

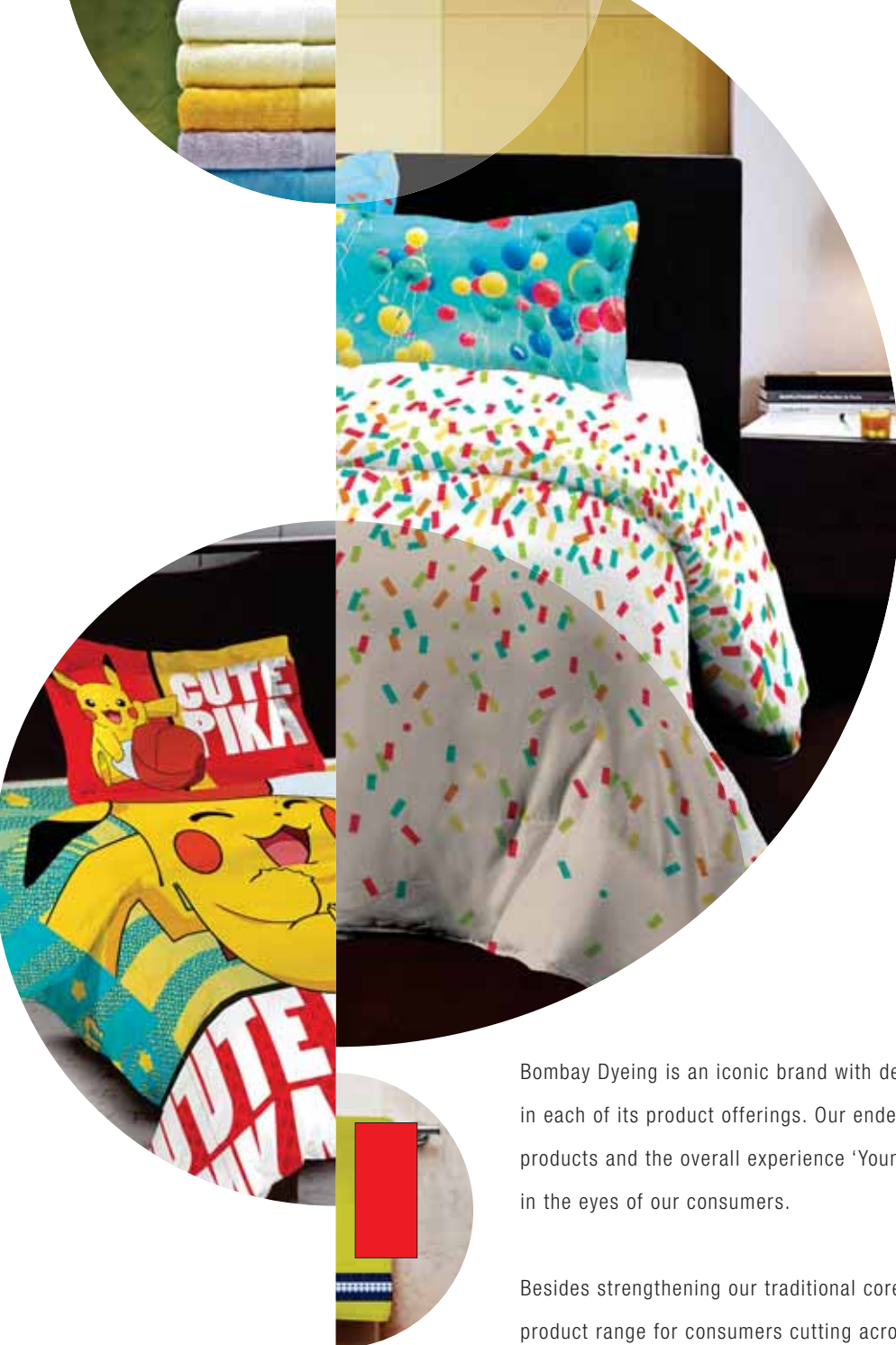


THE BOMBAY DYEING AND
MANUFACTURING COMPANY LIMITED
[Established 1879]

2016-17

ANNUAL
REPORT





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

V. K. Jairath (w.e.f. 09.02.2017)

Keki M. Elavia (w.e.f. 22.05.2017)

Minnie Bodhanwala (w.e.f. 29.03.2017)

Jehangir N. Wadia, *Managing Director*

CHIEF EXECUTIVE OFFICERS

Suresh Khurana (PSF)

Nagesh Rajanna (Retail)

Gaurav Jain (Bombay Realty)

CHIEF FINANCIAL OFFICER

Pushpamitra Das

COMPANY SECRETARY

Sanjive Arora

AUDITORS

Messrs. Kalyaniwalla & Mistry LLP

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) 6662 0000;
Fax: (91) (22) 6662 0069
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

CONTENTS

Corporate Information	01
Notice	02
Financial Performance	11
10 Year's Financial Review	12
Directors' Report	13
Management Discussion and Analysis Report	32
Report on Corporate Governance	35
Auditor's Report for Standalone Financial Statement	53
Standalone Financial Statement.....	58
Notes to Standalone Financial Statement.....	62
Auditor's Report for Consolidated Financial Statement.....	99
Consolidated Financial Statement	102
Notes to Consolidated Financial Statement	106
Form AOC - 1	143

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) 66620069

Notice is hereby given that the 137th 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 Bhosale Marg, Nariman Point, Mumbai - 400 021, on Thursday, 10th August, 2017, at 3.45 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2017, together with the Reports of the Board of Directors and the Auditors thereon;
 - b. the Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2017, together with the Report of the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Ness N. Wadia (DIN: 00036049), who retires by rotation in terms of Section 152 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 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 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai, (Firm Registration No. 104607W/W100166), 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 taxes 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, 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 applicable Rules of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. D. C. Dave & Co., Cost Accountants, Mumbai, (Firm Registration No. 000611), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018, be paid the remuneration of ₹ 5,00,000/- (Rupees Five Lakhs) plus applicable taxes 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, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Vinesh Kumar Jairath (DIN:00391684) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 9th February, 2017 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Vinesh Kumar Jairath (DIN:00391684), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a period of five years with effect from 9th February, 2017 upto 8th February, 2022."

7. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Dr. (Mrs.) Minnie Bodhanwala (DIN:00422067) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 29th March, 2017 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") but who is eligible for appointment and has consented

to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

8. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Keki M. Elavia (DIN:00003940) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 22nd May, 2017 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 160 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Keki M. Elavia (DIN:00003940), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a period of five years with effect from 22nd May, 2017 upto 21st May, 2022.”

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

SANJIVE ARORA

COMPANY SECRETARY

Mumbai, 28th June, 2017

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. Corporate Members intending to send their authorised representative(s) to attend the meeting are requested to send to the Company a certified true copy of the relevant board resolution together with the specimen signature(s) of the representative(s) authorised under the said board resolution to attend and vote on their behalf at the Meeting. The proxy holder shall provide his identity at the time of attending 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 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, 28th July, 2017 to Thursday, 10th August, 2017 both days inclusive.
- e. The dividend as recommended by the Board of Directors, if approved by the members at the 137th Annual General Meeting, shall be paid on or after Friday, 11th August, 2017 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 27th July, 2017 in respect of shares held in physical form. In respect of shares held in electronic form, the dividend for the year ended 31st March, 2017 will be paid on or after Friday, 11th August, 2017 to the beneficial owners of shares as at the closing hours of 27th July, 2017 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:
- (i) to their Depository Participants (DPs) in respect of their electronic share accounts, and
- (ii) 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 Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules, 2016") dividends for the financial year ended 31st March, 2010 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	Date of transfer to the unpaid Dividend account	Due date for transfer to IEPF
2009-10	11.08.2010	16.09.2010	15.09.2017
2010-11	04.08.2011	09.09.2011	08.09.2018
2011-12	07.08.2012	12.09.2012	11.09.2019
2012-13	06.08.2013	11.09.2013	10.09.2020
2013-14	08.08.2014	13.09.2014	12.09.2021
2014-15	06.08.2015	12.09.2015	11.09.2022
2015-16	10.08.2016	15.09.2016	14.09.2023

The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend(s) are also uploaded as per the requirements, on the Company's website www.bombaydyeing.com.

Members who have so far not encashed the Dividend 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. The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 ('IEPF Rules 2016'). Amongst other things, the Rules provides for the manner of transfer of the unpaid and unclaimed dividends to the IEPF and the manner of transfer of shares in case any dividend has not been encashed by the shareholders on such shares during the last seven years to the designated Suspense Account as prescribed by the IEPF Authority. As per the requirement of Rule 6 of the IEPF Rules 2016, the Company had

sent information to all the shareholders who had not claimed/ encashed dividends in the last seven years intimating, amongst other things, the requirements of the IEPF Rules, 2016 with regard to transfer of shares and that in the event those shareholders do not claim any unclaimed/unpaid dividends for the past seven years, the Company will be required to transfer the respective shares to the IEPF Suspense Account by the due date prescribed as per the IEPF Rules, 2016 or such other extended date as may be notified. The Company also simultaneously published notice in the leading newspaper in English and regional language having wide circulation on 17th November, 2016 and 20th April, 2017 to such shareholders and uploaded on the 'Investors' Section of the Website of the Company viz. www.bombaydyeing.com giving details of such shareholders and shares due to transfer.

Further, the MCA had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 on 28th February, 2017 ('IEPF Rules 2017'), substituting, amongst other things, Rule 6 of IEPF Rules, 2016 and providing that where the period of seven years provided under the sub section (5) of Section 124 of the Companies Act, 2013 has been completed during the period from 7th September, 2016 to 31st May, 2017 (instead of 6th December, 2016), the due date of transfer of such shares shall be 31st May, 2017. Accordingly, the Company will credit the respective shares to the designated DEMAT Account of the Authority, as and when fresh intimation is received from MCA.

- j. 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 Registered office or at Company's Corporate Office at C-1, Wadia International Center (Bombay Dyeing), Pandurang Budhkar Marg, Worli, Mumbai - 400025 or from its R&TA at their aforesaid address.
- k. As part of the Company's Green Initiative, the Company sends 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.

- l. 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.
- m. Members/proxies/Authorised Representatives should bring the attendance slip duly filled in for attending the Meeting.
- n. Members are requested to bring their copy of the Annual Report to the meeting.

The instructions for shareholders voting electronically are as under:

1. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 137th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy Computershare Private Limited (Karvy).
- II. The facility for voting through electronic voting system or by ballot paper shall also be made available at the AGM and the members attending the meeting shall be able to exercise their right to vote at the meeting through electronic voting system/ ballot paper in case they have not cast their vote by remote e-voting.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM **but shall not be entitled to cast their vote again.**
- IV. **The remote e-voting period commences on Monday, 7th August, 2017 at 9:00 am and ends on Wednesday, 9th August, 2017 at 5:00 pm. During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 3rd August, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter.**
- V. Once the vote on a resolution is cast by the member, such member shall not be allowed to change it subsequently.
- VI. A person who is not a member as on cut-off date should treat this Notice for information purpose only.
- VII. The process and manner for remote e-voting is as under:
 - A. Member whose email IDs are registered with the Company/ DPs will receive an email from Karvy informing them of their User-ID and Password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process:
 - (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - (ii) Enter the login credentials (i.e. User ID and password) which will be sent separately. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.
 - (iii) After entering these details appropriately, click on "LOGIN".
 - (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - (v) You need to login again with the new credentials.
 - (vi) On successful login, the system will prompt you to select the E-Voting Event Number for The Bombay Dyeing & Mfg. Co. Ltd.
 - (vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
 - (viii) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
 - (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - (xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
 - (xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: grievance_redressal_cell@bombaydyeing.com. They may also upload the same in the e-voting module in their login. The scanned

image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

- B. In case a member receives physical copy of the Notice of AGM [for members whose email IDs are not registered or have requested the physical copy]:
- a) Initial password is provided in below format at the bottom of the Attendance Slip for the AGM :

EVSN NO.	USER ID	PASSWORD
 - b) Please follow all steps from Sr. No. (i) to Sr. No. (xii) above to cast vote.
- VIII. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.
- IX. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
- X. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication.
- XI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3rd August, 2017.
- XII. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 3rd August, 2017, may obtain the User ID and password in the manner as mentioned below:
- a) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - b) Member may send an e-mail request to evoting@karvy.com. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
 - c) Member may call Karvy's toll free number 1-800-3454-001.
 - d) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : **MYEPWD** <space> E-Voting Event Number + Folio No. or DP ID Client ID to **9212993399**
- Example for NSDL: MYEPWD <SPACE> IN12345612345678
 Example for CDSL : MYEPWD <SPACE> 1402345612345678
 Example for Physical : MYEPWD <SPACE> XXXX1234567890
- XIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, viz., 3rd August, 2017 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through electronic voting system/ballot paper.
- XIV. Mr. P. N. Parikh (FCS 327), and failing him, Mr. Mitesh Dhaliwala (FCS 8331) from M/s. Parikh & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- XV. Voting shall be allowed at the end of discussion on the resolutions on which voting is to be held with the assistance of Scrutiniser, by use of electronic voting system/ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XVI. The Scrutiniser shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than Forty Eight hours of the conclusion of the AGM, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or to a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVII. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company www.bombaydyeing.com and on the website of Karvy immediately after the declaration of result by the Chairman or Managing Director or any one Director of the Company. The results shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited, where the equity shares of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.
- XVIII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM i.e. 10th August, 2017.
- o. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.
 - p. All documents referred to in Notice and the Explanatory Statement shall be open for inspection at the Registered office / Corporate Office of the Company during business hours, except on Saturdays, Sundays and Public holidays upto and including the date of Annual General Meeting of the Company.
 - q. The Annual Report of the Company including the Notice convening the Annual General Meeting circulated to the members of the Company will be available on the Company's website at www.bombaydyeing.com.

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

SANJIVE ARORA
 COMPANY SECRETARY

Mumbai, 28th June, 2017

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 of M/s. D. C. Dave & Co., Cost Accountants, Mumbai, (Firm Registration No. 000611) as Cost Auditors at a remuneration of ₹ 5,00,000/- (Rupees Five Lakh only) plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit for the financial year 2017-18. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Registered Office of the Company during business hours, except on Saturdays, Sundays and Holidays 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, 2018.

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

Pursuant to the provisions of Section 161 of the Companies Act, 2013, and the Articles of Association of the Company, the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Vinesh Kumar Jairath (DIN: 00391684), as an Additional Director of the Company with effect from 9th February, 2017.

In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mr. Vinesh Kumar Jairath would hold office up to the date of this Annual General Meeting. He is also proposed to be appointed as an Independent Director for a term of 5 (Five) consecutive years from 9th February, 2017 to 8th February, 2022, pursuant to Section 149 (including other applicable provisions if any) of the Companies Act, 2013 and rules made thereunder. The Company has received a notice in writing from a member along with deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Vinesh Kumar Jairath for the office of Director of the Company.

He is not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

The Company has also received declarations from Mr. Vinesh Kumar Jairath that he meets with the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and rules made

thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is of the opinion that Mr. Vinesh Kumar Jairath fulfills the conditions specified in the said Act and the rules made thereunder and also possesses appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively and he is independent of the management.

The Board considers that his experience and expertise would be of immense benefit to the Company and it is desirable to avail services of Mr. Vinesh Kumar Jairath as an Independent Director for a term of 5 (Five) consecutive years from the date of his appointment by the Board.

Brief resume of Mr. Vinesh Kumar Jairath, nature of his expertise in functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in Annexure I of the Notice.

The draft letter for the appointment of Mr. Vinesh Kumar Jairath as independent director setting out the terms and conditions is available for inspection by the members at the Registered Office of the Company on all working days of the Company during business hours.

Except Mr. Vinesh Kumar Jairath, none of the other Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise in this resolution.

The Board recommends resolution set out in Item No. 6 of the notice for approval by the members.

Item 7

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Dr. (Mrs.) Minnie Bodhanwala (DIN: 00422067), as an Additional Director of the Company with effect from 29th March, 2017.

In terms of the provisions of Section 161 of the Companies Act, 2013, Dr. (Mrs.) Minnie Bodhanwala would hold office up to the date of this Annual General Meeting. She is also proposed to be appointed as a Non-Executive, Non-Independent Director and the period of her office shall be liable to retire by rotation. The Company has received a notice in writing from a member along with deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing the candidature of Dr. (Mrs.) Minnie Bodhanwala for the office of Director of the Company.

Dr. Bodhanwala is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Brief resume of Dr. Bodhanwala, nature of her expertise in functional areas and names of companies in which she holds directorships and

memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in Annexure I of the Notice.

Except Dr. (Mrs.) Minnie Bodhanwala, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in this resolution.

The Board recommends the Resolution set out at Item No. 7 of the Notice for approval by the Members.

Item 8

Pursuant to the provisions of Section 161 of the Companies Act, 2013, and the Articles of Association of the Company, the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Keki M. Elavia (DIN: 00003940), as an Additional Director of the Company with effect from 22nd May, 2017.

In terms of the provisions of Section 161 of the Companies Act, 2013, Mr. Keki M. Elavia would hold office up to the date of this Annual General Meeting. He is also proposed to be appointed as an Independent Director for a term of 5 (Five) consecutive years from 22nd May, 2017 upto 21st May, 2022, pursuant to Section 149 (including other applicable provisions if any) of the Companies Act, 2013 and rules made thereunder. The Company has received a notice in writing from a member along with deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Keki M. Elavia for the office of Director of the Company.

He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

The Company has also received declarations from Mr. Keki M. Elavia that he meets with the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is of the opinion that Mr. Keki M. Elavia fulfills the conditions specified in the said Act and the rules made thereunder and also possesses appropriate balance of

skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively and he is independent of the management.

The Board considers that his experience and expertise would be of immense benefit to the Company and it is desirable to avail services of Mr. Keki M. Elavia as an Independent Director for a term of 5 (Five) consecutive years from the date of his appointment by the Board.

Brief resume of Mr. Keki M. Elavia, nature of his expertise in functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in Annexure I of the Notice.

The draft letter for the appointment of Mr. Keki M. Elavia as independent director setting out the terms and conditions is available for inspection by the members at the Registered Office of the Company on all working days of the Company except Saturdays, Sundays and Public holidays during business hours.

Except Mr. Keki M. Elavia, none of the other Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise in this resolution.

The Board recommends resolution set out in Item No. 8 of the notice for approval by the members.

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

SANJIVE ARORA
COMPANY SECRETARY

Mumbai, 28th June, 2017

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) 66620069

ANNEXURE I TO THE NOTICE

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

1. Mr. Ness N. Wadia (DIN: 00036049)

Mr. Ness N. Wadia, 46, is currently a Director of the Company and was inducted as a Non-Executive Director on 1st April, 2011. He currently serves as the Managing Director of The Bombay Burmah Trading Corporation Limited and is Chairman of National Peroxide Limited, and is also actively involved in the running of the award-winning Wadia Hospitals and the Group's educational establishments, where he is instrumental in improving their effectiveness and visibility.

Mr. Wadia has been actively associated for over 23 years with the Wadia Group, an Indian conglomerate with interests in a plethora of sectors like Food and Dairy, Textiles, Real Estate Development, Chemicals, Plantations and Aviation. His time in the Company began in 1993 as a management trainee. During the early stages of his career, he was closely involved in marketing and retail distribution of the textile division of the Company, and was the driving force behind the creation of the Company's real estate division.

In 1998, he began a Master's degree in Science (M.Sc.) of Engineering Management from the University of Warwick with a thesis titled "Leading to Success in India". After receiving his degree in 2001, he returned as Deputy Managing Director of the Company and was later promoted to Joint Managing Director. Mr. Wadia was appointed to this position in August 2001 and continued till March 2011.

Mr. Wadia was active in major industry organisations such as the Cotton Textiles Export Promotion Council, a council he once chaired, Mill Owners' Association (MOA). Mr. Wadia was once the Chairman of the FICCI-Maharashtra State Council and has been associated with FICCI as an executive committee member, Chairman of the FICCI Lifestyle Forum, Young Leaders Forum and Co-Chairman of the Real Estate Forum.

Mr. Wadia also leads the Wadia Group's philanthropic activities. As a trustee on boards of the Sir Ness Wadia Foundation and other trusts, he drives efforts in reaching out to the less fortunate.

Mr. Wadia is a co-owner of Kings XI Punjab, a prominent cricket team in the Indian Premier League. Since the team's inception, he has been the driving force behind the cricketing aspects of the team, and his personal objective is to harness young unknown talent and mentor budding cricketers to help achieve their dreams.

Mr. Wadia is the Promoter of the Company and holds 12,19,418 shares of the Company in his name as on 31st March, 2017.

Outside Directorship: National Peroxide Ltd. (Chairman); The Bombay Burmah Trading Corporation Ltd (Managing Director); Britannia Industries Ltd; Go Airlines (India) Ltd; Wadia Techno Engineering Services Ltd; Wadia Investments Ltd; Virtual Education Network Pvt. Ltd; K.P.H. Dream Cricket Pvt. Ltd; Go Investments & Trading Pvt. Ltd; Naira Holdings Ltd; Leila Lands SB Malaysia; Island Landscape & Nursery Pte. Ltd and School for Social Entrepreneurs India.

Committee Membership: Finance Committee and Corporate Social Responsibility (CSR) Committee (Chairman) of The Bombay Dyeing & Mfg. Co. Ltd.; Audit Committee, CSR Committee (Chairman), Finance Committee, Strategy & Innovation Steering

Committee, Executive Committee and Investment Committee of Britannia Industries Ltd.; Stakeholders' Relationship Committee of The Bombay Burmah Trading Corporation Ltd; Audit Committee and CSR Committee of Go Airlines (India) Ltd; and Nomination & Remuneration Committee, CSR Committee (Chairman) and Executive Committee of National Peroxide Ltd.

2. Mr. Vinesh Kumar Jairath (DIN: 00391684)

Mr. Vinesh Kumar Jairath, 58, was appointed as an Additional Director of the Company with effect from 9th February, 2017.

Mr. Jairath has a Masters in Economics from University of Manchester, U.K., besides Bachelor of Laws from Punjab University, Chandigarh, and Bachelor of Arts (English Honours) from Punjab University, Chandigarh.

Mr. Jairath has been in the cadre of Indian Administrative Service, Maharashtra - 1982 batch. He took voluntary retirement from services in March 2008. His last posting was as Principal Secretary (Industries), Government of Maharashtra.

Prior to 2008, as Principal Secretary, Mr. Jairath was instrumental in formulating The Mega Project Policy, The Industrial, Infrastructure & Investment Policy 2006, The Maharashtra SEZ Bill and carrying out need based amendments to the IT Policy. He was instrumental in successfully organising The Maharashtra Investment Forum 2007 in New York and participation of Maharashtra State delegation led by the Chief Minister at the World Economic Forum, Davos, 2008. He was also associated with Infrastructure initiatives like the Mumbai Urban Transport Project, Mumbai Rapid Transport System, Toll Roads, Trans Harbour Link and the proposed 2 green field International Airports at Navi Mumbai and Pune. The ambitious project of creating an industrial corridor along the Delhi Mumbai Rail Corridor was initiated while he was the Principle Secretary (Industries).

Presently, Mr. Jairath provides Advisory and Consultancy Services on Legal, Financial, Business Development and Regulatory issues related to Infrastructure Development, Industrial Investment and Industries and resolving implementation and operational issues of industries.

Mr. Jairath has vast experience in infrastructure and industrial development at the macro level and coupled with his experience in finance in SICOM and the working of both private and public sector companies as well as SEBI has further developed his capabilities in Industrial development and implementation, Infrastructure planning and development, Infrastructure financing and strategy formulations and legal and regulatory compliance.

Mr. Jairath served as an Independent Director on the Board of SEBI for three years term from December 2010 to 2013.

Mr. Jairath does not hold any equity shares in the Company.

