Bombay Dyeing Real Estate Co. Ltd.	-	-	-	-
	(29.45)	(-)	(-)	(-)
III) Advances received for purchase of flats				
- Mr. Ness Wadia	-	-	0.57	-
	(-)	(-)	(0.57)	(-)
- Mr. Jehangir Wadia	-	-	0.28	-
	(-)	(-)	(0.28)	(-)
IV) Shareholders' deposit given				
- PT. Five Star Textile Indonesia	-	15.22	-	-
	(-)	(15.22)	(-)	(-)
V) Deposit given				
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	3.00
	(-)	(-)	(-)	(3.00)
VI) Guarantee and collaterals given				
- PT. Five Star Textile Indonesia [Refer footnote (b)]	-	229.02	-	-
	(-)	(203.58)	(-)	(-)
VII) Fixed Deposit Accepted				
- Mrs. Saroj Jairaj Bham	-	-	0.10	-
	(-)	(-)	(0.12)	(-)

Notes:

- (a) Dividend paid has not been considered by the Company as a transaction falling under the purview of Accounting Standard 18 "Related Party Disclosures".
- (b) Guarantees and collaterals to PT. Five Star Textile Indonesia are secured by a *pari passu* charge on the assets of the joint venture.

NOTES to consolidated financial statements for the year ended 31st March, 2016

50 Corporate Social Responsibility Statement (CSR)

The company was required to spent ₹ 1.30 crores towards CSR during the year in accordance with the provisions of Section 135 of the Companies Act, 2013. However, the company has spent sum of ₹ 0.30 crores towards Chennai Flood Relief. Accordingly, there is a shortfall in CSR spent by ₹ 1 crores during 2015-16.

51 The financial statements have not been signed by the Company Secretary as required under the provision of Section 134 of the Companies Act, 2013 consequent to his resignation with effect from 30-April-2016.

52 Additional information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary, Associates, Joint Venture.

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities as at 31 st March 2016		Share in profit or loss for F.Y.2015-16		Net Assets, i.e., total assets minus total liabilities as at 31 st March 2015		Share in profit or loss for F.Y.2014-15	
	As % of consolidated net assets	Amount (₹ in crores)	As % of consolidated profit or loss	Amount (₹ in crores)	As % of consolidated net assets	Amount (₹ in crores)	As % of consolidated profit or loss	Amount (₹ in crores)
1	2	3	4	5	2	3	4	5
(I) Parent								
The Bombay Dyeing And Manufacturing Company Ltd.	102.02%	1,312.12	93.58%	(85.24)	101.30%	1,572.28	120.69%	24.56
(II) Subsidiary								
Indian								
Archway Investments Co Ltd	5.03%	64.75	-2.46%	2.24	4.03%	62.50	(2.36%)	(0.48)
(III) Joint Ventures (as per proportionate consolidation method)								
Foreign								
P.T. Five Star Textile	(0.68)%	(8.80)	4.30%	(3.92)	(1.86)%	(28.84)	(17.54)%	(3.57)
	106.37%	1,368.07	95.42%	(86.92)	103.47%	1,605.94	100.79%	20.51
Adjustments arising out of consolidation	(6.15)%	(79.07)	4.46%	(4.06)	(3.31)%	(51.40)	0.00%	-
Minority Interest	(0.22)%	(2.79)	0.11%	(0.10)	(0.17)%	(2.69)	0.10%	0.02
Share in Profit/ (Loss) in associates	0.00%	(0.01)	0.01%	(0.01)	0.02%	0.24	(0.88)%	(0.18)
TOTAL	100.00%	1,286.20	100.00%	(91.09)	100.00%	1,552.09	100.00%	20.35

53 Share in Joint Venture

The Group's share of the assets, liabilities, income, expenses, etc. (each without elimination of the effect of the transactions between the Group and the Joint Venture) related to its interests in the joint venture, based on the audited financial statement are:

Name of the joint venture company : PT.Five Star Textile, Indonesia (PTFS) (Incorporated in Indonesia) Percentage holding : 33.89%.

	As at 31 st Dec, 2015	As at 31 st Dec, 2014
(a) ASSETS		
Fixed Assets	40.58	40.96
Inventories	0.45	0.88
Trade receivables	0.16	0.20
Cash and bank balances	1.29	0.12
Short-term loans and advances	5.90	4.29
Other current assets	1.34	1.33
Other Non current assets	3.93	-
	53.65	47.78

NOTES to consolidated financial statements for the year ended 31st March, 2016

	As at 31 st Dec, 2015	As at 31 st Dec, 2014
(b) LIABILITIES		
Long-term borrowings	61.12	27.20
Short-term borrowings	-	48.89
Trade payables	0.07	0.09
Other current liabilities	1.25	0.44
	62.44	76.62
	For The Year	For The Year
	Ended 2015	Ended 2014
(c) INCOME	4.45	8.15
(d) EXPENSES	8.37	11.72
(e) CONTINGENT LIABILITY	-	-

The Company's interest in this Joint Venture is reported as Non-current investment (Refer Note 14) and is stated at cost, The Company's share of each of the assets, liabilities, income, expenses etc. (each without elimination of the effect of transaction between the Company and the Joint Venture) related to its interest in this joint venture, based on the audited financial statements are as above.