Outside Directorship: Tata Motors Ltd., Concorde Motors (India) Ltd., Tata Motors Finance Solutions Ltd., TML Distribution Co. Ltd., Meenakshi Energy Ltd. (Chairman), Kirloskar Oil Engines Ltd., and Wockhardt Ltd.

Committee Membership: Audit Committee of The Bombay Dyeing & Mfg. Co. Ltd., Tata Motors Ltd., Concorde Motors (India) Ltd., Tata Motors Finance Solutions Ltd. (Chairman), TML Distribution Co. Ltd. (Chairman), Meenakshi Energy Ltd., and Wockhardt

Ltd.; Stakeholder Relationship Committee of Tata Motors Ltd. (Chairman) and Wockhardt Ltd.; Nomination & Remuneration Committee of Tata Motors Finance Solutions Ltd. (Chairman), TML Distribution Co. Ltd. (Chairman), Concorde Motors (India) Ltd., Meenakshi Energy Ltd.; Risk Management Committee of Tata Motors Ltd and other Committees.

3. Dr. (Mrs). Minnie Bodhanwala (DIN: 00422067)

Dr. (Mrs). Minnie Bodhanwala, 54, is presently working as Chief Executive Officer at Nowrosjee Wadia Maternity Hospital and Bai Jerbai Wadia Hospital for Children, Parel, Mumbai.

Under her mantle, the Wadia Hospitals have won 21 prestigious awards in a span of one year. Dr. Bodhanwala was honoured with more than 40 awards, which include various prestigious awards like the "International Award in Healthcare" by the Thai Chamber of Commerce, Bangkok; "Global Award for Sustainable Healthcare Models with Revenue Turnover", Dubai; "Leading Business Women of the Year" by iiGlobal, Mumbai; Life Time Achievement Award in Healthcare by National Excellence Awards 2015.

She is highly-motivated, pro-active passionate individual holding a rich enormous experience of over 30 years with exceptional liaison, teamwork, leadership & organisational abilities to thrive in a fast-paced, results-oriented business environment. With an entrepreneurial spirit to foresee potential growth with a strong background of crisis management in Healthcare for Brownfield and Greenfield projects and also a Six Sigma Green Belt Expert.

She holds the following qualifications:
BDS, MBA, MHA, TQM, FCR, PGQMAHO; FISQUA

Green Belt - Six Sigma;

Principal Assessor, NABH ISO Auditor 9001, 14001

Dr. Bodhanwala's vast experience in management and administration would be of immense benefit to the Company.

Outside Directorship: The Bombay Burmah Trading Corporation Ltd., National Peroxide Ltd. and Axel Polymers Limited.

Committee Membership: Stakeholders' Relationship Committee and Nomination & Remuneration Committee of Axel Polymers Limited.

Dr. Bodhanwala does not hold any shares in the Company.

4. Mr. KEKI M. ELAVIA (DIN: 00003940)

Mr. Keki M. Elavia, 71, is a retired Senior Partner of M/s. Kalyaniwalla & Mistry, Chartered Accountants. He was associated with M/s. Kalyaniwalla & Mistry for more than 40 years and has also been a partner of S. R. Batliboi, Chartered Accountants for a brief period.

Mr. Keki M. Elavia is a Member of the India UK Accountancy Task Force constituted by the Ministry of Commerce, Government of India and a member of the Investment Committee of Phoenix Asset Reconstruction Fund 1 of Phoenix ARC Private Limited. He is also a trustee of educational and medical trusts.

The Reserve Bank of India appointed Mr. Keki M. Elavia as a Member of the Indian Advisory Committee of the Hong Kong and Shanghai Banking Corporation Limited where he was the Chairman of its Audit Committee and Corporate Governance Committee.

The other positions that he held in the past are:

- i) Member of the Expert Group constituted by the Reserve Bank of India for designing a supervisory framework for Non-Banking Financial Companies.
- ii) Member of the Auditing Practices Committee, Research Committee and the Auditing and Assurances Standards Board of the Institute of Chartered Accountants of India.
- iii) Member of the Board of Governors, Bombay Chapter of The Institute of Internal Auditors.
- iv) Member of the Specialised Committees of Bombay Chamber of Commerce & Industry, Governing Council, Indo-French Chamber of Commerce & Industry etc.

Outside Directorship: Go Airlines (India) Ltd., Godrej & Boyce Mfg. Co. Ltd., Godrej Industries Ltd., Tata Asset Management Ltd., Goa Carbon Ltd., Allcargo Logistics Ltd., Dai-ichi Karkaria Ltd., Grindwell Norton Ltd., Development Credit Bank Ltd., Wonderspace Properties Pvt. Ltd., Wondercity Buildcon Pvt. Ltd. and Phoenix ARC Pvt. Ltd.

Committee Membership: Audit Committee of The Bombay Dyeing & Mfg. Co. Ltd., Go Airlines (India) Ltd. (Chairman), Godrej & Boyce Mfg. Co. Ltd. (Chairman), Goa Carbon Ltd., Allcargo Logistics Ltd. (Chairman), Dai-ichi Karkaria Ltd., Grindwell Norton Ltd. (Chairman), Development Credit Bank Ltd., Tata Asset Management Ltd.; Nomination & Remuneration Committee of Goa Carbon Ltd. (Chairman), Dai-ichi Karkaria Ltd., Godrej & Boyce Mfg. Co. Ltd., Grindwell Norton Ltd. (Chairman), Development Credit Bank Ltd., Tata Asset Management Ltd. & other Committees.

Mr. Keki Elavia does not hold any shares in the Company.

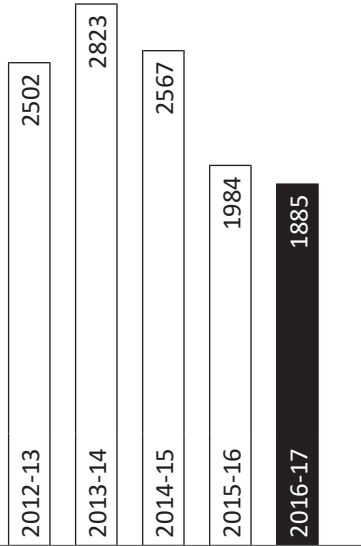
ROUTE MAP TO AGM VENUE



FINANCIAL PERFORMANCE

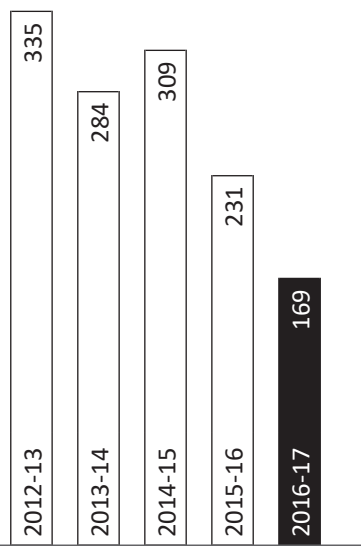
TOTAL REVENUE

₹ in crores



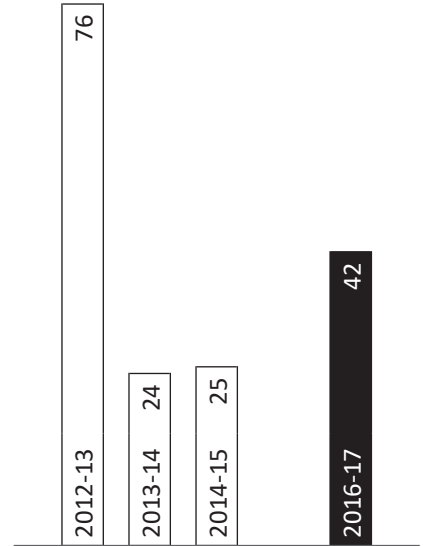
EBITDA

₹ in crores



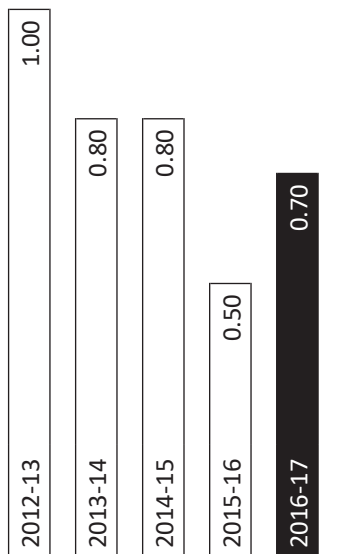
PAT

₹ in crores



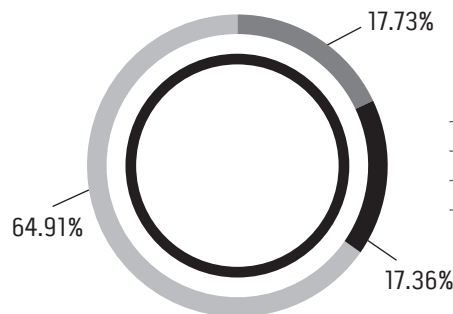
DIVIDEND PER SHARE

₹



2015-16
-85

SEGMENT WISE BREAK UP OF REVENUES, FY 2016-17 (%)



	(₹ in crores)	
BOMBAY REALTY	297	17.36%
TEXTILE/RETAIL	303	17.73%
PSF	1110	64.91%

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)

	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
FINANCIAL POSITION										
Share Capital	41.31	41.31	41.31	41.31	41.31	41.31	40.54	38.61	38.61	38.61
Share Warrants	-	-	-	-	-	-	26.75	-	-	11.89
Reserves & Surplus	1223.97	1270.81	1530.97	1422.24	1645.77	1751.09	1060.90	171.74	331.81	357.30
Net Worth :										
Total	1265.28	1312.12	1572.28	1463.55	1687.08	1792.40	1128.19	210.35	370.42	407.80
Per Equity Share of ₹ 2/-*	61.26	63.53	76.12	70.86	81.68	86.78	271.96	54.49	95.96	102.57
Borrowings	2617.43	2431.49	1725.82	1435.25	1247.88	1295.30	1240.87	1775.11	1710.88	1415.76
Deferred Tax Liability	-	-	-	-	-	-	-	-	-	-
Debt Equity Ratio	0.80:1	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
Fixed Assets :										
Gross Block	1070.38	1053.41	1431.26	1469.36	1445.59	1380.62	1386.66	1391.83	1378.60	1364.25
Depreciation	423.59	390.69	518.71	458.22	410.73	349.16	292.81	231.26	178.72	123.67
Net Block	646.79	662.72	912.55	1011.14	1034.86	1031.46	1093.85	1160.57	1199.88	1240.58
Investments & other Assets	4017.36	3730.73	3080.14	2752.45	2749.77	2556.64	1581.80	824.89	881.42	582.98
OPERATING RESULTS										
Sales and other Income	1884.54	1983.72	2566.75	2822.68	2501.37	2402.63	2014.11	1732.04	1417.77	1013.95
Manufacturing and other expenses	2084.03	2035.05	2484.99	2729.52	2341.53	2266.39	1925.66	1650.31	1555.64	960.52
Depreciation	31.66	33.91	46.82	60.02	62.03	61.39	62.08	59.54	55.73	35.42
Exceptional items	302.43	-	-	-	-	-	-	-	-	-
Profit before Tax	71.28	(85.24)	34.94	33.14	97.81	74.85	26.37	22.19	(193.60)	18.01
Current Taxation	29.57	0.00	10.38	8.80	22.11	15.50	5.26	3.77	-	1.75
Excess Provision of Tax - of earlier years		-	-	-	-	-	(0.28)	-	-	-
Deferred Tax Credit		-	-	-	-	-	-	-	-	(1.70)
Fringe Benefit Tax		-	-	-	-	-	-	-	1.02	1.28
Profit after Tax	41.71	(85.24)	24.56	24.34	75.70	59.35	21.39	18.42	(194.62)	16.68
Earnings per Equity Share of ₹ 2/-*	2.02	(4.13)	1.19	1.18	3.67	2.92	5.54	4.77	(50.39)	4.32
Dividends :										
Amount	17.40	12.43	19.89	19.33	24.16	24.02	16.49	11.26	4.52	15.82
Percentage	35	25	40	40	50	50	35	25	10	35

* Valued for current and immediately preceding 4 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 ₹ 5.51 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 along with the audited financial statements for the year ended 31st March, 2017.

1. FINANCIAL RESULTS

(₹ in crore)

PARTICULARS	Financial Year ended			
	Standalone		Consolidated	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
GROSS TURNOVER AND OTHER INCOME	1,884.54	1,983.72	1,887.20	1,995.29
Profit before Finance Costs and Depreciation and amortisation expenses	168.95	231.31	185.15	233.83
Finance Costs	368.44	282.64	370.66	289.92
(Loss)/Profit before Depreciation and amortisation expenses	(199.49)	(51.33)	(185.51)	(56.09)
Depreciation and amortisation expenses	31.66	33.91	31.85	34.36
(Loss)/Profit before extraordinary items and tax	(231.15)	(85.24)	(217.36)	(90.45)
Extraordinary items	302.43	-	302.43	-
PROFIT/(LOSS) BEFORE TAX	71.28	(85.24)	85.07	(90.45)
Less: Tax (net)	29.57	-	29.57	-
Add: Minority interest and share of profit/loss in associates	-	-	1.91	0.53
PROFIT / (LOSS) AFTER TAX	41.71	(85.24)	57.41	(91.09)
Add: Balance in Statement of Profit and Loss of Previous Year	5.83	103.50	(72.16)	31.18
Add: Gain on amalgamation of subsidiary	12.71	-	10.47	-
Add: Gain on reversal of minority interest	-	-	0.54	-
Add/(Deduct): Depreciation on assets where remaining life is Nil, recognised in retained earnings	-	-	-	-
Add/(Deduct): Share in jointly controlled entity and accumulated surplus in associates on consolidation	-	-	(2.44)	0.18
SURPLUS AVAILABLE FOR APPROPRIATIONS				
Appropriations to: Proposed Dividend	14.46	10.33	14.46	10.33
Dividend Distribution Tax	2.94	2.10	2.94	2.10
Transferred to General Reserve	-	-	-	-
Balance carried to Balance Sheet	42.85	5.83	(23.58)	(72.16)

Previous year figures have been regrouped where necessary.

2. COMPANY RESULTS AND DIVIDEND

The Company's turnover and other income for the year was ₹ 1,885 crore as against ₹ 1,984 crore in the previous year. The net profit for the year was ₹ 41.71 crore compared to a loss of ₹ 85.24 crore in the previous year. Income pursuant to the amalgamation of Archway Investment Company Ltd., a wholly owned subsidiary of the Company, mainly contributed to the Results. However, the impact of this on the interest burden of the Company would be reflected in 2017-18.

The construction of the two towers at Island City Centre ("ICC"), Dadar, is in full swing. The increased pace of construction has resulted in achieving six days per slab cycle and is a testimony to the commitment for timely delivery. The towers are expected to be completed as per schedule by August, 2018. The introduction of Real Estate (Regulation and Development) Act, 2016 ("RERA"), a major policy initiative, is expected to be positive for the organised Real Estate Sector and may result in pickup in sales. The Real Estate Division is already witnessing increased enquiries as well as footfalls.

Home & You, the Company's Bed, Bath Coordinates Retail Business, will continue to expand its distribution footprint through new franchise model as well as recently launched e-com website. The Division's thrust would be to acquire and retain consumers through innovations and enlarged portfolio of products to cater to diverse consumer preferences.

PSF Industry saw a volume growth of 3% during the year under review and is expected to grow by 5% in 2017-18. Government of India's push to increase the size of the Textile Industry output will pave the way for larger man-made fibre consumption due to limited availability of cotton. The implementation of GST effective 1st July, 2017 will remove the anomaly of lower tax rate on recycled fibre and this will help virgin fibre manufacturers including your Company, in achieving higher volumes and better margins.

Taking into consideration the foregoing, the Directors have recommended a dividend of ₹ 0.70 (Seventy Paise) per equity share of ₹ 2/- each for the Financial Year ended 31st March, 2017, which is subject to shareholders' approval.

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 Statements reflect the results of the Company and that of its 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 summarised consolidated Financial Statements are provided above in point no. 1 of this Report.

4. BOMBAY REALTY

The business of Bombay Realty had to face adverse conditions in the recent past on account of changing policy framework, demonetisation effect, general economic slowdown and delay in the receipt of regulatory approvals. This resulted in a slowdown in construction activity, sales and buildup of unsold inventory.

The revenues from real estate activity for FY 2016-17 was ₹ 297 crore as compared to ₹ 470 crore in FY 2015-16. With the receipt of some of the regulatory approvals and the consequent pick up in construction activity, the Company is confident and fully geared to complete the construction as per schedule and ensure timely delivery of the two towers.

The Company is also geared up towards complying with RERA requirements to give the clients a transparent and fully compliant project coupled with the surety of timely delivery with world class construction quality. On visible evidence of construction activity, sales enquiries have improved.

The construction on the slum project at ICC has also commenced and is expected to be completed as per schedule by August, 2017.

5. HOME & YOU

For the second consecutive year, the domestic textile market experienced volume as well as value pressure led by weak demand. Latter half of the year saw demonetisation further hurting the business with significant drop in consumer demand as well as inventory reduction by trade. However, by holding on to our domestic market leadership amongst organised retailers, the Company has been able to limit the impact of these adverse conditions.

Sale of Textile unit at Ranjangaon

The Company has entered into an Agreement to Sale (ATS) of the Ranjangaon Processing Unit's MIDC Land & Building thereon for a total consideration amount of ₹ 168.85 crore.

The Company has also entered into an Agreement to sell the Plant & Machinery situated at Ranjangaon for ₹ 36.25 crore.

6. POLYESTER DIVISION

The Division achieved a turnover of ₹ 1,214.45 crore during the year as compared to ₹ 1,168.45 crore in the previous year. In volume terms there was an increase of about 2%. The raw material prices and PSF prices were stable in the first half of the year, however, the second half of the year saw increased volatility in prices of raw materials. The average capacity utilisation during the year was 93%, higher than 91% achieved in the previous year, significantly higher than the industry average of less than 80%.

The market sentiment in the domestic polyester staple fibre industry was reflected in an overall growth of 3% compared to the previous year. It is however expected that the Industry will grow by 5% during the current year. Global cotton acreage in August-July 2016-17 is reported to have further declined benefiting the polyester industry at large. This, together with the benefits likely to accrue to the Division following the introduction of GST is expected to improve the financial performance of the Division.

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the year under review, Archway Investment Company Ltd. ("Archway") became wholly owned subsidiary of your Company. Thereafter, your Company applied for amalgamation of Archway with it which was duly sanctioned by the Hon'ble National Company Law Tribunal, Bench at Mumbai vide its order dated 20th June, 2017.

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 Associates and Joint Venture (in Form AOC-1) is forming part of the Consolidated Financial Statements.

8. FIXED DEPOSITS

During the year, the Company repaid the deposits aggregating to ₹ 1.24 Lakh. The Company also accepted fixed deposits aggregating to ₹ 30.50 Lakh from 9 depositors.

Total deposits outstanding as on 31st March, 2017 amounted to ₹ 77.61 crore out of which 106 deposits aggregating ₹ 56.80 Lakh 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 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

10. RELATED PARTY TRANSACTIONS

There were no materially significant transactions with related parties during the financial year under review, 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 Regulation 23 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: www.bombaydyeing.com/media/bd/corporate/corporatepdf11.pdf

11. 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 Notes to the Financial Statements.

12. INSURANCE

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

13. 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 B" of this Report.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year Dr. (Mrs.) Sheela Bhide resigned as a Director of the Company. The Board has appointed Dr. (Mrs.) Minnie Bodhanwala as an Additional Director of the Company with effect from 29th March, 2017 who holds office upto the date of this Annual General Meeting ("AGM") of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and is eligible for appointment.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ness N. Wadia retires by rotation and is eligible for re-appointment.

In line with the provisions of Sections 149, 160 and other applicable provisions of the Companies Act, 2013 read with applicable rules made thereunder Mr. Vinesh Kumar Jairath and Mr. Keki M. Elavia, Additional Directors of the Company, are being appointed as Independent Directors for five consecutive years from their respective date of appointment by the Board.

Necessary resolutions for the appointment/ re-appointment of the aforesaid Directors have been included in the Notice convening the ensuing AGM and requisite details have been provided in the explanatory statement of the Notice. The Board recommends their appointments / re-appointment.

All the Independent Directors have given a declaration that they meet the criteria of independence as laid down under Section 149 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.

Nine 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 Mr. Sanjive Arora, joined the Company as Company Secretary on 11th July, 2016.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 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: www.bombaydyeing.com/media/bd/corporate/corporatepdf09.pdf

15. 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:

- in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- 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 profit 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; and
- 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 2016-17.

16. CORPORATE GOVERNANCE

Pursuant to Regulation 17(7) of SEBI (LODR) Regulations, 2015, a Management Discussion and Analysis Report is given in "Annexure C" to this Report. A separate report on Corporate Governance pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015, read with Part C of Schedule V thereof, 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 D".

17. PARTICULARS OF EMPLOYEES

The Information as per Section 197 of the Companies Act, 2013, ("the Act") read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as "Annexure E". 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 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is available for inspection by the Members at the Registered Office / Corporate Office of the Company during business hours on working days of the Company up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

18. AUDITORS

Statutory Auditors

The Company's Auditors, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai who pursuant to Section 139 of the Companies Act, 2013, retire at the ensuing 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 Regulation 33 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 of the Company are required to be audited. The Directors, on the recommendation of the Audit Committee, appointed M/s. D. C. Dave & Co., Cost Accountants, to audit the cost accounts of the Company for the financial year ending 31st March, 2018 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 F".

Internal Auditors

M/s. Ernst & Young, Chartered Accountants, were re-appointed as the Internal Auditors of the Company for the financial year 2017-18 at the Board Meeting held on 22nd May, 2017.

19. SIGNIFICANT OR 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.

20. 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 in item no. 5 of this report.

21. INTERNAL FINANCIAL 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 Financial Control Systems. The Internal Financial 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.

22. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013, comprising of three directors including Independent Directors. The small allocation available this year will be spent in the current year. (Refer Annexure - G)

23. AUDITORS QUALIFICATIONS

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

24. RISK MANAGEMENT POLICY

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

25. AUDIT COMMITTEE

The Audit Committee of the Company comprises of 7 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 victimisation 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: www.bombaydyeing.com/bombay-dyeing-corporate-governance.

26. 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: 28th June, 2017.

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

PSF operations

- Provision made for VFD in Coal Boiler FD fan for power saving.
- Upgraded Microprocessor cards in Chiller for energy efficiency.
- Structure renovation in a Cooling Tower Cell to increase efficiency.
- Replacement of a CT fan with hollow FRP blades & hubs for power saving.
- Quench area effluent transfer started with potential head & pump stopped.
- Power consumption reduced by managing air consumption through ELLIOT compressors operation.
- Chilled water set point optimised to reduce power consumption.
- Optimisation of Chilled water pumps operations.
- Improvement in HTF Heater efficiency.
- Optimisation of Catalyst addition to reduce RLNG consumption.
- Reorientation of K VX system in HTF Heater, to reduce RLNG consumption.
- Optimisation of Slurry mole ratio to reduce heat load.
- Waste heat recovery achieved through improvement projects.
- Maximisation of Biogas generation & usage in HTF heater.
- ESP field operation philosophy revised to reduce power consumption.

(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.
- Installation of Energy efficient Cooling Tower pump & Chillers.
- Usage of High GCV coal for fuel & power saving.
- Manual Baling press for reduction in Energy Consumption.
- VFD provision in Boiler feed water pump.
- Recycling of Spin Finish & DM water.
- Rain Water harvesting from New Warehouse roof.
- Stoppage of Pre-feed Bath circulation pumps.
- Installation of LED lights in plant & office area.

- 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 & cost 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

- Developed new spin finish application system to improve OPU uniformity.
- Heat setting of fibre increased for more durability.
- Productivity of non woven grade fibre was improved by process optimisation.
- Semi-dull & black fibre developed for hydro-entanglement process.
- Black fibre developed for special applications
- Medium tenacity coarser denier product developments.

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

PSF operations

- Diversity of product mix & availability of value added products.
- Improved customer base & market share.
- Quality Consistency with improved operational performance at Customer end.
- Risk mitigation against up-coming new competitors in the market.

3. Future plan of action

PSF operations

- Key focus is to increase the volume of specialty value added products.
- Development of hardware and improvement & process optimisation for production of specialty products.
- Increase in volume of non woven & technical textile products.
- 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**

- Use of modified bearings in Polymer Gear pump.
- Hardware modification with logic control to improve Boiler efficiency.
- Chillers made energy efficient by replacing upgraded Microprocessor cards.
- Draw Machine start-up logic modified to increase Yield & Productivity.
- Process optimisation for energy conservation.
- Productivity of high staple length technical textile fibres was improved.

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

- Better Yield & Productivity
- 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) Total foreign exchange used and earned:**

	₹ in crore
Total foreign exchange used	468.77
Total foreign exchange earnings	286.32

(ii) 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 5% over previous year. Export market was expanded both in terms of volume & new markets.

On behalf of the Board of Directors

Place: Mumbai
Date: 28th June, 2017

NUSLI N. WADIA
Chairman

FORM 'A'

Form for disclosure of particulars with respect to conservation of energy

	Production Unit	2016-17 Current Year	2015-16 Previous Year
A. POWER AND FUEL CONSUMPTION			
1 Electricity			
(a) Purchased			
Unit (KWH in lakhs)		533.10	584.14
Total Amount (₹ in crores)		40.47	44.27
Rate/Unit (₹)		7.59	7.58
(b) Own Generation			
(Through Diesel Generator)			
Unit (KWH in lakhs)			-
Units per Ltr. of Diesel			-
Cost/Unit (₹)			-
2 Furnace Oil/L.S.H.S.			
Quantity (in M. Tons)		859.00	3,189.01
Total Cost (₹ in crores)		2.00	6.39
Average Rate (in ₹ per M.T.)		23,233.99	20,037.57
3 RLN GAS			
Quantity in (MMBTU)		3,91,493.60	2,70,102.85
Total Cost (₹ in crores)		22.13	18.12
Average Rate (in ₹ per MMBTU)		565.36	670.97
4 Coal			
Quantity (in M. Tons)		32,393.00	32,335.89
Total Cost (₹ in crores)		12.20	13.27
Average Rate (in ₹ per M.T.)		3,766.42	4,103.45
B. CONSUMPTION PER UNIT OF PRODUCTION			
1 Electricity (KWH)			
Cloth	1000	Mtrs	1,440.08
PSF	per	M.T.	371.21
2 Furnace Oil/L.S.H.S.(M.T.)			
PSF		M.T.	0.01
3 RLN GAS			
PSF	per	MMBTU	2.57
4 Coal (M.T.)			
Cloth	1000	Mtrs	0.95
PSF		M.T.	0.211

ANNEXURE B to Directors' Report:

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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: +91 22 6662 0000 Fax: +91 22 6662 0069
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 Tel: +91 40 6716 2222 Fax: +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 are as stated below:

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Polyster Staple Fibre	20302	64.91
2	Retail of Home Textiles	4751	17.73
3	Real estate activities	6810	17.36

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

Sr. No.	Name & Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Pentafil Textile Dealers Limited	U65993MH1984PLC253516	ASSOCIATE	49.00	2(6)
2	Bombay Dyeing Real Estate Company Limited	U70102MH2008PLC183489	ASSOCIATE	40.00	2(6)
3	P.T. 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	20,85,453	0	20,85,453	1.01	20,84,953	0	20,84,953	1.01	0.00
(b)	Central Government or State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporates	9,07,17,957	0	9,07,17,957	43.92	4,35,23,985	0	4,35,23,985	21.07	-22.85
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any other - Trusts	19,83,030	0	19,83,030	0.96	18,66,330	0	18,66,330	0.90	-0.06
	Sub-Total: (A)(1)	9,47,86,440	0	9,47,86,440	45.89	4,74,75,268	0	4,74,75,268	22.99	-22.91
(2)	FOREIGN									
(a)	NRI - Individuals	28,02,388	0	28,02,388	1.36	28,01,560	0	28,01,560	1.36	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporates	1,05,33,790	0	1,05,33,790	5.10	5,78,45,790	0	5,78,45,790	28.01	22.91
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total: (A)(2)	1,33,36,178	0	1,33,36,178	6.46	6,06,47,350	0	6,06,47,350	29.36	22.91
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	10,81,22,618	0	10,81,22,618	52.35	10,81,22,618	0	10,81,22,618	52.35	0.00
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	67,72,902	10,935	67,83,837	3.28	54085	10935	65020	0.03	-3.25
(b)	Financial Institutions /Banks	6,43,972	1,02,365	7,46,337	0.36	689271	97865	787136	0.38	0.02
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	87,16,720	1,250	87,17,970	4.22	8527970	0	8527970	4.13	-0.09
(f)	Foreign Institutional Investors	1,13,02,064	3,900	1,13,05,964	5.47	679300	3900	683200	0.33	-5.14
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00

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
(h) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others - Foreign Portfolio - Investors	45,98,749	0	45,98,749	2.23	1,20,43,043	0	1,20,43,043	5.83	3.60
(j) Foreign Bodies	1,950	0	1,950	0.00	0	0	0	0.00	0.00
Sub-Total B(1) :	3,20,36,357	1,18,450	3,21,54,807	15.57	2,19,93,669	1,12,700	2,21,06,369	10.70	-4.86
(2) NON-INSTITUTIONS									
(a) Bodies Corporate	98,71,893	92,325	99,64,218	4.82	1,56,82,540	1,07,605	1,57,90,145	7.65	2.83
(b) Individuals									
(i) Individuals holding nominal share capital upto ₹1 lakh	4,24,75,773	43,99,260	4,68,75,033	22.70	4,08,41,661	41,61,197	4,50,02,858	21.79	-0.92
(ii) Individuals holding nominal share capital in excess of ₹1 lakh	49,29,183	0	49,29,183	2.39	1,09,64,525	1,26,000	1,10,90,525	5.37	2.98
(c) Others									
(i) Non Resident Individuals	13,59,062	1,60,780	15,19,842	0.74	13,07,109	1,60,780	14,67,889	0.71	0.03
(ii) Trusts	1,34,075	0	1,34,075	0.06	1,32,057	0	1,32,057	0.06	0.00
(iii) Foreign Nationals	16,777	0	16,777	0.01	427	0	427	0.00	-0.01
(iv) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(v) NBFC	23,522	0	23,522	0.01	42,587	0	42,587	0.02	0.01
(vi) Overseas Corporate Bodies	0	15,400	15,400	0.01	0	0	0	0.00	-0.01
Sub-Total (B)(2) :	5,88,10,285	46,67,765	6,34,78,050	30.74	6,89,70,906	45,55,582	7,35,26,488	35.60	4.91
Total B=B(1)+B(2) :	9,08,46,642	47,86,215	95,632,857	46.31	9,09,64,575	46,68,282	9,56,32,857	46.30	0.05
Total Public Shareholding (B) = (B)(1) + (B)(2)	19,89,69,260	47,86,215	20,37,55,475	98.66	19,90,87,193	46,68,282	20,37,55,475	98.65	0.05
(C) Shares held by custodians, against which Depository Receipts have been issued	27,62,170	17,255	27,79,425	1.35	27,62,170	17,255	27,79,425	1.35	0.00
GRAND TOTAL (A+B+C) :	20,17,31,430	48,03,470	20,65,34,900	100.00	20,18,49,363	46,85,537	20,65,34,900	100.00	

(ii) Shareholding of Promoters:

Sr. 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	No. of shares	% of total shares of the Company	
1	AFCO INDUSTRIAL AND CHEMICALS LIMITED	59,660	0.03	59,660	0.03	0.00
2	LOTUS VINIYOG LIMITED	1,44,690	0.07	1,44,690	0.07	0.00
3	DPI PRODUCTS AND SERVICES LIMITED	2,64,900	0.13	2,64,900	0.13	0.00
4	THE BOMBAY BURMAH TRADING CORPORATION LTD.	30,00,000	1.45	30,00,000	1.45	0.00
5	NUSLI NEVILLE WADIA (TRUST A/C)	1,80,530	0.09	1,80,530	0.09	0.00
6	NUSLI NEVILLE WADIA (TRUST A/C)	1,37,000	0.07	1,37,000	0.07	0.00
7	ESTATE OF SMT. BACHOBAI WORONZOW	8,14,030	0.39	8,14,030	0.39	0.00
8	MACROFIL INVESTMENTS LIMITED	4,09,700	0.20	4,09,700	0.20	0.00
9	N W EXPORTS LIMITED	2,78,47,740	13.48	5,000	0.00	-13.48
10	NOWROJEE WADIA AND SONS LIMITED	30,05,293	1.46	64,60,293	3.13	1.67
11	N N WADIA ADMIN OF ESTATE OF LT. EF DINSHAW	500	0.00	500	0.00	0.00
12	NESSVILLE TRADING PRIVATE LIMITED	24,550	0.01	24,550	0.01	0.00
13	SUNFLOWER INVESTMENTS AND TEXTILES PRIVATE LIMITED	2,21,39,783	10.72	9,00,000	0.44	-10.28
14	MAUREEN NUSLI WADIA	3,78,080	0.18	3,78,080	0.18	0.00
15	JEHANGIR NUSLI WADIA	1,28,525	0.06	1,28,525	0.06	0.00
16	NUSLI NEVILLE WADIA (TRUST A/C)	16,65,500	0.81	15,48,800	0.75	-0.06
17	ELIZABETH ANNE GUHL	1,328	0.00	0	0.00	0.00
18	NESS NUSLI WADIA	11,51,918	0.56	11,51,918	0.56	0.00
19	THE BOMBAY BURMAH TRADING CORPORATION LIMITED	2,57,83,320	12.48	2,66,39,375	12.90	0.42
20	WADIA INVESTMENTS LIMITED	4,19,750	0.20	4,19,750	0.20	0.00
21	NATIONAL PEROXIDE LIMITED	14,89,700	0.72	14,89,700	0.72	0.00
22	MAUREEN NUSLI WADIA	19,750	0.01	19,750	0.01	0.00
23	DINA NEVILLE WADIA	4,58,220	0.22	4,58,220	0.22	0.00
24	HAVENKORES REAL ESTATES PVT LTD	2,68,672	0.13	2,68,672	0.13	0.00
25	DIANA CLAIRE WADIA	15,28,810	0.74	15,28,810	0.74	0.00
26	MAUREEN NUSLI WADIA	1,80,180	0.09	1,80,180	0.09	0.00

Sr. 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	
27	JEHANGIR NUSLI WADIA	1,59,000	0.08	-	1,59,000	0.08	-	0.00
28	NESS NUSLI WADIA	67,500	0.03	-	67,500	0.03	-	0.00
29	NEWPOINT ENTERPRISES LIMITED	2,50,000	0.12	-	2,50,000	0.12	-	0.00
30	BEN NEVIS INVESTMENTS LTD.	1,02,83,790	4.98	-	1,02,83,790	4.98	-	0.00
31	BAYMANCO INVESTMENTS LTD.	0	0.00	-	4,73,12,000	22.91	-	22.91
32	NIDHIVAN INVESTMENTS AND TRADING CO. PVT. LTD.	2,63,058	0.13	-	2,63,058	0.13	-	0.00
33	SAHARA INVESTMENTS PVT LTD	4,67,008	0.23	-	5,08,036	0.25	-	0.02
34	HEERA HOLDINGS AND LEASING PVT LTD	75,103	0.04	-	1,52,103	0.07	-	0.03
35	NAPEROL INVESTMENTS LIMITED	4,06,200	0.20	-	40,62,000	0.20	-	0.00
36	GO INVESTMENTS AND TRADING PRIVATE LIMITED	500	0.00	-	500	0.00	-	0.00
37	WADIA TECHNO ENGINEERING SERVICES LIMITED	1,95,460	0.09	-	1,95,460	0.09	-	0.00
38	GO AIRLINES (INDIA) LTD	1,000	0.00	-	1,000	0.00	-	0.00
39	N W Exports Limited	1,35,815	0.07	-	0	0.00	-	-0.07
40	Nowrosjee Wadia and Sons Limited	34,55,000	1.67	4,50,000	0	0.00	0	-1.67
41	The Bombay Burmah Trading Corporation Limited	8,61,055	0.42	-	19,11,338	0.93	-	0.51
Total		10,81,22,618	52.35	82,03,500	10,81,22,618	52.35	6,40,000	0.00

(III) Change in Promoters' Shareholding (specify if there is no change)

Sr. 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	NUSLI NEVILLE WADIA (TRUST A/C)	16,65,500	0.81	09.12.2016	-77,000	Transfer		
				24.02.2017	-39,700	Transfer	15,48,800	0.75
2	SUNFLOWER INVESTMENTS AND TEXTILES PRIVATE LIMITED	2,21,39,783	10.72	24.03.2017	-2,12,39,783	Transfer	9,00,000	0.44
3	THE BOMBAY BURMAH TRADING CORPORATION LTD.	5,000	0	30.09.2016	-5,000	Transfer		
				31.03.2017	19,11,338	Transfer	19,11,338	0.93
4	NIDHIVAN INVESTMENTS AND TRADING CO PVT LTD	0	0	25.11.2016	2,62,558	Transfer	2,62,558	0.13
5	HAVENKORES REAL ESTATES PVT LTD	0	0	18.11.2016	1,46,032	Transfer	1,46,032	0.07
6	HEERA HOLDINGS AND LEASING PVT LTD	0	0	09.12.2016	77,000	Transfer	77,000	0.04
7	SAHARA INVESTMENTS PVT LTD.	0	0	22.04.2016	1,328	Transfer		
				25.11.2016	-1,328	Moved to another account		
				24.02.2017	39,700	Transfer	39,700	0.02
8	Nessville Trading Pvt Ltd.	0	0	25.11.2016	24,550	Transfer	24,550	0.01
9	N W Exports Ltd.	2,79,83,555	13.55	24.03.2017	-2,79,78,555	Transfer	5,000	0.00

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

FOR EACH OF THE TOP 10 SHAREHOLDERS	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	MORGAN STANLEY ASIA (SINGAPORE) PTE.	82,22,539	3.98	07/10/2016	-20,00,000	Transfer	
				14/10/2016	-60,00,000	Transfer	
				21/10/2016	-2,22,539	Transfer	
2	EAST BRIDGE CAPITAL MASTER FUND LIMITED	0	0.00	14/10/2016	60,00,000	Transfer	
				21/10/2016	22,22,539	Transfer	82,22,539
3	LIFE INSURANCE CORPORATION OF INDIA	66,18,784	3.20	08/04/2016	-1,38,800	Transfer	
4	RELIANCE CAPITAL TRUSTEE COMPANY LIMITED	62,67,460	3.03	15/04/2016	-51,300	Transfer	
	A/C RELIANCE MUTUAL FUND			22/04/2016	-71,100	Transfer	
				29/04/2016	-60,06,260	Transfer	
5	GLOBE CAPITAL MARKET LTD	19,093	0.01	08/04/2016	75	Transfer	
				15/04/2016	70	Transfer	
				22/04/2016	3,955	Transfer	
				29/04/2016	-1,708	Transfer	
				06/05/2016	-1,850	Transfer	
				13/05/2016	440	Transfer	
				20/05/2016	91	Transfer	
				27/05/2016	7,001	Transfer	
				03/06/2016	9,922	Transfer	
				10/06/2016	-1,300	Transfer	
				17/06/2016	-950	Transfer	
				24/06/2016	-3,202	Transfer	
				30/06/2016	-4,582	Transfer	
				01/07/2016	1,000	Transfer	
				08/07/2016	-4,591	Transfer	
				15/07/2016	7,464	Transfer	
				22/07/2016	4,208	Transfer	
				29/07/2016	245	Transfer	
				05/08/2016	-8,351	Transfer	
				12/08/2016	-580	Transfer	
				19/08/2016	-300	Transfer	
				26/08/2016	8,825	Transfer	
				02/09/2016	11,350	Transfer	
				09/09/2016	-8,378	Transfer	
				16/09/2016	-2,205	Transfer	
				23/09/2016	29,512	Transfer	

FOR EACH OF THE TOP 10 SHAREHOLDERS	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
			30/09/2016	-10,850	Transfer		
			07/10/2016	-113	Transfer		
			14/10/2016	-10,365	Transfer		
			21/10/2016	961	Transfer		
			28/10/2016	31,781	Transfer		
			04/11/2016	-586	Transfer		
			11/11/2016	22,499	Transfer		
			18/11/2016	-3,932	Transfer		
			25/11/2016	-6,657	Transfer		
			02/12/2016	-2,397	Transfer		
			09/12/2016	6,284	Transfer		
			16/12/2016	476	Transfer		
			23/12/2016	-5,548	Transfer		
			30/12/2016	-4,534	Transfer		
			31/12/2016	-1,306	Transfer		
			06/01/2017	-650	Transfer		
			13/01/2017	-1,359	Transfer		
			20/01/2017	4,230	Transfer		
			27/01/2017	1,622	Transfer		
			03/02/2017	-3,730	Transfer		
			10/02/2017	-6,965	Transfer		
			17/02/2017	-12,179	Transfer		
			24/02/2017	-2,993	Transfer		
			03/03/2017	3,584	Transfer		
			10/03/2017	-5,442	Transfer		
			17/03/2017	13,79,660	Transfer		
			24/03/2017	11,42,257	Transfer		
			31/03/2017	3,98,820	Transfer	29,77,822	1.44
6	CITIBANK N.A. NEW YORK, NYADR DEPARTMENT	27,62,170				27,62,170	1.34
7	THE ORIENTAL INSURANCE COMPANY LIMITED	20,97,436					
			10/03/2017	-40,000	Transfer		
			17/03/2017	-40,000	Transfer		
			24/03/2017	-48,750	Transfer		
			31/03/2017	-60,000	Transfer	19,08,686	0.92
8	GOVERNMENT PENSION FUND GLOBAL	17,01,474					
			13/05/2016	-1,41,976	Transfer		
			20/05/2016	-76,313	Transfer		
			27/05/2016	-80,989	Transfer		
			03/06/2016	-3,02,196	Transfer		

FOR EACH OF THE TOP 10 SHAREHOLDERS	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
			10/06/2016	-1,15,707	Transfer		
			17/06/2016	-1,08,268	Transfer		
			24/06/2016	-8,76,025	Transfer	0	0.00
9	DIMENSIONAL EMERGING MARKETS VALUE FUND	15,05,200	0.73	-1,38,074	Transfer		
			14/10/2016	-58,996	Transfer	13,08,130	0.63
10	EMERGING MARKETS CORE EQUITY PORTFOLIO (THE PORTFOLIO) OF DFA INVESTMENT DIMENSIONS GROUP INC (DFAID)	11,62,336	0.56			11,62,336	0.56
11	CHINAPPA M B	4,39,121	0.21	3,77,100	Transfer		
			06/05/2016	-20,000	Transfer		
			13/05/2016	-20,000	Transfer		
			10/06/2016	-1,80,000	Transfer		
			08/07/2016	1,9573	Transfer		
			15/07/2016	70,000	Transfer		
			22/07/2016	30,000	Transfer		
			14/10/2016	10,000	Transfer		
			04/11/2016	1,000	Transfer		
			25/11/2016	1,69,000	Transfer		
			23/12/2016	-1,39,174	Transfer		
			30/12/2016	6,55,947	Transfer		
			03/02/2017	-4,75,050	Transfer		
			10/02/2017	63,126	Transfer		
			17/02/2017	19,557	Transfer		
			24/02/2017	50,000	Transfer		
			24/03/2017	-1,80,000	Transfer		
			31/03/2017	1,20,000	Transfer	10,10,200	0.49
12	THE EMERGING MARKETS SMALL CAP SERIES OF THE DFA	9,58,407	0.46	-83,896	Transfer		
13	CHINAPPA M B	8,16,092	0.40	-1,37,269	Transfer	7,37,242	0.36
			08/04/2016	50,000	Transfer		
			27/05/2016	-61,586	Transfer		
			10/06/2016	1,80,000	Transfer		
			23/12/2016	8,15,494	Transfer		
			03/02/2017	7,00,000	Transfer	25,00,000	1.21

(v) Shareholding of Directors & KMPs

For Each of the 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	19,26,770	0.93	0	0.00
2	Mr. R. A. Shah	7,100	0.00	7,100	0.00
3	Mr. A. K. Hirjee	3,800	0.00	3,800	0.00
4	Mr. S. M. Palia	0	0.00	0	0.00
5	Mr. S. Ragothaman	35,000	0.02	35,000	0.02
6	Mr. S. S. Kelkar	50,000	0.02	50,000	0.02
7	Mr. Ishaat Hussain	0	0.00	0	0.00
8	Mr. Ness N. Wadia	12,19,418	0.59	12,19,418	0.59
9	Dr. (Mrs.) Sheela Bhide	0	0.00	0	0.00
10	Mr. Jehangir N. Wadia (KMP-MD)	2,87,525	0.14	2,87,525	0.14
11	Mr. Pushpamitra Das (KMP-CFO)	0	0.00	0	0.00
12	Mr. Sanjive Arora (KMP-Company Secretary)	0	0.00	0	0.00

V. INDEBTEDNESS

₹ In crores

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	2,010.58	341.17	78.55	2430.31
ii) Interest due but not paid	2.20			2.20
iii) Interest accrued but not due	2.23			2.23
Total (i+ii+iii)	2,015.00	341.17	78.55	2434.74
Change in Indebtedness during the financial year				
Additions	898.40	1,449.81	-	1,417.28
Reduction	(1,056.65)	(1,107.93)	(1.50)	(1,127.61)
Net Change	(158.25)	341.88	(1.50)	289.67
Indebtedness at the end of the financial year				
i) Principal Amount	1,852.33	683.05	77.05	2,612.44
ii) Interest due but not paid	2.96	-	-	2.96
iii) Interest accrued but not due	2.02	-	-	2.02
Total (i+ii+iii)	1,857.31	683.05	77.05	2,617.42

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

In ₹

Sr. No	Particulars of Remuneration	Name of the MD	Total Amount
1	Gross salary	Mr. Jehangir Wadia	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961	5,29,15,450	5,29,15,450
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	28,17,712	28,17,712
	(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)	-	-
	(Perquisites and Allowances)	18,04,248	18,04,248
	Total (A)	5,75,37,410	5,75,37,410
	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:

Sr. 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	Mrs. Sheela Bhide (upto 05.01.2017)	V. K. Jairath (From 09.02.2017)			
1	Independent Directors											
	(a) Fee for attending board committee meetings (Total fees paid for attending Board and Committee meetings)	12,00,000	9,15,000	12,40,000	10,20,000	10,75,000	10,80,000	3,60,000	1,20,000			70,10,000
	(b) Commission	-	-	-	-	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	Total (1)	12,00,000	9,15,000	12,40,000	10,20,000	10,75,000	10,80,000	3,60,000	1,20,000			70,10,000
2	Other Non Executive Directors											
	(a) Fee for attending board committee meetings (Total fees paid for attending Board and Committee meetings)	7,20,000	6,40,000									13,60,000
	(b) Commission	-	-	-	-	-	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	Total (2)	7,20,000	6,40,000									13,60,000
	Total (B)=(1+2)	19,20,000	15,55,000	12,40,000	10,20,000	10,75,000	10,80,000	3,60,000	1,20,000			83,70,000
	Total Managerial Remuneration*											6,59,07,410
	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 ₹

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Pushpamitra Das (CFO)	Mr. Sanjive Arora (Company Secretary)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1,76,36,971	27,76,814	2,04,13,785
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	32,130	23,429	55,559
	(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)	4,94,802	99,790	5,94,592
	Total	1,81,63,903	29,00,033	2,10,63,936

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 C TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Giving thumbs up to the demonetisation of high value currency notes last year and the upcoming roll out of the Goods and Services Tax (GST), the World Bank has said the two reforms will increase the formalisation of the Indian economy. In its latest India Development Update, the World Bank said India's economy will grow 7.2% in fiscal year 2017-18. The Government's push towards manufacturing sector and digital economy will provide the necessary impetus for fueling economic growth.