54 Figures in Brackets indicate corresponding figures for the previous year.

55 Previous year figures have been regrouped where necessary.

As per our report attached

FOR KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No.104607W

Ermin K. Irani
Partner
Membership No.35646

NUSLI N. WADIA *Chairman*
JEHANGIR N. WADIA *Managing Director*
PUSPAMITRA DAS *CFO*

For and on behalf of the Board of Directors

R.A. SHAH
S. S. KELKAR
S. RAGOTHAMAN
A. K. HIRJEE
S. M. PALIA
SHEELA BHIDE
ISHAAT HUSSAIN
NESS N. WADIA

Directors

Mumbai, 27th May, 2016

Mumbai, 27th May, 2016

FORM AOC-I

PART "A" : SUBSIDIARIES INFORMATION

Sr. No.	Particulars	Details	Details
1.	Name of Subsidiary	Archway Investment Company Limited	Archway Investment Company Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Financial year April 1, 2015 - March 31, 2016	Financial year April 1, 2014 - March 31, 2015
3.	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.
4.	Share Capital	520,500,000	520,500,000
5.	Reserves & Surplus	126,961,174	104,538,354
6.	Total Assets	887,673,805	1,351,618,062
7.	Total Liabilities	887,673,805	1,351,618,062
8.	Investments	529,518,783	529,518,783
9.	Turnover/total income	96,053,028	101,037,983
10.	Profit before taxation	27,722,820	19,444,540
11.	Provision for taxation	5,300,000	3,000,000
12.	Profit after taxation	22,422,820	16,444,540
13.	Proposed Dividend	-	-
14.	% of Shareholding	95.68%	95.68%

PART "B" : ASSOCIATE AND JOINT VENTURES INFORMATION

Sr. No.	Particulars	Pentafil Textile Dealers Limited (Associate Company)	Bombay Dyeing Real Estate Company Limited (Associate Company)	PT Five Star Textile Indonesia (Joint Venture)
1.	Latest audited Balance Sheet date	31/03/2016	31/03/2016	31/12/2015
2.	Shares of Associate/Joint-venture held by the company on the year end			
	No.	88,200	20,000	2,217
	Amount of Investment in Associate/ Joint-venture	8,820,000	200,000	1,59,45,614
	Extent of Holding %	49%	40%	33.89%
3.	Description of how there is significant influence	Voting power	Voting power	Voting power
4.	Reason why the associate/ Joint-venture is not consolidated	N.A.	N.A.	N.A.
5.	Networth attributable to shareholding as per latest audited Balance Sheet	9,588,306	1,657,103	(87,920,829)
6.	Profit/Loss for the year			
	i. Considered in Consolidated	(548,470)	421,074	(39,177,731)
	ii. Not considered in Consolidated	(570,857)	631,611	(76,424,897)

For and on behalf of the Board of Directors

NUSLI N. WADIA
Chairman

JEHANGIR N. WADIA
Managing Director

PUSPAMITRA DAS
CFO

R.A. SHAH
 S. S. KELKAR
 S. RAGOTHAMAN
 A. K. HIRJEE
 S. M. PALIA
 SHEELA BHIDE
 ISHAAT HUSSAIN
 NESS N. WADIA
Directors

Mumbai, 27th May, 2016

Bombay Dyeing

Corporate office: C-1, Wadia International Center (WIC),
Pandurang Budhkar Marg, Worli, Mumbai - 400 025
Phone: +91 22 66620000 Website: www.bombaydyeing.com

Textile Processing Unit: B-28, MIDC Industrial
Area, Ranjangaon, Tal. Shirur, Dist. Pune – 412 220
Phone: +91 21 38232700/38232800
Fax: +91 21 38232600

PSF Plant: A-1, Patalganga Industrial Area
Dist. Raigad, Tal. Khalapur, Maharashtra.
Phone: +91 2192 251096/103
Fax: +91 2192 250263

Bombay Realty

Sales office: The Island City Center (ICC), GD Ambekar Marg,
Dadar (E), Mumbai - 400 014
Phone: +91 22 61912345 | **Email:** sales@bombayrealty.in
Website: www.bombayrealty.in





THE WADIA GROUP

The Group has scaled great heights in innovation and entrepreneurship, inspired by the centuries-old legacy of goodwill and trust. The British Coat of Arms, granted to Nowrosjee Wadia, symbolises this legacy and the Wadia Group's commitment to advancement and innovation.