GDP growth slowed to 7% year-on-year in the third quarter of 2016-2017 from 7.3% in the first quarter largely due to demonetisation factor. As a result, the GDP growth in 2016 - 2017 was 7.1% showing a modest slowdown.

The expectation of normal rainfall in 2017 will have a positive impact on the Agricultural and Manufacturing Sectors.

BOMBAY REALTY

INDUSTRY STRUCTURE AND DEVELOPMENTS

The year 2017 saw introduction of The Real Estate (Regulation and Development) Act, 2016, (RERA) as a major policy initiative which most real estate experts believe will be positive for the sector and may witness a pickup in sales and a reduction of unsold inventories across class. The demonetisation event led to a temporary halt in real estate purchase due to overall uncertainties. This was quickly corrected as is evident in the sales boost in the last quarter of 2017 across all asset classes and a clear indication of the positive sentiments which lie ahead.

The Sector is undergoing transformation from being largely fragmented and unorganised to becoming structured and organised. The industry is moving from being highly opaque one to more transparent and organised. Due to this, there is an increasing propensity of buyers to lean towards established companies with high degree of corporate governance and structured delivery mechanism. In this process established Companies will secure a distinct advantage over the relatively unorganised and smaller players.

This year also saw rationalising of the interest rates and resulting in a more affordable EMI across all asset classes. The focus of the Government to provide housing for all will have a direct impact on industries like cement, steel, chemicals, paints, tiles, etc., facilitating greater private sector involvement in the economic growth of the Country.

The Real Estate market has been adjusting to aligning supply to the available demand. RERA compliance is forcing Developers across all categories to focus on delivery and quicken the pace of project execution. It is clearly evident now that delivery focus has taken priority over the focus on new launches. High demand for ready-to-move in projects, RERA compliant and increased focus on project completion will set the contours for the realty sector outlook in the year to come.

With the stock markets doing well, it is likely that the investment in real estate will increase in 2017. The market and demand for high quality premium location real estate projects will be evident in markets like Mumbai.

OPPORTUNITIES & THREATS

The year ahead brings with it a clearer Policy framework. The impact on Real estate market due to introduction of RERA, Demonetisation as well as Land Bill has already been absorbed in the year under review.

The overall housing shortage has prompted Government to introduce interest subsidy to the tune of 6.5% under Pradhanmantri Awas Yojana (PMAY) for low and medium income households. The current shortage of nearly 20 million houses is the key driver which will have a cascading effect across all asset classes, including luxury real estate.

Your Company expects a significant turnaround in 2017 owing to improved economic activity, transparency under RERA, and a faster pace of construction owing to regulatory approvals being in place. Real Estate Regulations will act as a catalyst for your Company as 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 time bound manner.

GST is being introduced in 2017 across India. The real estate sector is not being given the cost abatement of Land. For premium locations, this is a deterrent as the input credit may not be able to match the increased outgo due to the GST rate. The availability of input credit, linking all suppliers to the input credit system may also take some time to stabilise and may impact Sales in the immediate short term.

The Company's projects have been affected due to legal and regulatory delays. Excessive supply of 'luxury residences' in the Central Mumbai area

is unlikely to see price improvements in short term affecting the project profitability. The Company however, feels that with the increased pace of construction coupled with qualitatively superior product will place it in an advantageous position.

HOME & YOU

Industry Structure and Developments:

Bed, Bath & Coordinates category continues to evolve faster in India. In an industry dominated by commodities, influence of competitively priced Private labels in Modern Trade and E-com market places is bringing in new value conscious consumers to the industry. On the other hand, fashion led premium consumer's preferences are switching over to product made from high end fabrics and innovative designs. The market is clearly drawing distinction between the Value led vs the Fashion Conscious consumers both in terms of Product as well as the Go to market models preferences.

The Company believes 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 that the industry will shrug off the challenges of the last couple of years to grow upwards of 8% over the next 10 years. Impending GST implementation should help the Organised Retailers by reduced influx of cheap alternatives from China and domestic unorganised industry as well.

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. Besides the launch of own E-com portal, the Company would be launching a new look Franchise model in FY 2018-19. The Company will widen its product availability, offer numerous product ranges and provide unique shopping experience to its customers in its Company owned Stores and own E-com portal. 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 swinging commodity prices and constant inflow of cheaper alternatives from unorganised sector as well as neighbouring countries. Any increased activity in the unorganised sector and irrational dumping can have a bearing on the Division's performance. However, introduction of GST will minimise the impact of unorganised sector working to the advantage of the organised sector.

OUTLOOK

Your company is geared up to exploit all emerging opportunities in the market place. Through investments in E-com, New Franchise Model, Organisation capabilities, Brand, New products and Information technology, 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 alternatives 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 six 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. Two of these producers have recently commenced production.

PSF industry saw a volume growth of 3%. The overall polyester industry's capacity utilisation remained under 80%, but the Company's utilisation remained comparatively stable at 93% (previous year 91%). The division recorded a growth in sales volume of 2% during the year. Imports from China and other South East Asian producers continue to grow and take away part of the demand growth.

Raw Materials PTA and MEG prices were volatile in the second half of the year. With the commissioning of new production capacity of PTA in the country, the availability in the domestic market has improved.

Recycled polyester has been gaining market share due to preferential excise duty treatment in India. However, fibre produced by your Company is of 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.

OPPORTUNITIES AND THREATS

The opportunity for PSF is driven by its durability, versatility of end usage and lower prices 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 being less than 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. Expected fibre neutrality in GST implementation should help increase consumption of man-made fibre.

Two new PSF production plants with capacities aggregating 12% of existing domestic PSF capacity have recently commenced production, creating new competition for your Company.

China continues to have 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 2016-17 was a positive year from the polyester business perspective. Stable domestic demand, improved export demand and better PSF prices helped in improvement of margins. With reduced volatility in crude oil and petrochemical prices, and tight situation in cotton supplies, the demand for PSF should improve in FY 2017-18.

RISKS AND CONCERNS

Prices of raw materials as well as energy costs, the two major input costs for PSF division are significantly dependant on crude oil price. Changes in oil prices could lead to 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 crop in India and globally could have an impact on the demand of PSF. Increased competition from new capacities having commenced in the country may result in pressure on margins due to price undercutting by new entrants.

The biggest tax reform in the history of India i.e. Goods & Service Tax (GST) is expected to be implemented from 1st July, 2017. It is anticipated that it will help to eliminate any blockages in input taxes due to break of input tax credit chain in the longer run.

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 these several programs related to Learning & Development, Reward & Recognition, employee engagement are being worked upon. The overall manpower structure is being strengthened and aligned to the business requirement.

RESOURCES & LIQUIDITY

The Company has entered into an agreement to sell its processing unit at Ranjangaon along with land and building which will ease its liquidity pressures felt during the year. Further improved sale of flats and disinvestment of its non-core assets and other investments will provide more liquidity to the Company.

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

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 D to the Directors' Report REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Governance:

In keeping with its commitment to the principles of good corporate governance, which it has always believed leads to efficiency and excellence in the operations of a company, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings. The Company 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 of Directors	Category	No. of Board Meetings attended during 2016-17		Whether attended AGM held on 10 th August, 2016	No. of Directorships in other public companies as on 31.3.2017*		No. of Committee positions held in other public companies** as on 31.3.2017	
		held	attended		Chairman	Member	Chairman	Member
Mr. Nusli N. Wadia (Chairman) (DIN: 00015731)	Non-Executive/ Promoter	9	8	Yes	3	1	-	-
Mr. R. A. Shah (DIN: 00009851)	Independent	9	9	Yes	3	6	4	3
Mr. S. S. Kelkar (DIN: 00015883)	-do-	9	8	Yes	-	8	2	1
Mr. S. Ragothaman (DIN: 00042395)	-do-	9	8	No	-	8	3	2
Mr. A. K. Hirjee (DIN: 00044765)	-do-	9	9	Yes	2	2	5	2
Mr. S. M. Palia (DIN: 00031145)	-do-	9	9	Yes	-	2	-	-
Mr. Ishaat Hussain (DIN: 00027891)	-do-	9	8	Yes	4	5	1	5
Mr. Ness N. Wadia (DIN: 00036049)	Non-Executive/ Promoter	9	9	Yes	1	5	-	3
Dr.(Mrs.) Sheela Bhide (DIN: 01843547) (Upto 05.01.2017)	-do-	9	6	Yes	-	-	-	-
Mr. V. K. Jairath (DIN: 00391684) (w.e.f. 09.02.2017)	-do-	9	1	N/A	1	6	3	5
Mr. Keki M. Elavia (DIN: 00003940) (w.e.f. 22.05.2017)	-do-	9	N/A	N/A	-	9	5	4
Dr. (Mrs.) Minnie Bodhanwala (DIN: 00422067) (w.e.f. 29.03.2017)	Non-Executive, Non-Independent	9	N/A	N/A	-	3	-	1
Mr. Jehangir N. Wadia (DIN: 00088831)	Managing Director/ Promoter	9	9	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.

** Includes only Audit Committee and Stakeholders Relationship Committee in public limited companies.

During the year under review, 9 Board Meetings were held, the dates being 23rd April, 2016, 27th May, 2016, 4th July, 2016, 10th August, 2016, 8th September, 2016, 3rd October, 2016, 8th November, 2016, 9th February, 2017 and 29th March, 2017.

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 the rules made thereunder and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI (LODR) Regulations, 2015'). The Committee comprises of members who possess financial and accounting expertise/exposure. The Committee consists of the following 7 Non-Executive Independent Directors:

Mr. Ishaat Hussain [Chairman]
 Mr. S. Ragothaman
 Mr. R. A. Shah
 Mr. S. S. Kelkar
 Mr. S. M. Palia
 Mr. V. K. Jairath (w.e.f. 29.03.2017)
 Mr. K. M. Elavia (w.e.f. 22.05.2017)

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 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 organisation 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, 6 Meetings of the Audit Committee were held, the dates being 16th May, 2016, 26th May, 2016, 10th August, 2016, 8th September, 2016, 8th November, 2016 and 9th February, 2017.

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

NAME	NO. OF AUDIT COMMITTEE MEETINGS ATTENDED
Mr. Ishaat Hussain	5
Mr. S. Ragothaman	4
Mr. R. A. Shah	6
Mr. S. S. Kelkar	6
Mr. S. M. Palia	6
Mr. V. K. Jairath	-

Internal Audit and Control:

M/s. Ernst and Young LLP, Internal Auditors of the Company have carried out the internal audit for the financial year 2016-17. The reports and findings of the Internal Auditor and the internal control systems are periodically reviewed by the 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. No personnel has been denied access to the Audit Committee, if he/she wished to lodge a complaint under the Whistle Blower Policy. The Board has approved the whistle blower policy which has been uploaded on the Company's website: www.bombaydyeing.com/media/bd/corporate/corporatepdf03.pdf.

The Company had not received any complaint under the Whistle Blower Policy during the financial year 2016-17.

(b) Nomination and Remuneration Committee (NRC):

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, 2015. Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time.

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 4 times on 27th May, 2016, 4th July, 2016, 9th February, 2017 and 29th March, 2017.

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

NAME	NO. OF NRC MEETINGS ATTENDED
Mr. S. M. Palia	4
Mr. Ishaat Hussain	4
Mr. Nusli N. Wadia	4
Mr. R. A. Shah	4
Mr. S. Ragothaman	4
Mr. A. K. Hirjee	4

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 of Directors:

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.

- (i) Details of remuneration paid to the Managing Director during the year 2016-17 are given below: -

(In ₹)				
Name	Salary	Benefits**	Bonus	Total
*Mr. Jehangir. N. Wadia, Managing Director	1,50,35,412	4,25,01,998	Nil	5,75,37,410@

* 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. The shareholders' approved his appointment as Managing Director and the remuneration payable to him at the Annual General Meeting held on 10th August, 2016.

** Includes the Company's contribution to Provident and Superannuation Funds, but excludes gratuity and leave travel allowance.

@ The remuneration paid to the Managing Director is in excess of the limits prescribed under section 197 of the Companies Act due to inadequacy of profits. The Company had applied to the Central Government under sections 196 and 197 for permission to pay remuneration in excess of the prescribed limits. The Company has received an approval from the central government dated 21st June, 2017, for payment of remuneration amounting to ₹ 2.12 crore only. The Company is proposing to make a representation to the Central Government with a request to reconsider the amount approved. Pending such representation, no adjustments have been made in the accounts for the year ended 31st March, 2017 and the excess amount is held by the Managing Director in trust for the Company.

Notes:

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.

- (ii) Details of payments made to Non-Executive Directors during the year 2016-17 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, 2017
	Board Meeting	Committee Meeting	
Mr. Nusli N. Wadia	4,80,000	2,40,000	Nil
Mr. R. A. Shah*	5,40,000	6,60,000	7,100
Mr. S. S. Kelkar	4,80,000	5,95,000	50,000
Mr. S. Ragothaman	4,80,000	5,40,000	35,000
Mr. A. K. Hirjee	5,40,000	3,75,000	3,800
Mr. S. M. Palia	5,40,000	7,00,000	Nil
Mr. Ishaat Hussain	4,80,000	6,00,000	Nil
Mr. Ness N. Wadia	5,40,000	1,00,000	12,19,418
Dr. (Mrs.) Sheela Bhide	3,60,000	-	Nil
Mr. V. K. Jairath	60,000	60,000	Nil
Total	45,00,000	38,70,000	

*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.

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 read with the rules made thereunder, SEBI (LODR) Regulations, 2015 and Guidance Note on Board Evaluation issued by SEBI vide its Circular dated 5th January, 2017, 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 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 Chairman was also evaluated on the key aspects of his role.

Board Diversity:

The Company has adopted the Policy on Board Diversity as required under Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015.

Remuneration Policy:

The Company has adopted the Remuneration Policy as required under the provisions of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015, which is available at company's website under the www.bombaydyeing.com/media/bd/corporate/corporatepdf09.pdf

(c) Stakeholders Relationship Committee (SRC):

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (LODR) 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 two times on 26th September, 2016 and 31st March, 2017.

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

NAME	NO. OF SRC MEETINGS ATTENDED
Mr. S. S. Kelkar	2
Mr. A. K. Hirjee	1
Mr. Jehangir N. Wadia	2

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. Sanjive Arora (w.e.f. 11.07.2016)

Mr. K. Subharaman (upto 30th April, 2016)

No. of shareholders' complaints received during the year: 276

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

Mr. Jehangir N. Wadia

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 two times on 2nd November, 2016 and 9th March, 2017.

Details of attendance of each member at the Finance Committee Meeting are as follows:-

NAME	NO. OF FINANCE COMMITTEE MEETINGS ATTENDED
Mr. S. S. Kelkar	2
Mr. A. K. Hirjee	1
Mr. S. Ragothaman	-
Mr. Ness N. Wadia	1
Mr. S. M. Palia	-
Mr. Jehangir N. Wadia	2

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 composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 135 of the Companies Act, 2013.

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 (Upto 05.01.2017)

The CSR Committee:

- (i) reviews the existing CSR Policy from time to time and the activities to be undertaken by the Company towards CSR activities;
- (ii) recommends 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
- (iii) monitors 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 once on 29th March, 2017.

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	1
Mr. S. M. Palia	1
Mr. S. S. Kelkar	1
Dr. (Mrs.) Sheela Bhide	-

The details of not making any CSR contribution during the financial year 2016-17 has been provided in Annexure 'G' to the Directors' Report.

(g) Independent Directors Meeting

During the year under review, the Independent Directors met on 29th March, 2017, 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.

4. General Body Meetings:

- (a) Location and time where last three AGMs were held and National Company Law Tribunal (NCLT) Convened Meeting:

Date & Time	Location	Special Resolutions Passed
NCLT Convened Meeting		
27 th March, 2017 at 11.30 a.m.	"Rangaswar" Hall, 4 th Floor, Yashwantrao Chavan Center, General Jagannathrao Bhosale Marg, Nariman Point, Mumbai - 400 021	Resolution pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013, read with relevant Rules and SEBI Circulars and under relevant provisions of applicable laws for approval of the Scheme of Amalgamation between Archway Investment Company Ltd. with The Bombay Dyeing & Mfg. Co. Ltd. and their respective shareholders.
Annual General Meetings		
10 th August, 2016 at 3.45 p.m.	Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhosale Marg, Nariman Point, Mumbai - 400 021	(i) Re-appointment of Mr. Jehangir N. Wadia (DIN: 00088831) as the Managing Director of the Company for 5 years and remuneration payable to him. (ii) Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing upto ₹ 3,000 crore. (iii) Resolution under Section 180(1)(a) of the Companies Act, 2013 for creating charges, mortgages and hypothecations in connection with the borrowing upto ₹ 3,000 crore.
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 Bhosale Marg, Nariman Point, Mumbai - 400 021	(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.

(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 familiarisation programmes for Independent Directors is posted on the website of the Company and the same can be accessed at www.bombaydyeing.com/media/bd/board/directorsfamiliarisationpolicy.pdf

(i) Constitution of Strategic Committee

At the Board Meeting held on 29th March, 2017, the Board has constituted a Strategic Committee comprising of the following members:

Mr. Nusli N. Wadia (Chairman)

Mr. A. K. Hirjee

Mr. V. K. Jairath

The Managing Director will attend the Strategic Committee Meetings as a permanent invitee.

The Committee has been formed to deliberate and take all strategic decisions for the Company.

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

During the year the following resolutions were passed through postal ballot including NCLT convened meeting of shareholders:

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
27 th March, 2017	As per the Order of National Company Law Tribunal shareholders approval was taken for Resolution pursuant to provisions of Sections 230 to 232 of the Companies Act, 2013, read with relevant Rules and SEBI Circulars and under relevant provisions of applicable law for approval of the Scheme of Amalgamation between Archway Investment Company Ltd. with The Bombay Dyeing & Mfg. Co. Ltd. and their respective shareholders.	11,92,53,673	99.99%	10,662	0.01%

- During the conduct of the Postal Ballot, the Company had provided e-voting facility to its shareholders to cast their votes electronically. Members who had registered their e-mail IDs with Depositories / RTA / Company for this purpose were served with Postal Ballot Notice documents by e-mail and members who had not registered their e-mail IDs were sent Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope through Registered Post or Speed Post or Courier. Members who had received Postal Ballot Notice by e-mail and who wished to vote through physical Postal Ballot Form were sent with a physical copy of Notice and Postal Ballot Form and pre-paid business reply envelope.
- 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 consolidated results of e-voting, voting by postal ballot and ballot cast at the meeting venue were then announced by the Authorised Director. The voting results were sent to the Stock Exchanges and displayed on the Company's website.

5. Other disclosures :

- (a) Related Party Transactions

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 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: www.bombaydyeing.com/media/bd/corporate/corporatepdf11.pdf

- (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:

The Company has adopted a Risk Assessment & Management Policy, which is also available at Company's website under the weblink: <http://www.bombaydyeing.com/media/bd/corporate/corporatepdf10.pdf>.

- (d) CEO/CFO Certification:

Mr. Jehangir N. Wadia, Managing Director and Mr. Pushpamitra 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, 2017.

- (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. All members of the Board and Senior Management Personnel have affirmed compliance with the code. 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: www.bombaydyeing.com/media/bd/corporate/corporatepdf01.pdf

- (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 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.

No such complaint has been received during the financial year 2016-17.

The Policy on Sexual Harassment at workplace (Prevention, Prohibition and Redressal) is posted on the website of the Company and can be accessed at www.bombaydyeing.com/media/bd/corporate/corporatepdf08.pdf

- (h) Dividend Distribution Policy

The Company has adopted Dividend Distribution Policy in terms of the requirement, of Listing Regulations. The Policy is available on the website of the Company under the weblink: http://www.bombaydyeing.com/media/bd/corporate/Dividend_Distribution_Policy.pdf

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 SEBI (LODR) Regulations, 2015 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:
Thursday, 10th August, 2017 - 3.45 p.m. at Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhosale Marg, Nariman Point, Mumbai - 400021.

- (b) Financial year: 1st April to 31st March
- (c) Book closure period: Friday, 28th July, 2017 to Thursday, 10th August, 2017, both days inclusive.
- (d) Dividend payment date: On or from 11th August, 2017.
- (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 2017-18 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 2017.

- (f) Stock Code:
BSE Ltd. (BSE): 500020
National Stock Exchange of India Ltd. (NSE): BOMDYING
- (g) Stock Market Data: Please see Annexure 1
- (h) Stock Performance: Please see Annexure 2
- (i) Contact address of Registrars and Transfer Agents ("RTA") M/s. Karvy Computershare Private Limited:

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:

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

2) KCPL 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 400 001.
Tel: 022 6623 5454/412/427

(j) Share Transfer Details:

Share transfers in physical form are registered within a period of 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	102	18,450
Transmissions	27	14,005
Total	129	32,455

(k) Dematerialisation of shares and liquidity:

97.73% of the outstanding Equity Shares have been dematerialised up to 31st March, 2017. 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) (i) Secretarial Audit:

M/s Parikh & Associates, Practicing Company Secretaries, have carried out the Secretarial Audit of the Company for the Financial Year 2016-17 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.

(n) (i) Distribution of Shareholding as on 31st March, 2017:

Description	No. of Shareholders	%	Share Holding	%
1-50	31,056	30.97	7,76,284	0.38
51-100	15,267	15.23	13,78,446	0.67
101-250	22,202	22.15	42,20,828	2.04
251-500	15,303	15.27	63,44,319	3.07
501-1000	8,087	8.07	65,92,658	3.19
1001-5000	6,744	6.73	1,49,68,154	7.25
5001&Above	1,587	1.58	17,22,54,211	83.40
Total	1,00,246	100.00	20,65,34,900	100.00

(ii) Shareholding Pattern as on 31st March, 2017:

	No. of Shares	%
Promoter Group *	10,81,22,618	52.35
Insurance Companies	85,27,970	4.13
Nationalised Banks	7,87,136	0.38
Mutual Funds	65,020	0.03
FII's	1,27,26,243	6.16
GDR Holders	27,79,425	1.35
Others	7,35,26,488	35.60
Total	20,65,34,900	100.00

(ii) Share Capital Audit:

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:

- 27,79,425 GDRs were outstanding as at 31st March, 2017, each GDR representing one underlying equity share of ₹ 2/- each.
- 928 (2015-16: 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.

*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, 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., Sahara Investments Pvt. Ltd. and Baymanco Investments Ltd. and their subsidiaries and associates.

- (o) During the financial year 2016-17, the Company has transferred ₹ 5,46,140.00 to Investor Education and Protection Fund in accordance with the provisions of Section 125 of the Companies Act, 2013 (erstwhile 205C of the Companies Act, 1956) read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

- (p) Plant Location:

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) 66620069.

Note: As required in terms of 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.

- (r) Corporate Identity Number (CIN):

CIN of the Company as allotted by the Ministry of Corporate Affairs, Government of India is L17120MH1879PLC000037.

- (s) Information flow to the Board Members:

As required under Regulation 17(7), Part A of Schedule II of SEBI (LODR) 2015, information is provided to the Board members for their information, review, inputs and approval from time to time.

- (t) Compliance with mandatory requirements:

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the SEBI (LODR) Regulations, 2015.

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 2016-17.

Mumbai, 28th June, 2017.

DECLARATION

As required under SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, this is to confirm that all the Members of the Board and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2017.

For The Bombay Dyeing & Mfg. Co. Ltd.

Mumbai, 28th June, 2017

Jehangir N. Wadia
Managing Director

AUDITORS' 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 on March 31, 2017, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations').

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management, including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above-mentioned Listing Regulations as applicable during the year ended March 31, 2017.