The crest is a representation of the Group, its philosophy, beliefs and businesses.

The crest and base of the shield represent the family origins in the shipbuilding industry during the 1700s. The middle and upper parts of the shield depict the Group's interests in cotton growing and its links with England in the form of the Lancastrian rose. The hand holding the hammer atop the shield signifies industriousness, together with workmanship and skill. The sun that surrounds the hand stands for global recognition and merit.

The motto, IN DEO FIDE ET PERSERVERANTIA means 'Trust in God and Perseverance'.

AFTER 280 YEARS, OUR BRANDS

Bombay Burmah

SINCE 1863



BOMBAY DYEING

SINCE 1879



SINCE 1918



SINCE 1954



SINCE 2005

BOMBAY REALTY
— A BETTER LIFE —

SINCE 2011



SINCE 2015

www.wadiagroup.com

The Bombay Dyeing and Manufacturing Company Limited.

Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001.



BOMBAY DYEING

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

(CIN: L17120MH1879PLC000037)

Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.

Corporate Office: C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai-400 025.

Email: grievance_redressal_cell@bombaydyeing.com **Phone:** (91) (22) 66620000; **Fax:** (91) (22) 66193262; **Website:** www.bombaydyeing.com

ATTENDANCE SLIP

136TH ANNUAL GENERAL MEETING - 10TH AUGUST, 2016

Serial No.

Name and Address of the Shareholder :

Registered Folio No./DP ID & Client ID :

No. of shares held :

I certify that I am a registered Member/Proxy for the registered Member of the Company. I hereby record my presence at the 136th Annual General Meeting of the Company to be held at Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021, on Wednesday, 10th August, 2016, at 3.45 p.m.

Name of the Member/Proxy

Signature of Member/Proxy

NOTE:

1. Members/Proxy holders are requested to bring this Attendance Slip to the Meeting and hand over the same at the entrance duly signed.
2. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

ELECTRONIC VOTING PARTICULARS

EVSN	USER ID	# DEFAULT PAN/ SEQUENCE NUMBER

If you have not registered / updated your PAN with the Company / Depository Participant, please use the number mentioned in above column under PAN field to login for e-Voting.

* Please use your actual PAN, if you have already registered / updated your PAN with the Company / Depository Participant

Note: Please turn over for detailed e-voting instructions.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 7th August, 2016 at 9.00 a.m. and ends on 9th August, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 3rd August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders".
- (iv) Now Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the password provided in the attendance slip
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">▪ If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv)

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for The Bombay Dyeing & Mfg. Co. Ltd., on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT".

A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details 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 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.
- (xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.



THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

(CIN: L17120MH1879PLC000037)

Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.

Corporate Office: C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai-400 025.

Email: grievance_redressal_cell@bombaydyeing.com **Phone:** (91) (22) 66620000; **Fax:** (91) (22) 66193262; **Website:** www.bombaydyeing.com

Form 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]

Serial No.

Name and Address of the Shareholder(s) :

E-mail Id :

Registered Folio No./DP ID & Client ID :

No. of shares held :

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

1. Name: _____ of _____
_____ Email: _____ Signature _____ or failing him/her

2. Name: _____ of _____
_____ Email: _____ Signature _____ or failing him/her

3. Name: _____ of _____
_____ Email: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 136th Annual General Meeting of the Company to be held on Wednesday, 10th August, 2016 at 3.45 p.m at Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For	Against
Ordinary Business			
1	To receive, consider and adopt (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon. (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016, together with the Report of the Auditors thereon.		
2	Declaration of Dividend on Equity Shares for the financial year ended 31 st March, 2016.		

Resolution No.	Resolutions	For	Against
Ordinary Business			
3	Appoint a Director in place of Mr. Nusli N. Wadia (DIN: 00015731), who retires by rotation and being eligible, offers himself for re-appointment.		
4	Appoint M/s. Kalyaniwalla & Mistry, Chartered Accountants, as Statutory Auditors of the Company.		
Special Business			
5	Approval of the Remuneration of the Cost Auditors.		
6	Special Resolution for Appointment and Fixation of Remuneration of Mr. Jehangir N. Wadia (DIN: 00088831), the Managing Director of the Company.		
7	Special Resolution Under Sections 180(1)(c) of the Companies Act, 2013 for borrowing upto ₹ 3,000 crore.		
8	Special Resolution Under Sections 180(1)(a) of the Companies Act, 2013 for creating charges, mortgages and hypothecations in connection with the borrowing upto ₹ 3,000 crore.		

Signed this _____ day of _____ 2016

Affix
Revenue
Stamp

Signature of the Shareholder(s)

Signature of Proxy

Notes:

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.