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

For KALYANIWALLA & MISTRY LLP

Chartered Accountants
Firm Registration No. 104607W/W100166

DARIUS Z. FRASER

Partner

Membership No.: 42454

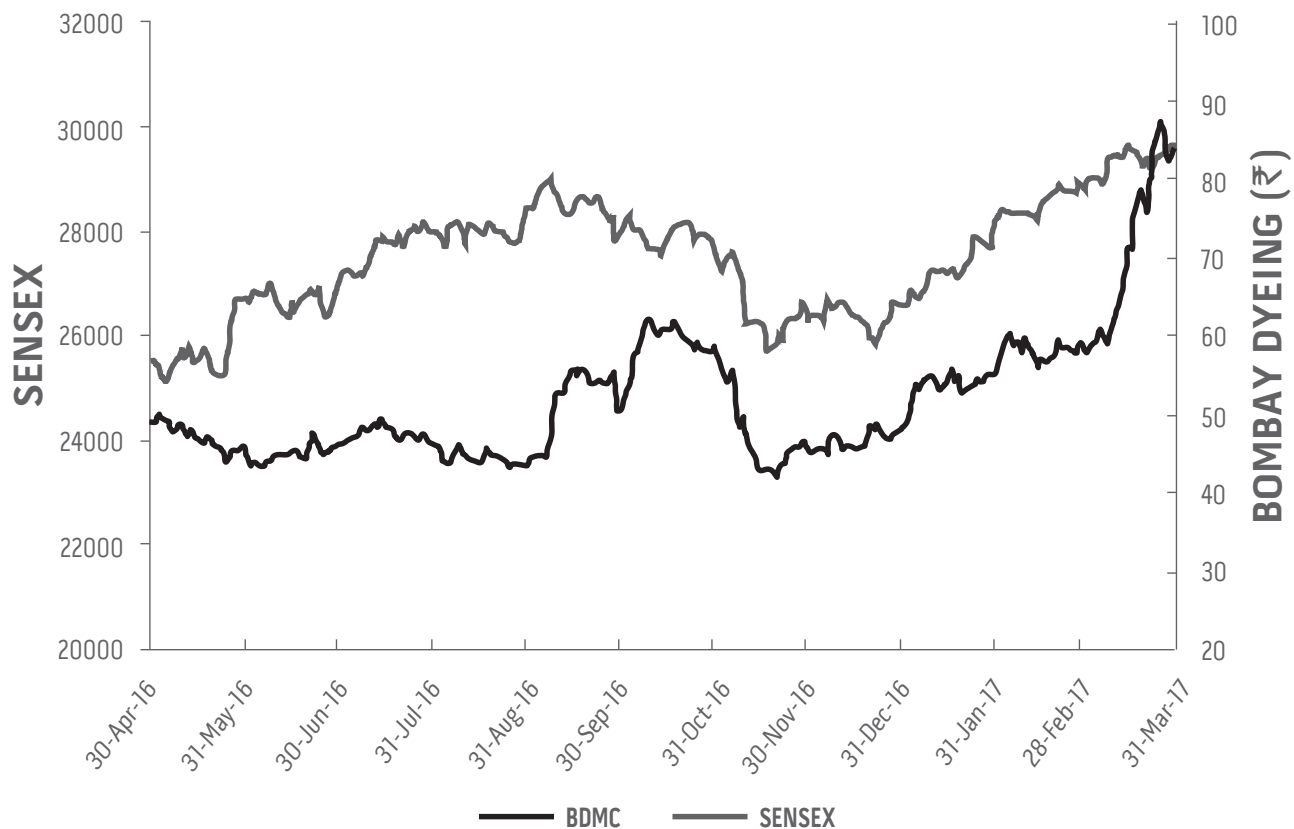
Mumbai: June 28, 2017

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, 2016	51.90	51.70	46.45	46.35	32,99,001	92,02,008	20,478	51,062	1,625.97	4,542.23
May, 2016	51.40	51.50	43.10	43.40	28,85,001	86,95,302	22,334	63,712	1,369.27	4,110.06
Jun, 2016	49.80	49.80	42.60	42.50	83,14,950	2,56,35,496	43,072	1,18,395	3,855.88	11,921.24
Jul, 2016	51.15	51.20	46.25	46.25	88,72,820	2,76,81,335	37,414	98,101	4,300.12	13,428.65
Aug, 2016	47.40	47.40	43.20	43.20	57,42,998	1,75,43,364	29,187	73,492	2,568.01	7,855.84
Sep, 2016	57.90	57.90	43.85	43.90	2,13,49,871	8,32,84,085	1,11,844	2,93,542	11,330.45	44,431.42
Oct, 2016	62.90	62.90	51.10	51.10	2,27,19,897	7,37,01,309	86,292	2,43,535	13,511.49	43,860.47
Nov, 2016	59.60	59.60	41.20	41.60	82,96,479	2,27,97,267	42,819	1,10,222	4,038.31	11,353.27
Dec, 2016	50.35	50.25	44.50	44.40	52,95,860	1,64,88,115	31,711	98,727	2,494.24	7,794.67
Jan, 2017	56.85	56.70	48.35	48.25	61,83,306	2,26,87,759	37,204	1,15,597	3,315.02	12,150.93
Feb, 2017	62.10	62.25	53.35	53.30	9,71,6177	2,98,93,962	48,298	1,46,844	5,703.36	17,642.68
Mar, 2017	90.65	90.70	57.00	57.20	8,58,95,484	13,07,34,558	1,81,101	5,05,639	61,477.98	99,711.89

ANNEXURE - 2



ANNEXURE E to Directors' Report

DETAILS OF THE REMUNERATION OF DIRECTORS, KMPs 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 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2016-17 (₹ in crore)	% increase in Remuneration in the Financial Year 2016-17	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	5.75	0%	85.43
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. Pushpamitra Das, Chief Financial Officer*	xxx	*	0
12	Mr. K. Subharaman, Company Secretary**	xxx	**	**
13	Mr. Sanjive Arora, Company Secretary***	xxx	***	***

* Details not given for Mr. Pushpamitra Das, Chief Financial Officer & Key Managerial Personnel as he was employed only for part of the financial year 2016-17 i.e. he joined with effect from 4th April, 2016

** Details not given for Mr. K. Subharaman, Company Secretary & Key Managerial Personnel as he was employed only for part of the financial year 2016-17 i.e. upto 30th April, 2016

*** Details not given for Mr. Sanjive Arora, Company Secretary & Key Managerial Personnel as he was employed only for part of the financial year 2016-17 i.e. he joined with effect from 11th July, 2016

- ii. The median remuneration of employees of the Company during the financial year was ₹ 0.067 crore. In the Financial year 2016-17, there was an increase of 2.64 % in the median remuneration of employees;
- iii. There were 726 number of permanent employees on the rolls of Company as on 31st March, 2017;
- 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 capitalisation as on 31st March, 2017, was ₹ 1,714.23 crore (₹ 982.07 crore as on 31st March, 2016).
- b) Price Earnings ratio of the Company was ₹ 41.09 as at 31st March, 2017 and was ₹ -11.51 as at 31st March, 2016.
- 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, 2017, was ₹ 1,714.23 crore and the closing price of the same at NSE on 31st March, 2017, was ₹ 83.00 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. 2016-17 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)	5.75
Revenue (₹ In crore)	1,780.24
Remuneration of KMPs (as % of revenue)	0.32%
Profit/(Loss) before Tax (PBT) (₹ In crore)	41.71
Remuneration of KMP (as % of PBT)	13.79%

- viii. The key parameters for any variable component of remuneration availed by the directors - NIL
- 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

Nusli N. Wadia
Chairman

Mumbai, 28th June, 2017

ANNEXURE F to Directors' Report

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

(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, 2017, 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, 2017 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, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (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;
- (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 Securities and Exchange Board of India (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. Further (a) The remuneration paid to the Managing Director is in excess of the limits prescribed under Section 198 of the Companies Act, 2013, due to inadequacy of profits. The Company has received an approval from the central government dated 21st June, 2017 for payment of remuneration amounting to ₹ 2.12 crores only. (b) In respect of unclaimed deposits as on 31st March, 2016, the Company maintained the liquid assets by depositing the amount on 20th June, 2017 and (c) The Company is yet to spend the amount of ₹ 4 Lakhs 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 for meetings other than those held at shorter notice, 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.:

- 1) The Hon'ble National Company Law Tribunal, Mumbai Bench has sanctioned the Scheme of Amalgamation of Archway Investment Company Limited, a wholly owned subsidiary with the Company.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date :28th June, 2017

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 :28th June, 2017

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

ANNEXURE G to Directors' Report

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Company has already constituted a Corporate Social Responsibility (CSR) 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 is available on the Company's website: www.bombaydyeing.com/media/bd/corporate/corporatepdf06.pdf

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: www.bombaydyeing.com/media/bd/corporate/corporatepdf06.pdf

2. The Composition of the CSR Committee:

Mr. Ness N. Wadia (Chairman), Mr. S. M. Palia and Mr. S. S. Kelkar.
Dr. (Mrs.) Sheela Bhide resigned as member w.e.f. 5th January, 2017

3. Average Net Profit of the Company for last three financial years 2013-14, 2014-15 & 2015-16: ₹ 1.95 crore.

4. Prescribed CSR expenditure (two percent of the Amount as in item 3 above) (2016-2017): Expenditure for the financial year 2016-17 amounts to ₹ 4 Lakhs.

5. Details of CSR spend during the financial Year 2016-17:

- (a) Total amount spent during the Financial Year 2016-17: NIL
(b) Amount unspent, if any: ₹ 4 Lakhs (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 (₹)		
NIL								

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 incurred substantial loss during the nine months ended 31st December, 2016 therefore, the CSR Committee had decided not to spend any amount on CSR activities in the Financial Year 2016-17. However, as the fourth quarter and for the year ended 31st March, 2017, the Company showed profit, the small allocation of ₹ 4 lakh available this year will be spent in the current Financial Year 2017-18.

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

Place: Mumbai

Date: 28th June, 2017

Nusli N. Wadia

Chairman

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, 2017, 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, 2017 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

- 1) Note 39 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 2017. The Company has during the year recognized net revenues of ₹ 156.07 crore (2015-16: ₹ 239.26 crore) and resultant profit before tax of ₹ 102.63 crore (2015-16: ₹ 158.63 crore) on sale of said apartments to SCAL.
- 2) Note 43 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 ₹ 4.29 crore, due to inadequacy of profits. The Company has received an approval from the Central Government dated June 21, 2017, for payment of remuneration amounting to ₹ 2.12 crore only. The Company is proposing to make a representation to the Central Government with a request to reconsider the amount approved. Pending such representation, no adjustments have been made in the accounts for the year ended March 31, 2017 and the excess amount is held by the Managing Director in trust for the Company.

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, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 32 and 42 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.
- iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes, as defined in the Notification S. O. 3407 (E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations of management, we report that the disclosures are in accordance with books of account maintained by the Company – Refer Note 47 to the standalone financial statements.

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Registration No. 104607W/W100166

DARAIUS Z. FRASER

Partner

Membership No.: 42454

Place: Mumbai

Date: 28th June, 2017

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, 2017:

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. The Company did not carry out physical verification of fixed assets during the year, however, the dismantling and slare of its Ranjangaon plant is in progress. In the circumstances, we are unable to state whether any material discrepancies were noticed.
- (c) According to the information and explanation given to us and based on the documents and records produced before us, the title deeds of immovable 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 31st December, 2015.
 - (c) The shareholder's deposit is overdue for more than ninety days. The Company has made adequate provision against

the same and has also 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	0.38	2008-09	Maharashtra Sales Tax Tribunal
		CST	1.80	2008-09	Maharashtra Sales Tax Tribunal
		CST	1.52	2009-10	Department of Trade and Taxes, New Delhi
		CST	2.74	2011-12	Department of Trade and Taxes, New Delhi
		CST	0.50	2012-13	Joint Commissioner of Sales Tax, Mumbai

No.	Name of the statute	Nature of dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
2	Income Tax Act, 1961	Income tax	0.09	2006-07	Income Tax Appellate Tribunal
		Income tax	0.03	2007-08	Deputy Commissioner of Income Tax- TDS, Mumbai
		Income tax	0.15	2007-08	Income Tax Appellate Tribunal
		Income tax	0.02	2008-09	Deputy Commissioner of Income Tax- TDS, Mumbai
		Income tax	0.43	2008-09	Income Tax Appellate Tribunal
		Income tax	1.86	2009-10	Income Tax Appellate Tribunal
		Income tax	0.36	2010-11	Income Tax Appellate Tribunal
		Income tax	0.13	2011-12	Commissioner of Income Tax (Appeal)
		Income tax	1.07	2012-13	Commissioner of Income Tax (Appeal)
		Income tax	0.96	2013-14	Commissioner of Income Tax (Appeal)
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
		Service Tax	0.76	2003-04 to 2005-06	Commissioner of Service Tax, Mumbai Tribunal
		Interest on excise duty	0.20	2002-2006	Bombay High Court
5	Municipal Corporation of Greater Mumbai Octroi Rules, 1965	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 or 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 given 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 ₹ 4.29 crore, due to inadequacy of profits. The Company has received an approval from the Central Government dated June 21, 2017, for payment of remuneration amounting to ₹ 2.12 crore only. The Company is proposing to make a representation to the Central Government with a request to reconsider the amount approved. Pending such representation, no adjustments have been made in the accounts for the year ended March 31, 2017 and the excess amount is held by the Managing Director in trust for the Company.
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 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 LLP

Chartered Accountants

Firm Registration No. 104607W/W100166

DARAIUS Z. FRASER

Partner

Membership No.: 42454

Place: Mumbai

Date: 28th June, 2017

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, 2017:

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, 2017 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, 2017, 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 LLP

Chartered Accountants
Firm Registration No. 104607W/W100166

DARAIUS Z. FRASER

Partner

Membership No.: 42454

Place: Mumbai

Date: 28th June, 2017

BALANCE SHEET As at 31st March, 2017

		(₹ in crores)	
	NOTE	As at 31 st March, 2017	As at 31 st March, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	41.31	41.31
Reserves and surplus	3	1,223.97	1,270.81
		1,265.28	1,312.12
Non-current liabilities			
Long-term borrowings.....	4	1,009.35	1,215.07
Other Long-term liabilities.....	5	14.46	10.44
Long-term provisions.....	6	16.61	14.92
		1,040.42	1,240.43
Current liabilities			
Short-term borrowings.....	7	1,218.92	824.07
Trade payables	8	357.74	296.49
Other current liabilities	9	712.81	678.82
Short-term provisions.....	10	68.98	41.52
		2,358.45	1,840.90
TOTAL		4,664.15	4,393.45
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	11	571.51	588.44
- Intangible assets	12	0.61	1.87
- Capital work-in-progress		74.67	72.41
Non-current investments	13	37.80	55.96
Long-term loans and advances.....	14	17.40	34.86
Other non current assets	15	1,962.93	1,812.82
		2,664.92	2,566.36
Current assets			
Inventories	16	799.70	679.87
Trade receivables	17	140.76	238.15
Cash and bank balances	18	162.30	113.77
Short-term loans and advances.....	19	353.68	143.11
Other current assets	20	332.05	429.46
Assets Held for Sale	21	210.74	222.73
		1,999.23	1,827.09
TOTAL		4,664.15	4,393.45
Significant Accounting Policies	1		

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Daraius Z Fraser
Partner
Membership No.42454
Mumbai, 28th June, 2017

Signatures to the Balance Sheet and Notes to financial statements
For and on behalf of the Board of Directors

Nusli N. Wadia *Chairman*
Jehangir N. Wadia *Managing Director*
Pushpamitra Das *Chief Financial Officer*
Sanjive Arora *Company Secretary*
Mumbai, 28th June, 2017

R. A. Shah
S. S. Kelkar
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2017

(₹ in crores)

	NOTE	2016-17	2015-16
INCOME			
Revenue from operations	22	1,814.59	1,944.34
Less : Excise Duty		104.30	99.33
Revenue from operations (net)		1,710.29	1,845.01
Other income	23	69.95	39.38
Total Revenue		1,780.24	1,884.39
EXPENSES			
Cost of materials consumed	24	889.38	899.56
Purchases of Stock-in-Trade	25	230.20	211.14
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	(182.49)	(152.08)
Employee benefits expense	27	90.01	100.20
Finance costs	28	368.44	282.64
Depreciation and amortization expense	29	31.66	33.91
Impairment loss on fixed assets		2.43	-
Other expenses	30	581.76	594.26
		2,011.39	1,969.63
Loss before exceptional and extraordinary items and tax		(231.15)	(85.24)
Exceptional items	31	302.43	-
Profit/(Loss) before extraordinary items and tax		71.28	(85.24)
Extraordinary items		-	-
Profit/(Loss) before tax		71.28	(85.24)
Tax expense:			
Current tax		29.57	-
Profit/(Loss) for the year		41.71	(85.24)
Earnings per equity share of nominal value ₹ 2 each (Refer Note No.50)			
Basic earnings per equity share (in ₹)		2.02	(4.13)
Diluted earnings per equity share (in ₹)		2.02	(4.13)
Significant Accounting Policies	1		

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

FOR KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No.104607W/W100166

Daraius Z Fraser
Partner
Membership No.42454
Mumbai, 28th June, 2017

Signatures to the Statement of Profit and Loss and Notes to financial statements
For and on behalf of the Board of Directors

Nusli N. Wadia *Chairman*
Jehangir N. Wadia *Managing Director*
Pushpamitra Das *Chief Financial Officer*
Sanjive Arora *Company Secretary*
Mumbai, 28th June, 2017

R. A. Shah
S. S. Kelkar
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

CASH FLOW STATEMENT for the year ended 31st March, 2017

(₹ in crores)

	2016-17	2015-16
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET LOSS BEFORE EXCEPTIONAL ITEMS AND TAX	(231.15)	(85.24)
Adjusted for		
Depreciation and amortisation.....	31.66	33.91
Impairment of Assets	2.43	-
Provision for doubtful debts/ advances.....	60.73	8.55
Provision for diminution in value of investments.....	1.59	-
Sundry balances written back.....	(1.95)	(1.78)
Interest income.....	(26.12)	(29.56)
Interest and other finance charges	368.44	282.64
Loss / (Profit) on sale of fixed assets.....	0.10	(4.45)
Dividend income	(1.59)	-
Unrealised Foreign exchange loss/ (gain) (net).....	110.46	(9.94)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES.....	314.60	194.13
Adjustments for changes in		
Inventories.....	(192.41)	(133.46)
Trade receivables	92.06	26.43
Other current and non-current assets.....	(243.98)	(493.57)
Trade payables and acceptances.....	60.17	(181.78)
Other current and non-current liabilities.....	34.28	152.57
Provisions.....	24.18	9.20
CASH GENERATED FROM/ (USED IN) OPERATIONS	88.90	(426.48)
Direct taxes paid (net)	(14.07)	(8.75)
CASH FLOW BEFORE EXCEPTIONAL ITEMS.....	74.83	(435.23)
EXCEPTIONAL ITEMS		
Voluntary Retirement benefits to workmen at Ranjangaon Plant.....	(18.82)	-
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES..... (a)	56.01	(435.23)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets.....	(15.95)	(7.38)
Proceeds from sale of fixed assets.....	8.77	5.59
Purchase of equity shares in subsidiary	(12.59)	-
Inter corporate deposits placed.....	(12.25)	(167.76)
Inter corporate deposits received back	-	218.46
Fixed deposits placed with banks.....	(393.28)	(28.43)
Fixed deposits with banks realised.....	367.45	59.62
Escrow Accounts.....	19.17	(67.96)
Dividend received	1.59	-
Interest received.....	25.49	29.93
CASH FLOW BEFORE EXCEPTIONAL ITEMS.....	(11.60)	42.07
EXCEPTIONAL ITEMS		
Proceeds from sale of investments.....	328.26	-
Proceeds from sale of surplus property	9.38	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	326.04	42.07

CASH FLOW STATEMENT for the year ended 31st March, 2017

(₹ in crores)

	2016-17	2015-16
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	898.40	634.63
Repayment of borrowings	(845.58)	(348.87)
Proceeds from inter corporate borrowings	1,449.81	767.59
Repayment of matured inter corporate borrowings	(1,107.76)	(498.72)
(Decrease) / Increase in demand loan, cash credit	(209.43)	150.12
Interest and other finance charges paid	(527.61)	(281.01)
Dividend paid (including corporate dividend tax)	(12.43)	(19.89)
NET CASH USED IN FINANCING ACTIVITIES..... (c)	(354.60)	403.85
NET INCREASE IN CASH AND CASH EQUIVALENTS (a)+(b)+(c)	27.45	10.68
CASH AND CASH EQUIVALENTS AT THE COMMENCEMENT OF THE YEAR.....	18.75	8.07
AMOUNT TRANSFERRED ON AMALGAMATION OF SUBSIDIARY	14.64	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	60.84	18.75
Notes:		
1. Cash and Cash Equivalents comprises of :		
Balances with banks in current accounts	57.63	13.03
Cheques on hand.....	3.14	5.62
Cash on hand	0.07	0.10
Cash and cash equivalents	60.84	18.75
2. The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in AS 3 - 'Cash Flow Statements'.		
3. Figures in brackets are outflows/ deductions.		
4. Previous years figures have been regrouped where necessary.		

As per our report attached

FOR KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No.104607W/W100166

Daraius Z Fraser
Partner
Membership No.42454
Mumbai, 28th June, 2017

Nusli N. Wadia *Chairman*
Jehangir N. Wadia *Managing Director*
Pushpamitra Das *Chief Financial Officer*
Sanjive Arora *Company Secretary*
Mumbai, 28th June, 2017

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

R. A. Shah
S. S. Kelkar
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

NOTES to financial statements for the year ended 31st March, 2017

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 ("the Act") 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 at market value determined at the rate at which it was converted from fixed assets to stock-in-trade, 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.

(d) Fixed assets

Fixed assets are stated at cost (net of cenvat credit wherever

NOTES to financial statements for the year ended 31st March, 2017

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, pro rata 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 PSF manufacturing plant at Patalganga is treated as a Continuous process plant 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 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

NOTES to financial statements for the year ended 31st March, 2017

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 and 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:

(1) 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.

NOTES to financial statements for the year ended 31st March, 2017

(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, 2017

(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, 2017	As at 31 st March, 2016
AUTHORISED		
250,000,000 (2015-16: 250,000,000) Equity shares of ₹2 each	50.00	50.00
ISSUED, SUBSCRIBED AND PAID-UP		
206,534,900 (2015-16 :206,534,900) 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, 2017		As at 31 st March, 2016	
	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, 2017

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

	As at 31 st March, 2017		As at 31 st March, 2016	
	Numbers Face Value of ₹ 2	% holding	Numbers Face Value of ₹ 2	% holding
Baymanco Investments Limited, Mauritius	47,312,000	22.91	-	-
The Bombay Burmah Trading Corporation Limited	31,550,713	15.28	25,783,320	12.48
N. W. Exports Limited	-	-	27,847,740	13.48
Sunflower Investment and Textiles Private Limited	-	-	22,139,783	10.72
	78,862,713	38.19	75,770,843	36.68

(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, the outstanding options have lapsed during the year and no options are outstanding at the year end.

(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 Nil shares (2015-16- Nil 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 206A of the Companies Act, 1956, 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, 2017	As at 31 st March, 2016
Capital Reserve		
As per last balance sheet	28.60	28.60
Capital Redemption Reserve		
As per last balance sheet	2.55	2.55
Less: Adjustment as per the scheme of amalgamation	(2.55)	-
	-	2.55
Securities Premium Account		
As per last balance sheet	141.37	141.37
Less: Adjustment as per the scheme of amalgamation	(7.80)	-
	133.57	141.37
Revaluation Reserve [Refer Note 1 (c)]		
As per last balance sheet	934.42	1,098.28
Less: Released to statement of profit and loss in proportion of revenue recognised on agreements for sale	(72.59)	(163.86)
	861.83	934.42
Investment Reserve		
As per last balance sheet	1.31	1.31
Hedging Reserve Account		
As per last balance sheet	0.92	(0.45)
(Less) / Add :Fair value (loss) / gain on derivative contracts designated as cash flow hedges	(0.92)	1.37
	-	0.92

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

3. RESERVES AND SURPLUS	As at 31 st March, 2017	As at 31 st March, 2016
General Reserve		
As per last balance sheet	155.81	155.81
	155.81	155.81
Surplus in statement of profit and loss		
Balance as per last balance sheet	5.83	103.50
Add: Transfer on amalgamation of subsidiary	12.71	-
Add / (less) : Profit / (Loss) for the year	41.71	(85.24)
	60.25	18.26
Less: Appropriations		
Proposed dividend	(14.46)	(10.33)
Dividend distribution tax	(2.94)	(2.10)
	(17.40)	(12.43)
Net surplus in the statement of profit and loss	42.85	5.83
	1,223.97	1,270.81

(₹ in crores)

4. LONG-TERM BORROWINGS	As at 31 st March, 2017	As at 31 st March, 2016
Secured		
Term Loans		
- from banks	1,099.79	1,330.03
- from others	221.67	200.20
	1,321.46	1,530.23
Unsecured		
Fixed Deposits	77.05	77.19
	1,398.51	1,607.42
Less: Current maturities of long-term debt (Included in note 9)	389.16	392.35
	1,009.35	1,215.07

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

- i) Term loans aggregating ₹251.55 crores (2015-16 ₹407.20 crores) are secured by first / secondary pari-passu charge over the part of land of the Company at Textile Mills at Mumbai and plant & machinery, buildings and structure thereon. Repayable in quarterly instalments over the next year.
- ii) Term loan amounting to ₹60 crores (2015-16 ₹ 108 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 first pari-passu charge of portion of Spring Mills land & buildings and structure thereon. Repayable in monthly instalments over the next one year.
- iii) Term loan amounting to ₹17.10 crores (2015-16 ₹ 26.40 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 2 years.

NOTES to financial statements for the year ended 31st March, 2017

- iv) Term loan amounting to ₹ 361.64 crores (2015-16 ₹ 342.32 crores) are secured by first pari-passu charge over part of land of the Company at Worli. Repayable over 2 to 3 years in quarterly instalments with a bullet payment of ₹ 100 crores in 01st July, 2018.
- v) Term loans amounting to ₹ 631.17 crores (2015-16 ₹ 571.87 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 3 to 4 years.
- vi) Term Loans aggregating ₹ Nil crores (2015-16 ₹ 7.80 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.
- vii) Term loan amounting to ₹ Nil crores (2015-16 ₹ 66.64 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.

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, 2017	As at 31 st March, 2016
Trade payables	1.86	1.86
Deposits	12.60	8.58
	14.46	10.44

(₹ in crores)		
6. LONG TERM PROVISIONS	As at 31 st March, 2017	As at 31 st March, 2016
Provision for employee benefits		
- Provision for compensated absences	4.04	3.24
- Provision for loyalty / long service awards	2.16	2.00
- Provision for termination benefits (Refer Note 38 and 44)	6.93	6.58
Provision for sales tax forms (Refer Note (a) below)	3.48	3.10
	16.61	14.92
(a) Movement in provisions		
Provision for Sales Tax Forms		
Balance as at the beginning of the year	3.10	2.73
Additions	0.38	1.20
Amounts utilised	-	(0.83)
Balance as at the end of the year	3.48	3.10

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

7. SHORT-TERM BORROWINGS	As at 31 st March, 2017	As at 31 st March, 2016
Secured		
Short Term loans from banks	70.93	-
Working capital demand loans from banks	104.38	237.58
Packing credit from bank	92.81	166.34
Buyer's Credit in Foreign currency	72.75	76.44
Inter corporate deposits	190.00	-
Unsecured		
Short Term loans from banks	5.00	-
Bills discounted with banks	-	2.71
Inter corporate deposits	683.05	341.00
	1,218.92	824.07

a) Nature of Security for Short term borrowings

- (i) Short term loans from bank ₹ 70.93 crores (2015-16 ₹ Nil) are secured by mortgage of the company's property 'Jorbagh' and first pari-passu charge over part of the company's land, building and structures at Worli.
- (ii) Working Capital loans of ₹ 104.38 crores (2015-16: ₹ 237.58 crores) and Buyer's Credit amounting to ₹ 9.86 crores (2015-16 ₹ 29.83 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.
- (iii) Packing credit from bank of ₹ 92.81 crores (2015-16 ₹ 110.84 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.
- (iv) Buyer's Credit aggregating ₹ 62.89 crores (2015-16 ₹ 46.61 crores) is secured by first pari-passu charge on land of the Company at Spring Mills at Mumbai admeasuring 36,617.13 square metres.
- (v) Inter corporate deposits are secured by pledge of 7,538,600 equity shares of Bombay Burmah Trading Company Limited.
- (vi) Packing credit from bank of ₹ Nil crores (2015-16 ₹ 20.50 crores) is secured by way of current assets of the company (excluding the real estate division) and on the Textile mill land at Worli admeasuring 89,819.85 square metres and plant and building on pari-passu basis with other lenders.
- (vii) Packing credit from bank of ₹ Nil crores (2015-16 ₹ 35 crores) 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.

(₹ in crores)

8. TRADE PAYABLES	As at 31 st March, 2017	As at 31 st March, 2016
Acceptances under suppliers line of credit	6.20	33.09
Dues to Micro and Small Enterprises (Refer Note (a) below)	0.11	-
Other Creditors	351.43	263.40
	357.74	296.49

- 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 46)

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

9. OTHER CURRENT LIABILITIES	As at 31 st March, 2017	As at 31 st March, 2016
Current maturities of long-term borrowings [Refer Note 4 (a) and (b)]		
- Term loans from banks	325.51	331.81
- Term loans from others	63.65	60.52
- Fixed deposits	-	0.02
Interest accrued and due on borrowings	2.96	2.20
Interest accrued but not due on borrowings	2.02	2.23
Unclaimed matured deposits	0.85	1.36
Unpaid dividends*	1.13	1.05
Advances from customers (including for sale of property)	123.42	24.83
Deposits	4.57	3.27
Liability in respect of forward exchange contracts	13.81	6.50
Statutory dues including service tax and withholding tax	24.83	17.11
Employees benefits payable	5.51	10.52
Accrued expenses	135.58	203.48
Other liabilities	8.97	13.92
	712.81	678.82

- a)* During the year, the Company has transferred an amount of ₹0.05 crore (2015-16 ₹0.12 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, 2017	As at 31 st March, 2016
Provision for employee benefits		
Provision for compensated absences	4.87	5.30
Provision for termination benefits		
- Gratuity (Refer Note 44)	0.48	0.47
- Others (Refer Note 38 and 44)	0.60	0.59
Provision for loyalty / long service awards	0.44	0.43
	6.39	6.79
Other provisions		
Provision for litigation and disputes (Refer Note (a) below)	13.69	11.96
Provision for commercial and other matters (Refer Note (a) below)	31.50	10.34
Proposed dividend	14.46	10.33
Provision for tax on proposed dividend	2.94	2.10
	62.59	34.73
	68.98	41.52

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

10. SHORT TERM PROVISIONS	As at 31 st March, 2017	As at 31 st March, 2016
(a) Movement in provisions		
- Litigation and disputes		
Balance as at the beginning of the year	11.96	10.41
Additions	1.73	1.55
Amounts utilised	-	-
Balance as at the end of the year	13.69	11.96
- Commercial and other matters		
Balance as at the beginning of the year	10.34	10.09
Additions	21.16	1.90
Amounts utilised	-	(1.65)
Balance as at the end of the year	31.50	10.34

11. TANGIBLE ASSETS

(₹ in crores)

DESCRIPTION	Gross Block				Cost or book value as at 31-03-2017	Depreciation				Balance as at 31-03-2017	Net Block	
	Cost or book value as at 01-04-2016	Additions	Deductions	Adjustments		Balance as at 01-04-2016	For the year	Deductions	Adjustments		As at 31-03-2017	As at 31-03-2016
Land												
Freehold Land	109.00	-	-	-	109.00	-	-	-	-	-	109.00	109.00
Leasehold Land	0.60	-	-	-	0.60	0.23	0.01	-	-	0.24	0.36	0.37
Building*	78.47	4.98	0.07	-	83.38	23.82	2.04	0.04	-	25.82	57.56	54.65
Computer and data processing units	15.99	0.36	-	0.15	16.50	12.67	1.05	-	0.18	13.90	2.60	3.32
Office Equipment	6.86	0.24	-	0.01	7.11	6.68	0.38	-	-	7.06	0.05	0.18
Plant & Machinery	707.49	7.16	0.04	0.24	714.85	301.48	23.47	0.04	0.07	324.98	389.87	406.01
Furniture & Fixture	43.38	-	0.01	1.60	44.97	31.97	3.28	0.01	1.08	36.32	8.65	11.41
Motor Vehicles	4.52	0.07	0.02	-	4.57	1.02	0.15	0.02	-	1.15	3.42	3.50
Total	966.31	12.81	0.14	2.00	980.98	377.87	30.38	0.11	1.33	409.47	571.51	588.44
As at 31.03.2016	1,341.82	10.06	9.65	375.92	966.31	507.17	32.45	8.52	153.23	377.87	588.44	

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 Assets transferred back from Assets held for sale for use by the company.
- *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 ASSETS

(₹ in crores)

DESCRIPTION	Gross Block				Cost or book value as at 31-03-2017	Depreciation				Balance as at 31-03-2017	Net Block	
	Cost or book value as at 01-04-2016	Additions	Deductions	Adjustments		Balance as at 01-04-2016	For the year	Deductions	Adjustments		As at 31-03-2017	As at 31-03-2016
Technical know how	4.22	-	-	-	4.22	3.59	0.42	-	-	4.01	0.21	0.63
Software	10.48	-	-	0.03	10.51	9.24	0.86	-	0.01	10.11	0.40	1.24
Total	14.70	-	-	0.03	14.73	12.83	1.28	-	0.01	14.12	0.61	1.87
As at 31.03.2016	14.85	0.07	0.01	0.21	14.70	11.54	1.46	-	0.17	12.83	1.87	

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

13. NON-CURRENT INVESTMENTS	As at 31 st March, 2017	As at 31 st March, 2016
TRADE INVESTMENTS (Valued at Cost)		
Equity shares fully paid up (Unquoted)		
Investment in associate company		
20,000 (2015-16: 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 (2015-16: 2,217) Series A shares of U.S. \$ 1,000 each in P. T. Five Star Textile Indonesia	1.59	1.59
Investment in others		
1,900 (2015-16 :1,900) Equity shares of ₹10 each in BDS Urban Infrastructure Pvt. Ltd.	0.01	0.01
30,400 (2015-16: 30,400) Equity shares of ₹ 100 each in Scal Services Ltd.	0.30	0.30
	1.92	1.92
Less: Provision for diminution in value of investments	(1.59)	-
	0.33	1.92
OTHER INVESTMENTS (Valued at Cost)		
Equity shares fully paid up (Quoted)		
15,560 (2015-16: Nil) Equity Shares of ₹ 10/- each fully paid up in Citurgia Biochemicals Limited	0.02	-
87,19,290 (2015-16: Nil) Equity Shares of ₹ 2/- each fully paid up in Bombay Burmah Trading Corporation Limited (Refer note 7(v))	33.03	-
2,85,000 (2015-16: Nil) Equity Shares of ₹ 10/- each fully paid up in National Peroxide Limited	2.37	-
25,262 (2015-16: Nil) Equity Shares of ₹ 10/- each fully paid up in D. B. Realty limited	1.18	-
Equity shares fully paid up (Unquoted)		
Investment in subsidiary company		
- (2015-16: 49,80,600) Equity shares of ₹ 100 each in Archway Investment Co. Ltd.	-	49.81
Investment in associate company		
88,200 (2015-16: 88,200) Equity shares of ₹ 100 each in Pentafil Textile Dealers Ltd.	0.88	0.88
Investment in others		
100 (2015-16: 100) Shares of ₹25 each in Roha Industries Association's Co-operative Consumers Society Ltd. [₹2500/- (2015-16 ₹2500/-)]	*	*
Debentures		
Investment in subsidiary company		
- (2015-16: 3,35,000) Fully Convertible Unsecured (Interest Free) Debentures of ₹100 each in Archway Investment Co. Ltd.	-	3.35
	37.47	54.04
	37.80	55.96
* denotes values less than ₹1 lakh		
Aggregate amount of Quoted Investment	36.59	-
Aggregate market value of Quoted Investment	772.34	-
Aggregate amount of Unquoted Investment	2.80	55.96
Aggregate provision for diminution in value of investments	1.59	-
	813.32	55.96

During the year the investment in 335,000 fully convertible debentures were converted into 335,000 equity shares of ₹ 100/- each. The company also acquired 224,400 equity shares making Archway Investments Company Limited, a wholly owned subsidiary. Subsequently Archway Investments Company Limited was amalgamated with the company pursuant to the Scheme of Amalgamation under Sec 391 to 394 of the Companies Act, 1956 and the applicable provisions of the Companies Act, 2013 with effect from 1st April, 2016, the appointed date.

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

14. LONG-TERM LOANS AND ADVANCES	As at 31 st March, 2017	As at 31 st March, 2016
Unsecured, Considered good (unless otherwise stated)		
Capital advances	1.65	1.28
Security deposits		
- Considered good	7.08	6.07
- Considered doubtful	0.55	0.57
- Less : Provision for doubtful advances	(0.55)	(0.57)
	7.08	6.07
Loans and advances to related parties		
- Considered good	3.00	23.07
- Considered doubtful	78.76	24.83
- Less : Provision for doubtful advances	(78.76)	(24.83)
	3.00	23.07
Advances recoverable in cash or kind		
- Considered good	2.08	2.38
- Considered doubtful	3.11	2.96
- Less : Provision for doubtful advances	(3.11)	(2.96)
	2.08	2.38
Prepaid expenses	1.40	0.03
Loans to employees	0.14	0.18
Balances with government authorities		
- Considered good	2.05	1.85
- Considered doubtful	1.98	1.46
- Less : Provision for doubtful advances	(1.98)	(1.46)
	2.05	1.85
	17.40	34.86
a) Loans and advances to related parties pertain to :		
P. T. Five Star Textile Indonesia	78.76	44.90
The Bombay Burmah Trading Corporation Limited - Deposit	3.00	3.00
	81.76	47.90

(₹ in crores)

15. OTHER NON CURRENT ASSETS	As at 31 st March, 2017	As at 31 st March, 2016
Long term deposits with banks with maturity greater than one year (Refer Note (a) below)	6.71	6.40
Unamortised finance charges	68.46	8.01
Industrial subsidy receivable		
- Considered good	33.46	18.89
- Considered doubtful	2.13	2.13
	35.59	21.02
- Less : Provision for doubtful recoverable	(2.13)	(2.13)
	33.46	18.89
Unbilled revenue	1,853.97	1,779.07
Interest accrued on deposits	0.33	0.45
	1,962.93	1,812.82

(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, 2017

(₹ in crores)

16. INVENTORIES (Valued at lower of cost and net realisable value)	As at 31 st March, 2017	As at 31 st March, 2016
Raw materials [includes in transit ₹ 38.33 crores (2015-16 ₹25.34 crores)]	70.98	50.50
Work-in-progress	9.92	7.82
Finished goods [includes in transit ₹Nil crore (2015-16 ₹7.86 crore)]	79.86	64.73
Stock-in-Trade	70.33	59.78
Stores, spares and catalysts	7.89	13.46
Real estate development work-in-progress	560.72	483.58
	799.70	679.87

Note: Real Estate development work-in-progress includes expenditure 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)

17. TRADE RECEIVABLES	As at 31 st March, 2017	As at 31 st March, 2016
Unsecured, considered good unless otherwise stated		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	79.75	81.66
Considered doubtful	25.32	19.89
	105.07	101.55
Less: Provision for doubtful receivables	(25.32)	(19.89)
	79.75	81.66
Other receivables - considered good	61.01	156.49
	140.76	238.15

(a) Trade receivables includes ₹ 40.19 crores (2015-16 ₹38.41 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)

18. CASH AND BANK BALANCES	As at 31 st March, 2017	As at 31 st March, 2016
Cash and Cash Equivalents		
Balances with banks in current accounts	57.63	13.03
Cheques on hand	3.14	5.62
Cash on hand	0.07	0.10
	60.84	18.75
Other bank balances		
Balance with banks in unpaid dividend accounts	1.13	1.05
Balance with banks in escrow accounts (Refer Note (a) below)	49.01	68.18
Bank deposits under lien, held in trust and in escrow accounts (Refer Note (b) below)	51.32	25.79
	101.46	95.02
	162.30	113.77

(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, 2017

(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 - ₹38.05 crores (2015-16 ₹19.31 crores).
- Short term deposits relating to amounts held under Escrow in accordance with the loan arrangements with a consortium of bankers ₹13.27 crores (2015-16 ₹ 6.32 crores)

		(₹ in crores)	
19. SHORT-TERM LOANS AND ADVANCES	As at 31 st March,2017	As at 31 st March,2016	
Unsecured, considered good, unless otherwise stated :			
Security deposits	0.30	0.13	
Loans and advances to related parties			
- Considered good	13.31	1.03	
- Considered doubtful	-	0.01	
- Less : Provision for doubtful advances	-	(0.01)	
	13.31	1.03	
Advances recoverable in cash or kind or for value to be received			
- Considered good	55.49	68.77	
- Considered doubtful	0.73	-	
- Less : Provision for doubtful advances	(0.73)	-	
	55.49	68.77	
Inter corporate deposits	229.78	-	
Advance income-tax (net of provision for taxation)	17.45	32.95	
Prepaid expenses	6.04	2.02	
Loans/ advances to employees	0.52	0.59	
Balances with government authorities	30.79	37.62	
	353.68	143.11	

a) Advances recoverable in cash or in kind or for value to be received includes ₹ 0.73 crore (2015-16 ₹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,2017	As at 31 st March,2016	
Go Airlines (India) Limited	0.05	0.76	
The Bombay Burmah Trading Corporation Limited	0.17	0.27	
Bombay Dyeing Real Estate Company Limited	0.84	-	
Pentafil Textile Dealers Limited	12.25	-	
	13.31	1.03	

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

20. OTHER CURRENT ASSETS	As at 31 st March, 2017	As at 31 st March, 2016
Unsecured, considered good		
Interest accrued on deposits	2.15	1.40
Unamortised finance charges	7.38	8.85
Deferred premium	2.86	2.77
Export benefits receivable		
- Considered good	8.17	11.68
- Considered doubtful	0.35	0.35
- Less : Provision for doubtful advances	(0.35)	(0.35)
	8.17	11.68
Unbilled revenue	311.49	404.76
	332.05	429.46

(₹ in crores)

21. ASSETS HELD FOR SALE	As at 31 st March, 2017	As at 31 st March, 2016
(at net realisable value)		
Reclassification from Fixed Assets		
Leasehold land	16.64	16.64
Freehold land	9.35	9.35
Building	58.39	57.97
Plant and machinery	141.38	150.90
Other assets	0.57	1.13
Stores	0.10	-
Impairment loss	(15.69)	(13.26)
	210.74	222.73

The Company is committed to a plan to sell the assets of the Ranjangaon Unit and for this purpose has entered into an Agreement for sale of leasehold land and buildings and a Term sheet with a buyer for sale of plant and machinery. Accordingly the carrying amount of the Ranjangaon assets have been classified as held for sale at net realisable value.

(₹ in crores)

22. REVENUE FROM OPERATIONS	As at 31 st March, 2017	As at 31 st March, 2016
Sale of products	1,502.56	1,457.35
Less : Excise duty	104.30	99.33
	1,398.26	1,358.02
Real estate development activity (Refer Note 39)	269.88	446.70
Other operating revenue		
Lease Rentals	27.07	23.53
Scrap sales	1.76	2.00
Others	13.32	14.76
	42.15	40.29
Revenue from operations (net)	1,710.29	1,845.01
Details of Products Sold		
Polyester staple fibre	1,199.37	1,152.47
Processed long length	59.90	91.55
Made ups	243.29	213.33
	1,502.56	1,457.35

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

23. OTHER INCOME	As at 31st March,2017	As at 31st March,2016
Interest income		
on inter corporate deposits	14.61	12.16
on income-tax refunds	4.35	9.22
on fixed deposits with banks	5.88	3.35
on others	1.28	4.83
Profit on sale of fixed assets	-	4.45
Subsidy under Package Incentive Scheme	33.86	-
Gain on foreign currency transactions (net)	2.68	-
Sundry balances / excess provisions written back	1.95	1.80
Dividend income from non-current investments	1.59	-
Other non-operating income	3.75	3.57
	69.95	39.38

(₹ in crores)

24. COST OF MATERIAL CONSUMED	As at 31st March,2017	As at 31st March,2016
Inventory at the beginning of the year	50.50	67.33
Add : Purchases	909.86	882.73
Less: Inventory at the end of the year	(70.98)	(50.50)
	889.38	899.56
Details of material consumed		
1 Purified Terephthalic Acid	620.74	603.99
2 Mono Ethylene Glycol	256.17	269.19
3 Others	12.47	26.38
	889.38	899.56

(₹ in crores)

25. PURCHASES OF STOCK-IN-TRADE	As at 31st March,2017	As at 31st March,2016
Processed long length	47.18	55.87
Made ups	183.02	155.27
	230.20	211.14

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	As at 31st March, 2017	As at 31st March, 2016
Manufacturing		
Inventories at the end of the year		
Finished goods	79.86	59.75
Work-in-progress	9.92	7.82
Stock-in-trade	70.33	59.78
	160.11	127.35
Inventories at the beginning 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
Inventory change - manufacturing (a)	(32.76)	(5.88)
Real Estate		
Inventories at the end of the year		
Stock in trade	-	4.98
Development work-in-progress	560.72	483.58
	560.72	488.56
Inventories at the beginning of the year		
Stock in trade	4.98	4.98
Less: Capitalised during the year	(4.98)	-
Development work-in-progress	483.58	501.24
	483.58	506.22
Decrease / (increase) in inventory	(77.14)	17.66
Release from revaluation reserve in proportion of revenue recognised on areas agreed for sale / sold	(72.59)	(163.86)
Inventory change - real estate (b)	(149.73)	(146.20)
Inventory change (a) + (b)	(182.49)	(152.08)

(₹ in crores)

27. EMPLOYEE BENEFIT EXPENSE	As at 31st March, 2017	As at 31st March, 2016
Salaries, wages and bonus	78.12	87.40
Contribution to provident and other funds	7.14	7.55
Workmen and staff welfare expenses	4.75	5.25
	90.01	100.20

(₹ in crores)

28. FINANCE COSTS	As at 31st March, 2017	As at 31st March, 2016
Interest on long term borrowing	188.16	162.46
Interest on short term borrowing	134.44	74.88
Ancillary borrowing costs	31.63	24.37
Exchange difference to the extent considered as an adjustment to borrowing costs	14.21	20.93
	368.44	282.64

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

29. DEPRECIATION AND AMORTISATION EXPENSES	As at 31 st March, 2017	As at 31 st March, 2016
Depreciation on tangible assets	30.38	32.45
Depreciation on intangible assets	1.28	1.46
	31.66	33.91

(₹ in crores)

30. OTHER EXPENSES	As at 31 st March, 2017	As at 31 st March, 2016
Manufacturing Expenses		
Stores, spare parts and catalysts	32.28	34.55
Oil and coal consumed	36.74	37.88
Electric energy (net of refund receivable on account of regulatory liability charges)	45.65	46.20
Water charges	3.28	2.71
Repairs: Buildings	0.86	3.38
Machinery	6.59	6.39
Others	1.57	1.76
Excise duty other than relating to sales	-	(0.01)
Job work / processing charges	0.40	1.17
	127.37	134.03
Construction Expenses		
Architect fees and technical and project related consultancy	21.69	19.14
Civil, Electrical, contracting etc..	199.71	177.86
Payment to local agencies	7.08	89.82
Compensation for rehabilitation of tenants	2.20	4.66
	230.68	291.48
Selling and Distribution Expenses		
Brokerage, commission and indenting charges on sales	6.05	7.01
Discount on sales	2.47	1.92
Freight and forwarding	22.72	25.27
Advertisement expense	27.18	27.55
	58.42	61.75
Establishment Expenses		
Rent	18.38	18.88
Rates and taxes	14.87	15.77
Insurance	1.71	2.13
Sundry balances written off	-	0.02
Provision for doubtful advances/debts	60.73	8.55
Provision for diminution in the value of Investment	1.59	-
Legal and Professional Fees	19.48	16.59
Retainership Fees	6.54	2.32
Loss on foreign currency transactions (net)	-	2.41
Loss on sale of fixed assets	0.10	-
Expenditure incurred on corporate social responsibility activities	-	0.30
Miscellaneous expenses	41.89	40.03
	165.29	107.00
	581.76	594.26

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

30. OTHER EXPENSES	As at 31 st March, 2017	As at 31 st March, 2016
Payment to auditor		
As an auditor :		
Audit Fee (including 2015-16 ₹ 0.05 crore)	0.70	0.57
Limited Review	0.41	0.35
In other capacity:		
Certification fees	0.02	0.03
Reimbursement of expenses	0.01	0.02
	1.14	0.97

(₹ in crores)

31. EXCEPTIONAL ITEMS	As at 31 st March, 2017	As at 31 st March, 2016
Voluntary Retirement benefits to workmen at Ranjangaon Plant	(18.82)	-
Profit on sale of non-current investments	311.90	-
Profit on sale of surplus property	9.35	-
	302.43	-

(₹ in crores)

32 CONTINGENT LIABILITIES	2016-17	2015-16
A Claims against the company not acknowledged as debt.		
(a) Income-tax matters in respect of earlier years under dispute (including interest of ₹106.62 crores) [31.03.2016 - ₹5.12 crores] as follows:		
i Decided in Company's favour by appellate authorities and department in further appeal	-	-
ii Pending in appeal - matters decided against the Company	308.82	22.76
(b) Sales Tax, Service Tax and Excise Duties	8.81	8.29
(c) Custom Duty	0.95	0.95
(d) Other Matters (Including claims related to real estate, employees and other matters)	119.05	103.67
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		
1 Counter indemnity for an amount of ₹189.39 crores (31.3.2016 ₹193.75 crores) issued in favour of IDBI Bank Limited which in turn has guaranteed loans granted by Punjab National Bank International London and Axis Bank, UK 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 thereon.		
2 Corporate guarantee for an amount of ₹21.72 crores (31.03.2016 ₹ 35.27 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	5.36	6.65

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

33 CAPITAL & OTHER COMMITMENTS	2016-17	2015-16
i Estimated amount of contracts to be executed on capital account and not provided for:	105.98	99.75
ii Other Commitments not provided for related to construction under development	1,031.96	1,075.12
iii Export obligation pending under Advance License Scheme is ₹ NIL (31.03.2016 ₹ 0.72 crores) and duty saved thereon.	-	0.17

- 34** During the year, the Company's wholly owned subsidiary Archway Investments Company Limited, a Non Banking Finance Company, has been amalgamated with the Company in terms of the scheme of amalgamation ('Scheme') sanctioned by the National Company Law Tribunal (NCLT) vide its Order dated 20th June, 2017. The Scheme became effective on 28th June, 2017 with appointed date of 1st April, 2016 when the sanction of the NCLT was received and certified copy of the same filed with the Registrar of Companies. The Scheme has been accounted for under the 'pooling of interest method' as prescribed under AS 14 "Accounting for Amalgamations" as per the terms of the Tribunal Order. Since the subsidiary amalgamated was a wholly owned subsidiary of the Company, there was no exchange of shares to effect the amalgamation. The difference between the amounts recorded as investments of the Company and the amount of share capital and reserves of the aforesaid amalgamating subsidiary of ₹ 10.35 Crore has been adjusted in the reserves.
- 35** 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.
- 36** The proposed sale and transfer of the entire Undertaking consisting of the Textile factory/ plant of the Company situated at Ranjangaon, on a slump sale basis as a going concern and on as is where is basis for a total consideration of ₹ 230 crore, as stated in the previous year, could not be consummated. Consequently, the Company has during the year, entered into a fresh Term Sheet with new purchaser, to sell the plant & machinery & spares at Ranjangaon for ₹ 36.25 crore. The Company has received Earnest money deposit / Security deposit of ₹ 3.76 crore and advances of ₹ 21.14 crore up to 31st March, 2017 and the party has lifted plant and machinery amounting to ₹ 9.32 crore against the same.
- The Company has also entered into an Agreement for Sale of the leasehold land and building at Ranjangaon for total consideration of ₹ 168.85 crore and deposits of ₹ 90.60 crore has been received against the same. The balance amount shall be receivable on transfer of the property, free from all encumbrances, after obtaining of NOC from MIDC.
- Consequent to the above committed plans to sell the assets of Ranjangaon, the said assets have been reclassified from fixed assets and disclosed under Assets Held for Sale under Current Assets at their net realisable value and an Impairment provision of ₹ 15.69 crore including ₹ 2.43 crore during the current year has been made."
- 37** 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.
- 38** 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 ₹ 7.53 crores (2015-16 - ₹7.17 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 ₹ 0.93 crore (2015-16 - ₹ 0.48 crore) has been recorded in the Statement of Profit & Loss.
- 39** 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 31st March, 2017. Based on the method of accounting (percentage of completion) followed by the company, net revenue of ₹ 156.07 crores (2015-16 : ₹ 239.26 crores) and resultant profit before tax of ₹ 102.63 crores (2015-16 : ₹158.63 crores) has been recognised during the year ended 31st March, 2017 in respect of the sales to SCAL. The Company, had pursuant to SCAL's request and considering the facts and circumstances

NOTES to financial statements for the year ended 31st March, 2017

including delays in construction, that led to SCAL's inability to sell the flats, had 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 purchaser, the Company reduced the advance consideration payable by SCAL to 10 % (2015-16 : 7.5%). Accordingly, progress payments have not been billed to SCAL during the year.

40 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.

41 Pursuant to the Order of the Supreme Court dated 2nd August, 2013 and the Order of the Bombay High Court dated 20th November, 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 square metres of land to MCGM and 33,822.89 square metres 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 square metres 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 square metres 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

42 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 20th November, 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 damages and interest for delayed handover, non completion of essential and basic amenities, failure to provide prominent signage, etc. and has not paid the common area maintenance charges amounting ₹ 11.26 crores (2015-16 : ₹ 9.48 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.

NOTES to financial statements for the year ended 31st March, 2017

- 43** The remuneration paid to the Managing Director for the year ended 31st March, 2017 is in excess of the limits laid down in section 197 of the Companies Act, 2013, by ₹ 4.29 crore. The Company had applied to the Central Government under section 196, 197, 198 and 200 read with Schedule V to the Companies Act, 2013 for permission to pay remuneration in excess of the prescribed limits. The Company has received an approval from the Central Government dated 21st June, 2017, for payment of remuneration amounting to ₹ 2.12 crores only. The Company is proposing to make a representation to the Central Government with a request to reconsider the amount approved. Pending such representation, no adjustments have been made in the accounts for the year ended 31st March, 2017 and the excess amount is held by the Managing Director in trust for the Company.

The remuneration payable to the Managing Director for the year ended 31st March, 2016 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 16th November, 2016.

44 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)	
	2016-17	2015-16
Employer's contribution to Provident Fund	3.44	3.24
Employer's contribution to Family Pension Fund	0.47	0.47
Employer's contribution to Superannuation Fund	0.28	0.32

B. Defined Benefit Plan

Gratuity and Voluntary Retirement Scheme (VRS) (Refer note 38 above) - as per actuarial valuation as on 31st March, 2017

	(₹ in crores)			
	2016-17	2015-16	2016-17	2015-16
	Gratuity		VRS	
i. Reconciliation of opening and closing balances of Defined Benefit				
Present value of Defined Benefit Obligation as at 31 st March, 2016	19.43	17.84	7.17	7.26
Interest cost	1.53	1.41	0.56	0.58
Current Service Cost	1.58	1.54	-	-
Benefits paid	(2.46)	(0.75)	(0.57)	(0.57)
Net Actuarial (gain) / loss	1.04	(0.61)	0.37	(0.10)
Present value of Defined Benefit Obligation as at 31 st March, 2017	21.12	19.43	7.53	7.17
	(₹ in crores)			
	2016-17	2015-16	2016-17	2015-16
ii. Reconciliation of fair value of Plan Assets				
Fair value of Plan Assets as at 31 st March, 2016	18.96	18.20	-	-
Expected return on Plan Assets	1.49	1.45	-	-
Actuarial Loss on Obligations - Due to Experience	(0.28)	(0.32)	-	-
Employer's Contribution	0.47	0.38	-	-
Benefits Paid	-	(0.75)	-	-
Fair value of Plan Assets as at 31 st March, 2017	20.64	18.96	-	-
The Company expects to contribute in 2017-2018	2.24	2.05	-	-
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, 2017

(₹ in crores)

	2016-17	2015-16	2016-17	2015-16
iii. Net assets / (liabilities) recognised in the Balance Sheet as at 31 st March, 2017				
Present value of Defined Benefit Obligation	(21.12)	(19.43)	(7.53)	(7.17)
Fair value of Plan Assets	20.64	18.96	-	-
Net Assets / (liability) recognised in Balance Sheet	(0.48)	(0.47)	(7.53)	(7.17)
iv. Components of Employer's Expenses				
Current Service Cost	1.58	1.54	-	-
Interest Cost	1.53	1.41	0.56	0.58
Expected return on Plan Assets	(1.49)	(1.45)	-	-
Net Actuarial (gain) / loss	1.32	(0.29)	0.37	(0.10)
Total expenses recognised in the statement of profit and loss	2.94	1.21	0.93	0.48
Actual return on Plan Assets	1.21	1.13	-	-
v. Actuarial Assumptions				
Mortality Table	Indian Assured Lives Mortality (2006-08)			
Discount Rate (per annum)	6.82%	7.85%	6.82%	7.85%
Expected rate of return on Plan Assets	6.82%	7.85%	-	-
Salary escalation	8.50%	8.50%	5.00%	5.00%

vi. Amount recognized in current year and previous years

GRATUITY		(₹ in crores)				
	2016-17	2015-16	2014-15	2013-14	2012-13	
1 Present Value of Defined Benefit Obligation as at 31 st March	21.12	19.43	17.84	17.04	16.41	
2 Fair Value of Plan Assets as on 31 st March	20.64	18.96	18.20	17.44	15.08	
3 Funded Status [Surplus / (Deficit)]	(0.48)	(0.47)	0.36	0.40	(1.33)	
4 Experience adjustment on Plan Liabilities [(Gain)/Loss]	(0.34)	(0.56)	(2.23)	(1.00)	1.35	
5 Experience adjustment on Plan Assets [(Loss)/Gain]	(0.28)	(0.32)	(0.36)	(0.28)	(0.27)	

VRS		(₹ in crores)		
	2016-17	2015-16	2014-15	
1 Present Value of Defined Benefit Obligation as at 31 st March	7.53	7.17	7.26	
2 Fair Value of Plan Assets as on 31 st March	-	-	-	
3 Funded Status [Surplus / (Deficit)]	(7.53)	(7.17)	(7.26)	
4 Experience adjustment on Plan Liabilities [(Gain)/Loss]	(0.22)	(0.16)	0.07	
5 Experience adjustment on Plan Assets [(Loss)/Gain]	-	-	-	

NOTES to financial statements for the year ended 31st March, 2017

- 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 / management estimate as on 31st March, 2017 is ₹ 8.91 crores [2015-16- ₹ 8.54 crores]
- ii Amount recognised as a liability in respect of long service awards as per the actuarial valuation / management estimate as on 31st March, 2017 is ₹ 2.60 crores. [2015-16 - ₹ 2.43 crores]

45 DEFERRED TAXES

(₹ in crores)

	Deferred Tax (Liability)/Asset as at 31 st March, 2016	Credit / (Charge) for the year	Deferred Tax (Liability)/Asset as at 31 st March, 2017
Nature of Timing Difference			
(a) Deferred Tax Liabilities			
- Depreciation	(126.12)	(18.01)	(144.13)
	(126.12)	(18.01)	(144.13)
(b) Deferred Tax Assets			
- Item covered under section 43B	2.70	0.45	3.15
- Provision for bad and doubtful debts	13.22	21.57	34.79
- 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	105.69	(4.85)	100.84
- Impairment of Assets	4.51	0.84	5.35
	126.12	18.01	144.13
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.

46 CURRENT LIABILITIES

The amount of dues owed to Micro, Small and Medium Enterprises as on 31st March, 2017 amounted to ₹ 0.11 Crore (31st March, 2016- NIL). 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, 2017

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:

PARTICULARS	(₹ in crores)	
	2016-17	2015-16
Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	0.11	-
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	4.72	0.49
Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	0.02	0.02
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	0.02	0.02
Amount of further interest remaining due and payable in succeeding year	0.02	-

47 NOTE ON DEMONITISATION

In accordance with the Notification No. G.S.R. 308 (E) dated 30th March, 2017 issued by Ministry of Corporate Affairs the details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 are provided in the Table below:-

PARTICULARS	(₹ in crores)		
	SBN	Other denomination notes	Total
Closing cash in hand as on 08-Nov-2016	0.08	0.02	0.10
(+) Permitted receipts	0.21	0.69	0.90
(-) Permitted payments	(0.01)	(0.14)	(0.15)
(-) Amount deposited in Banks	(0.28)	(0.52)	(0.80)
Closing cash in hand as on 30-Dec-2016	-	0.05	0.05

48 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 on the stock exchange having highest trading volume 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.

On 7th August, 2012, the Board of Directors had granted 14,000 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. The said options have lapsed on 7th August, 2016.

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.

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

MOVEMENT IN THE OPTIONS UNDER THE SCHEME:	31st March, 2017	31st March, 2016
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	70,000	NIL
Unexercised option outstanding as at the end of the year	NIL	70,000
Options excisable at the end of the period	NIL	70,000
Weighted average price per option (₹)	NA	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 1st April, 2016 - to 31st March, 2017 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:

(₹ in crores)

PARTICULARS	31st March, 2017	31st March, 2016
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	NA
Risk free rate	NA	NA
Expected dividends	NA	NA

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

(₹ in crores)

PARTICULARS	31st March, 2017	31st March, 2016
Net profit / (loss) (as reported)	41.71	(85.24)
Add/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)	41.71	(85.24)
Basic earnings per share (as reported)	2.02	(4.13)
Basic earnings per share (pro-forma)	2.02	(4.13)
Diluted earnings per share (as reported)	2.02	(4.13)
Diluted earnings per share (pro-forma)	2.02	(4.13)

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

NOTES to financial statements for the year ended 31st March, 2017

49 DERIVATIVE INSTRUMENTS & UNHEDGED FOREIGN CURRENCY EXPOSURE

- (i) Particulars of outstanding Forward Foreign Exchange Contracts entered into by the Company as on 31st March, 2017 for hedging the currency risk:

PARTICULARS	PURPOSE	31 st March, 2017	31 st March, 2016
Forward contracts to buy USD	Hedge of external commercial borrowings & raw material imports	3,99,43,900	3,22,59,410
Forward contracts to sell USD	Hedge of firm commitments, highly probable forecast transactions and export of finished goods	-	-

- (ii) Particulars of unhedged foreign currency exposures as on 31st March, 2017

	31 st March, 2017	31 st March, 2016
(a) Trade Receivables		
USD	17,58,345	10,51,247
EURO	3,16,927	1,06,164
JPY	59,65,000	-
(b) Trade and Other Payables		
USD	3,05,927	2,10,908
EURO	38,640	-

- (iii) The Company had 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 upto the previous year. Accordingly, the foreign exchange (gain)/loss of ₹NIL (2015-16 ₹ (0.92) crores) as on 31st March, 2017 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. There were no contracts which qualified for hedge accounting as on 31st March, 2017, consequently the mark-to-market gain/(loss) on such contracts has been recorded in the statement of profit and loss.

50 EARNINGS PER EQUITY SHARE

PARTICULARS	2016-17	2015-16
(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 (₹ in crores)	41.71	(85.24)
(ii) Number of Equity Share	No. of equity shares	No. of equity shares
Number of Equity Shares at the beginning of the year	20,65,34,900	20,65,34,900
Add:- Shares allotted during the year	-	-
Number of Equity Shares at the end of the year	20,65,34,900	20,65,34,900
Weighted average number of equity shares		
(a) For basic earnings	20,65,34,900	20,65,34,900
(b) For diluted earnings	20,65,34,900	20,65,34,900
Face value of Equity Shares (In ₹)	2	2
(iii) Earning per equity share		
Basic (in ₹)	2.02	(4.13)
Diluted (in ₹)	2.02	(4.13)

NOTES to financial statements for the year ended 31st March, 2017

51 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:

	As at 31 st March, 2017	As at 31 st March, 2016
(₹ in crores)		
Lease rent expenses		
(i) Total of minimum lease payments for a period:		
- not later than one year	8.21	8.64
- later than one year but not later than five years	26.32	33.76
- later than five years	2.17	7.92
(ii) Lease payments recognised in the statement of profit and loss for the year	18.08	18.47

- (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 five years 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:-

	As at 31 st March, 2017	As at 31 st March, 2016
(₹ in crores)		
Lease rent income		
(i) Total of lease rent income for a period:		
- not later than one year	30.43	17.77
- later than one year but not later than five years	66.60	37.30
- 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.

52 SEGMENT REPORTING

		(₹ in crores)				
(I) PRIMARY SEGMENTS - BUSINESS SEGMENTS		Textile/ Retail	Polyester	Real Estate	Elimination	Total
A REVENUE						
1	Segment revenue - External sales/ income from operations	303.19	1,110.15	296.95	-	1,710.29
		[305.66]	[1,069.12]	[470.23]	[-]	[1,845.01]
2	Inter - segment revenue	-	-	-	-	-
		[-]	[-]	[-]	[-]	-
3	Total segment revenue	303.19	1,110.15	296.95	-	1,710.29
		[305.66]	[1,069.12]	[470.23]	[-]	[1,845.01]
4	Unallocated revenue					-
						[0.05]
	TOTAL					1,710.29
						[1,845.01]

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

(I) PRIMARY SEGMENTS - BUSINESS SEGMENTS	Textile/ Retail	Polyester	Real Estate	Elimination	Total
B RESULT					
1 Segment result / operating profit / (loss)	(33.84)	82.02	160.57	-	208.75
	[(21.31)]	[(22.66)]	[277.20]	-	[233.23]
2 Unallocated (Expenses) / Income Net					(95.15)
					[(65.39)]
3 Operating Profit					113.60
					[167.84]
4 Interest Expenses					(368.44)
					[(282.64)]
5 Interest Income					26.12
					[29.56]
6 Income Taxes					(29.57)
					[-]
7 Profit from ordinary activities					(258.29)
					[-]
8 Impairment of assets held for sale					(2.43)
					[-]
9 Exceptional items					302.43
					[-]
10 Net Profit					41.71
					[(85.24)]
C OTHER INFORMATION					
1 Segment assets	341.93	657.73	3,201.43	-	4,201.09
	[354.54]	[651.05]	[3,215.48]	-	[4,221.07]
2 Unallocated assets					463.06
					[172.38]
3 Total assets					4,664.15
					[4,393.45]
4 Segment liabilities	201.2	345.73	222.39	-	769.32
	[154.59]	[333.72]	[258.73]	-	[747.04]
5 Unallocated liabilities					2,629.55
					[2,334.29]
6 Total liabilities					3,398.87
					[3,081.33]
7 Cost incurred during the year to acquire segment fixed assets	0.15	7.31	5.03		12.49
	[1.17]	[6.60]	[0.30]		[8.07]
8 Depreciation	2.09	23.80	5.09		30.98
	[3.91]	[23.72]	[5.69]		[33.32]
9 Non-cash expenses other than depreciation					
-provision for bad & doubtful debts	12.26	-	1.36		13.62
	[8.20]	[0.35]	[-]		[8.55]

NOTES to financial statements for the year ended 31st March, 2017

(₹ in crores)

(II) SECONDARY SEGMENTS - GEOGRAPHICAL SEGMENTS		India	Rest of the World	Total
A	Segment revenue from external customer, based on geographical location of customers	1,423.97 [1,566.99]	286.32 [278.02]	1,710.29 [1,845.01]
B	Segment assets based on geographical location	4,183.71 [4,206.37]	17.38 [14.70]	4,201.09 [4,221.07]
C	Cost incurred during the year to acquire fixed assets	12.49 [8.07]	-	12.49 [8.07]

53 RELATED PARTY DISCLOSURES

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

1. Enterprises controlled by the company

Subsidiary Company: Archway Investment Company Limited (upto 31st March, 2016)

2. Related parties with whom Company had transaction during the year

Associate Companies: Pentafil Textile Dealers Limited

Bombay Dyeing Real Estate Company Limited

Joint Venture Company: P. T. Five Star Textile, Indonesia

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

Mr. Pushpamitra Das - Chief Financial Officer (w.e.f. 4th Apr, 2016)

Mr. Sanjive Arora - Company Secretary (w.e.f. 11th July, 2016)

Mr. K. Subharaman - Company Secretary & Compliance Officer (upto 30th Apr, 2016)

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

Mr. Vinod Hiran - Chief Financial Officer (19th May, 2015 to 2nd Nov, 2015)

Relatives 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, 2017

(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)	(-)	(-)	(-)	(-)
- Bombay Dyeing Real Estate Co. Ltd.	-	-	-	-	-
	(-)	(4.50)	(-)	(-)	(-)
- P. T. Five Star Textile Indonesia	-	-	38.15	-	-
	(-)	(-)	(18.57)	(-)	(-)
- Pentafil Textile Dealers Limited	-	12.25	-	-	-
	(-)	(-)	(-)	(-)	(-)
(ii) Inter corporate Deposits/Advances taken					
- Pentafil Textile Dealers Limited	-	6.00	-	-	-
	(-)	(-)	(-)	(-)	(-)
(iii) Repayment received against ICD/Advances					
- Archway Investment Company Limited	-	-	-	-	-
	(53.29)	(-)	(-)	(-)	(-)
- Bombay Dyeing Real Estate Co. Ltd.	-	0.55	-	-	-
	(-)	(33.95)	(-)	(-)	(-)
- P. T. Five Star Textile Indonesia	-	-	12.46	-	-
	(-)	(-)	(18.57)	(-)	(-)
(iv) Repayment of ICD/Advances taken					
- Pentafil Textile Dealers Limited	-	6.00	-	-	-
	(-)	(-)	(-)	(-)	(-)
(v) Interest income on ICD/Advance					
- Archway Investment Company Limited	-	-	-	-	-
	(2.56)	(-)	(-)	(-)	(-)
- Bombay Dyeing Real Estate Co. Ltd.	-	0.15	-	-	-
	(-)	(3.45)	(-)	(-)	(-)
- P. T. Five Star Textile Indonesia	-	-	1.12	-	-
	(-)	(-)	(0.05)	(-)	(-)
- Pentafil Textile Dealers Limited	-	0.35	-	-	-
	(-)	(-)	(-)	(-)	(-)
(vi) Interest paid on ICD/Advance					
- Pentafil Textile Dealers Limited	-	0.26	-	-	-
	(-)	(-)	(-)	(-)	(-)
(vii) Expenses incurred on behalf of related parties (reimbursable)					
- P. T. Five Star Textile Indonesia	-	-	7.23	-	-
	(-)	(-)	(5.64)	(-)	(-)
- Go Airlines (India) Limited	-	-	-	-	0.40
	(-)	(-)	(-)	(-)	(0.66)
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	-	0.75
	(-)	(-)	(-)	(-)	(0.57)
- Gladrags Media Ltd.	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.04)

NOTES to financial statements for the year ended 31st March, 2017

						(₹ 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	
(viii) Property related expenses recovered for adjustment against advances received						
- Mr. Jehangir N. Wadia	-	-	-	0.08	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
- Mr. Ness N. Wadia	-	-	-	0.82	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
(ix) Reduction in the cost of flat delivered unfurnished						
- Mr. Ness N. Wadia	-	-	-	1.57	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
(x) Expenses incurred by related parties on behalf of Company (reimbursable)						
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	-	-	0.06
	(-)	(-)	(-)	(-)	(-)	(0.02)
- Gladrags Media Ltd.	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(0.26)
- Go Airlines (India) Limited	-	-	-	-	-	0.16
	(-)	(-)	(-)	(-)	(-)	(-)
(xi) Directors sitting fees						
- Mr. Nusli N. Wadia	-	-	-	0.07	-	-
	(-)	(-)	(-)	(0.07)	(-)	(-)
- Mr. Ness N. Wadia	-	-	-	0.06	-	-
	(-)	(-)	(-)	(0.05)	(-)	(-)
(xii) Remuneration						
- Mr. Jehangir Wadia	-	-	-	5.75	-	-
	(-)	(-)	(-)	(5.82)	(-)	(-)
- Mr. J. C. Bham	-	-	-	-	-	-
	(-)	(-)	(-)	(0.30)	(-)	(-)
- Mr. Vinod Hiran	-	-	-	-	-	-
	(-)	(-)	(-)	(0.72)	(-)	(-)
- Mr. K. Subharaman	-	-	-	0.06	-	-
	(-)	(-)	(-)	(0.44)	(-)	(-)
- Mr. Pushpamitra Das	-	-	-	1.82	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
- Mr. Sanjive Arora	-	-	-	0.29	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
(xiii) Guarantee and collaterals given / (expired) (net)						
- P. T. Five Star Textile Indonesia	-	-	(17.98)	-	-	-
	(-)	(-)	(25.44)	(-)	(-)	(-)
(xiv) Lease Rent income						
- Go Airlines (India) Ltd.	-	-	-	-	-	3.47
	(-)	(-)	(-)	(-)	(-)	(1.84)
(xv) Repayment of Fixed Deposits						
- Mrs. Saroj Jairaj Bham	-	-	-	-	-	-
	(-)	(-)	(-)	(0.02)	(-)	(-)

NOTES to financial statements for the year ended 31st March, 2017

(₹ 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	
(xvi) Provision for doubtful debts						
- P. T. Five Star Textile Indonesia	-	-	53.93	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
II) Particulars of amounts due to or due from related parties at the year end						
i) Receivables						
- P. T. Five Star Textile Indonesia	-	-	63.54	-	-	-
	(-)	(-)	(29.68)	(-)	(-)	(-)
- Go Airlines (India) Limited	-	-	-	-	-	0.98
	(-)	(-)	(-)	(-)	(-)	(0.78)
- Gladrags Media Ltd.	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(0.05)
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	-	-	0.17
	(-)	(-)	(-)	(-)	(-)	(0.27)
- Bombay Dyeing Real Estate Co. Ltd.	-	0.84	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
- Pentafil Textile Dealers Limited	-	12.25	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
ii) Payables						
- Go Airlines (India) Limited	-	-	-	-	-	0.16
	(-)	(-)	(-)	(-)	(-)	(-)
- Mr. Ness Wadia	-	-	-	0.28	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
III) Advances received for purchase of flats						
- Mr. Ness Wadia	-	-	-	-	-	-
	(-)	(-)	(-)	(0.57)	(-)	(-)
- Mr. Jehangir Wadia	-	-	-	-	-	-
	(-)	(-)	(-)	(0.28)	(-)	(-)
IV) Shareholders' deposit given						
- P. T. 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						
- P. T. Five Star Textile Indonesia	-	-	211.11	-	-	-
	(-)	(-)	(229.02)	(-)	(-)	(-)
VII) Fixed Deposits accepted						
- Mrs. Saroj Jairaj Bham	-	-	-	-	-	-
	(-)	(-)	(-)	(0.10)	(-)	(-)

Note:

- (a) Dividend paid has not been considered by the Company as a transaction falling under the purview of Accounting Standard 18 "Related Party Disclosures".

NOTES to financial statements for the year ended 31st March, 2017

54 Additional disclosure as required by the amended clause 34 and 53 of the listing agreements and section 186 of the Companies Act, 2013

(₹ in crores)

SR. NO	NAME	NATURE OF TRANSACTION	Balance as at 31 st March, 2017	Maximum amount outstanding during the year (₹ in crores)	No. of shares of the Company held by the loanees as at 31 st March, 2017
A.	Investments and Loans and advances in subsidiary and associates				
1	Archway Investment Company Ltd.	Inter corporate deposit placed (Short term funding requirements at interest rates of 12%-13%)	- [-]	- [30.54]	- [-]
		Investment in equity shares	- [49.81]	65.75 [49.81]	- [-]
		Investment in fully convertible debentures (carrying no interest)	- [3.35]	3.35 [3.35]	- [-]
2	Pentafile Textile Dealers Ltd.	Investment in equity shares	0.88 [0.88]	0.88 [0.88]	- [-]
		Inter corporate deposit placed	12.25 [-]	12.25 [-]	- [-]
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%)	0.84 [-]	1.39 [33.95]	- [-]
			13.99 [54.06]	83.64 [118.55]	- [-]
	Inter corporate deposit includes 0.70 Crores, given by Archway Investment Company Ltd.				
B.	Loans and advances in the nature of loans to jointly controlled entity				
1	P. T. Five Star Textile Indonesia	Interest free Shareholders' Deposit	15.22 [15.22]	15.22 [15.22]	- [-]
		Loans & Advances (Technical fees and expenses recoverable)	63.54 [29.68]	63.54 [29.68]	- [-]
			78.76 [44.90]	78.76 [44.90]	- [-]
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	0.20 [0.25]	0.26 [0.40]	- [-]
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 32.				

NOTES to financial statements for the year ended 31st March, 2017

55 JOINT VENTURES

The Company has the following joint venture as on 31st March, 2017 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 : P. T. Five Star Textile, Indonesia (PTFS) (Incorporated in Indonesia) Percentage holding : 33.89%.

(₹ in crores)		
	As at 31 st Dec, 2016	As at 31 st Dec, 2015
(a) ASSETS		
Fixed Assets	21.52	40.58
Inventories	0.38	0.45
Trade receivables	0.09	0.16
Cash and bank balances	1.20	1.29
Short-term loans and advances	4.53	5.90
Other current assets	1.00	1.34
Other Non-current assets	4.91	3.93
	33.63	53.65
(b) LIABILITIES		
Long-term borrowings	65.52	59.45
Trade payables	0.08	0.07
Other current liabilities	1.45	1.25
	67.05	60.77
	For the	For the
	Year Ended 2016	Year Ended 2015
(c) INCOME	3.80	4.45
(d) EXPENSES	11.41	8.37
(e) CONTINGENT LIABILITY	-	-

The Company's interest in this Joint Venture is reported as Non-current investment (Refer Note 13) 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.

56 CIF VALUE OF IMPORTS OF

(₹ in crores)		
PARTICULARS	2016-17	2015-16
(i) Raw material	442.27	658.72
(ii) Stores, spare parts & catalysts	18.87	16.29
(iii) Capital goods	0.55	0.14

57 EXPENDITURE IN FOREIGN CURRENCY (DISCLOSURE ON PAYMENT BASIS)

(₹ in crores)		
PARTICULARS	2016-17	2015-16
(i) Travelling expenses	1.82	1.84
(ii) Interest	1.55	4.19
(iii) Selling and Distribution Expenses	2.65	2.19
(iv) Other expenditure	1.06	2.43

NOTES to financial statements for the year ended 31st March, 2017

58 CONSUMPTION

(₹ in crores)

PARTICULARS	2016-17		2015-16	
	Imported raw materials, spare parts and components	453.01	49.19	655.01
Indigenous raw materials, spare parts and components	467.87	50.81	283.49	30.21
	920.88	100.00	938.50	100.00

59 CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR)

The company was required to spend ₹ 0.04 crore (2015-16 ₹ 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 ₹NIL (2015-16: ₹ 0.30 crores towards Chennai Flood Relief). Accordingly, there is a shortfall in CSR spend by ₹ 0.04 crore (₹ 1 crores during 2015-16).

60 REMITTANCES IN FOREIGN CURRENCIES

(₹ in crores)

PARTICULARS	2016-17	2015-16	
		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 1,33,13,215 equity shares of ₹ 2/-each, dividend for 2015-2016	0.67		-
(ii) on 1,33,35,715 equity shares of ₹ 2/-each, dividend for 2014-2015	-		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: 1006 (2014-2015 :931)			
(ii) on 1,74,17,778 equity shares of ₹ 2/-each, dividend for 2015-2016	0.87		-
(iii) on 2,01,65,689 equity shares of ₹ 2/-each, dividend for 2014-2015	-		1.61

61 EARNINGS IN FOREIGN EXCHANGE

(₹ in crores)

PARTICULARS	2016-17	2015-16	
		(i) Export of goods calculated on FOB basis	279.38
(ii) Reimbursement of insurance and freight on exports	6.94		8.28

62 Figures in Brackets indicate corresponding figures for the previous year.

63 Previous year figures have been regrouped where necessary.

As per our report attached

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Daraius Z Fraser
Partner

Membership No.42454

Mumbai, 28th June, 2017

Nusli N. Wadia *Chairman*
Jehangir N. Wadia *Managing Director*
Pushpamitra Das *Chief Financial Officer*
Sanjive Arora *Company Secretary*

Mumbai, 28th June, 2017

For and on behalf of the Board of Directors

R. A. Shah
S. S. Kelkar
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

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 associate companies and jointly controlled entity, (the Holding Company and its associate companies and jointly controlled entity together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2017, 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, 2017, and its consolidated profits and its consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

- 1) Note 39 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 31, 2017. The Company has during the year recognized net revenues of ₹ 156.07 crore (2015-16: ₹ 239.26 crore) and resultant profit before tax of ₹ 102.63 crore (2015-16: ₹ 158.63 crore) on sale of apartments to SCAL.
- 2) Note 43 to the consolidated financial statements regarding the remuneration paid to the Managing Director in excess of the limits prescribed under sections 197 read with Schedule V of the Act by ₹ 4.29 crore, due to inadequacy of profits. The Company has received an approval from the Central Government dated 21st June, 2017, for the payment of remuneration amounting to ₹ 2.12 crore only. The Company is proposing to make representation to the Central Government with request to reconsider the amount approved. Pending such representation,

no adjustments have been made in the accounts for the year ended March 31, 2017 and the excess amount is held by the Managing Director in trust for the Company.

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

Other Matter

We did not audit the financial statements of a jointly controlled entity, whose financial statements reflect the total assets of ₹ 28.27 crore as at March 31, 2017, total revenues of ₹ 3.78 crore and net cash outflow amounting to ₹ 0.08 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 profit of ₹ 1.91 crore for the year ended March 31, 2017, 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 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 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, 2017 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2017 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 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 32 and 42 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.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes, as defined in the Notification S. O. 3407 (E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations of management, we report that the disclosures are in accordance with books of account maintained by the Company— Refer Note 46 to the consolidated financial statements.

For KALYANIWALLA & MISTRY LLP

Chartered Accountants

Firm Registration No. 104607W/W100166

DARAIUS Z. FRASER

Partner

Membership No.: 42454

Place: Mumbai

Date: 28th June, 2017

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, 2017:

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 associate companies incorporated in India as of March 31, 2017 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 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 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 and its 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 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 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, 2017, based on the internal control over financial reporting criteria established by the Holding 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.

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 in so far as it relates to two associate companies, incorporated in India, is based on the corresponding reports of the auditors of such companies.

For KALYANIWALLA & MISTRY LLP

Chartered Accountants
Firm Registration No. 104607W/W100166

DARAIUS Z. FRASER

Partner
Membership No.: 42454

Place: Mumbai
Date: 28th June, 2017

CONSOLIDATED BALANCE SHEET

As at 31st March, 2017

		(₹ in crores)	
	NOTE	As at 31 st March, 2017	As at 31 st March, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	41.31	41.31
Reserves and surplus	3	1182.40	1244.89
		1223.71	1286.20
Minority Interest			
		-	2.79
Non-current liabilities			
Long-term borrowings.....	4	1080.00	1281.69
Other long-term liabilities.....	5	14.46	10.44
Long-term provisions.....	6	16.61	14.92
		1111.07	1307.05
Current liabilities			
Short-term borrowings.....	7	1218.92	844.57
Trade payables	8	357.82	296.59
Other current liabilities	9	714.26	680.23
Short-term provisions.....	10	68.99	41.52
		2359.99	1862.91
TOTAL		4694.77	4458.94
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	11	593.02	629.03
- Intangible assets	12	0.61	1.87
- Capital work-in-progress		74.67	72.41
Non-current investments	13	39.93	54.38
Long-term loans and advances.....	14	17.40	17.62
Other non current assets	15	1962.93	1812.82
		2688.56	2588.14
Current assets			
Inventories.....	16	800.08	680.31
Trade receivables	17	140.85	238.31
Cash and bank balances	18	163.51	121.49
Short-term loans and advances.....	19	354.08	177.17
Other current assets	20	336.95	430.80
Assets held for sale	21	210.74	222.73
		2006.21	1870.81
TOTAL		4694.77	4458.94
Significant Accounting Policies	1		

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Daraius Z Fraser
Partner
Membership No.42454
Mumbai, 28th June, 2017

Signatures to the Balance Sheet and Notes to financial statements
For and on behalf of the Board of Directors

Nusli N. Wadia *Chairman*
Jehangir N. Wadia *Managing Director*
Pushpamitra Das *Chief Financial Officer*
Sanjive Arora *Company Secretary*
Mumbai, 28th June, 2017

R. A. Shah
S. S. Kelkar
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2017

(₹ in crores)

	NOTE	2016-17	2015-16
INCOME			
Revenue from operations	22	1,818.37	1,948.79
Less : Excise Duty		104.30	99.33
Revenue from operations (net)		1,714.07	1,849.46
Other income	23	68.85	46.50
Total Revenue		1,782.92	1,895.96
EXPENSES			
Cost of materials consumed	24	891.53	901.56
Purchases of Stock-in-Trade	25	230.20	211.14
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(182.56)	(151.73)
Employee benefits expense	27	93.07	102.19
Finance costs	28	370.66	289.92
Depreciation and amortization expense	29	31.85	34.36
Impairment loss on fixed assets		2.43	-
Other expenses	30	563.10	598.97
		2,000.28	1,986.41
Loss before exceptional and extraordinary items and tax		(217.36)	(90.45)
Exceptional items	31	302.43	-
Profit/(Loss) before extraordinary items and tax		85.07	(90.45)
Extraordinary items		-	-
Profit / (Loss) before tax		85.07	(90.45)
Tax expense :			
Current tax		29.57	0.53
Profit / (Loss) after tax		55.50	(90.98)
Share of Profit / (Loss) in Associates		1.91	(0.01)
Profit / (Loss) before Minority Interest		57.41	(90.99)
Minority Interest		-	0.10
Profit / (Loss) for the year		57.41	(91.09)
Earnings per equity share of nominal value ₹ 2 each (Refer Note No.49)			
- Basic		2.78	(4.41)
- Diluted		2.78	(4.41)
Significant Accounting Policies	1		

The accompanying notes are an integral part of the standalone financial statements

As per our report attached

FOR KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No.104607W/W100166

Daraius Z Fraser
Partner
Membership No.42454
Mumbai, 28th June, 2017

Signatures to the Statement of Profit and Loss and Notes to financial statements
For and on behalf of the Board of Directors

Nusli N. Wadia *Chairman*
Jehangir N. Wadia *Managing Director*
Pushpamitra Das *Chief Financial Officer*
Sanjive Arora *Company Secretary*
Mumbai, 28th June, 2017

R. A. Shah
S. S. Kelkar
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2017

(₹ in crores)

	2016-2017	2015-2016
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET LOSS BEFORE EXCEPTIONAL ITEMS AND TAX	(217.36)	(90.45)
Adjusted for		
Depreciation and amortisation.....	31.85	34.36
Impairment of Assets	2.43	-
Provision for doubtful debts/ advances	62.32	8.55
Sundry balances written back.....	(1.95)	(1.78)
Interest income.....	(25.01)	(35.24)
Interest and other finance charges	370.66	289.92
Loss / (Profit) on sale of fixed assets.....	2.41	(4.45)
Dividend income	(1.59)	(1.45)
Unrealised Foreign exchange loss/ (gain) (net).....	82.69	(9.02)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES.....	306.45	190.44
Adjustments for changes in		
Inventories.....	(192.47)	(133.03)
Trade receivables	91.99	26.47
Other current and non-current assets	(245.78)	(490.53)
Trade payables and acceptances.....	60.17	(181.79)
Other current and non-current liabilities	34.48	152.47
Provisions.....	24.18	9.20
CASH GENERATED FROM/ (USED IN) OPERATIONS.....	77.16	(426.77)
Direct taxes paid (net)	(14.07)	(9.58)
CASH FLOW BEFORE EXCEPTIONAL ITEMS.....	63.10	(436.35)
EXCEPTIONAL ITEMS.....		
Voluntary Retirement benefits to workmen at Ranjangaon Plant.....	(18.82)	-
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	(a) 44.28	(436.35)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets.....	(15.95)	(7.40)
Proceeds from sale of fixed assets	11.03	5.59
Purchase of equity shares in subsidiary	(12.59)	-
Inter corporate deposits placed.....	(12.25)	(167.76)
Inter corporate deposits received back	-	218.46
Fixed deposits placed with banks.....	(393.28)	(28.43)
Fixed deposits with banks realised.....	367.45	59.62
Escrow Accounts.....	19.17	(67.96)
Dividend received	1.59	1.45
Interest received.....	25.49	35.61
CASH FLOW BEFORE EXCEPTIONAL ITEMS.....	(7.84)	49.17
EXCEPTIONAL ITEMS		
Proceeds from sale of investments.....	328.26	-
Proceeds from sale of surplus property	9.38	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	(b) 329.81	49.17

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2017

(₹ in crores)

	2016-2017	2015-2016
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	902.43	674.43
Repayment of borrowings	(845.58)	(432.98)
Proceeds from inter corporate borrowings	1,449.81	841.49
Repayment of matured inter corporate borrowings	(1,107.76)	(519.42)
(Decrease) / Increase in demand loan, cash credit	(209.43)	150.12
Interest and other finance charges paid	(525.39)	(288.29)
Dividend paid (including corporate dividend tax)	(12.43)	(19.89)
NET CASH USED IN FINANCING ACTIVITIES..... (c)	(348.01)	405.46
NET INCREASE IN CASH AND CASH EQUIVALENTS (a)+(b)+(c)	26.08	18.28
CASH AND CASH EQUIVALENTS AT THE COMMENCEMENT OF THE YEAR.....	26.47	8.19
AMOUNT TRANSFERRED ON AMALGAMATION OF SUBSIDIARY (NET)	9.50	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	62.05	26.47
Notes:		
1. Cash and Cash Equivalents comprises of :		
Balances with banks in current accounts	57.63	19.46
Cheques on hand.....	3.14	5.62
Cash on hand	0.07	0.10
Share in jointly controlled entity	1.21	1.29
Cash and cash equivalents	62.05	26.47
2. The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in AS 3 - 'Cash Flow Statements'.		
3. Figures in brackets are outflows/ deductions.		
4. Previous years figures have been regrouped where necessary.		

As per our report attached

FOR KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No.104607W/W100166

Daraius Z Fraser
Partner
Membership No.42454
Mumbai, 28th June, 2017

Nusli N. Wadia *Chairman*
Jehangir N. Wadia *Managing Director*
Pushpamitra Das *Chief Financial Officer*
Sanjive Arora *Company Secretary*

Mumbai, 28th June, 2017

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

R. A. Shah
S. S. Kelkar
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

NOTES to consolidated financial statements for the year ended 31st March, 2017

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 ("the Act") 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"), upto 31st March, 2017 its associates.. The consolidated financial statements have been prepared in accordance with, 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 for the year ended 31st March, 2017 are prepared using the Financial Statements of the Parent Company and its Associate Company drawn up to the same reporting date i.e. 31st March 2017. In case of the foreign joint venture company, financial statements for the year ending 31st December 2016 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 upto the date on which the parent subsidiary relationship ceased. 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.

Archway Investment Company Limited ("Archway") was a subsidiary up to 31st March, 2016 and consolidated as such upto the previous year, with effect from 1st April, 2016, Archway was amalgamated with The Bombay Dyeing and Manufacturing Limited pursuant to the scheme of Amalgamation under section 391 to 394 of the Companies Act, 1956 and relevant section 230 to 240 of the Companies Act, 2013 and ceased to be subsidiary from that date.

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, 2017	March 31, 2016
Subsidiary Company			
Archway Investment Company Limited	India	-	95.69%
Jointly Controlled Entity			
P. T. 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%

NOTES to consolidated financial statements for the year ended 31st March, 2017

(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 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 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 at market value determined at which it was converted from fixed asset to stock in trade, 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, pro rata 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:

NOTES to consolidated financial statements for the year ended 31st March, 2017

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 PSF manufacturing plant at Patalganga is treated as a Continuous process plant 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.

NOTES to consolidated financial statements for the year ended 31st March, 2017

(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 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:

(l) 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

NOTES to consolidated financial statements for the year ended 31st March, 2017

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.

(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

NOTES to consolidated financial statements for the year ended 31st March, 2017

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 cash flow has been prepared by aggregation of the individual cash flow and eliminations of inter company flows.

(₹ in crores)

2. SHARE CAPITAL	As at 31 st March, 2017	As at 31 st March, 2016
AUTHORISED		
250,000,000 (2015-16: 250,000,000) Equity shares of ₹2 each	50.00	50.00
ISSUED, SUBSCRIBED AND PAID-UP		
206,534,900 (2015-16 :206,534,900) 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, 2017		As at 31 st March, 2016	
	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 consolidated financial statements for the year ended 31st March, 2017

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

	As at 31 st March, 2017		As at 31 st March, 2016	
	Numbers Face Value of ₹ 2	% holding	Numbers Face Value of ₹ 2	% holding
Baymanco Investments Limited, Mauritius	47,312,000	22.91	-	-
The Bombay Burmah Trading Corporation Limited	31,550,713	15.28	25,783,320	12.48
N. W. Exports Limited	-	-	27,847,740	13.48
Sunflower Investment and Textiles Private Limited	-	-	22,139,783	10.72
	78,862,713	38.19	75,770,843	36.68

(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 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, the outstanding options have lapsed during the year and no options are outstanding at the year end.

(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 Nil shares (2015-16- 4640 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 206A of the Companies Act, 1956, till such time as the title of the bonafide owner is certified by the concerned Stock Exchanges.

3. RESERVES AND SURPLUS	(₹ in crores)	
	As at 31 st March, 2017	As at 31 st March, 2016
Capital Reserve		
As per last balance sheet	39.07	39.07
Less : Transferred to surplus on elimination of subsidiary	(10.47)	-
	28.60	39.07
Capital Redemption Reserve		
As per last balance sheet	2.55	2.55
Less : Adjustments as per the scheme of amalgamation	(2.55)	-
	-	2.55
Securities Premium Account		
As per last balance sheet	146.60	146.60
Less : Adjustments as per the scheme of amalgamation	(7.80)	-
Add : Share in jointly controlled entity	0.26	*
	139.06	146.60
Revaluation Reserve [Refer Note 1 (d)]		
As per last balance sheet	970.19	1,134.02
Less : Released to statement of profit and loss in proportion of revenue recognised on entering into agreements for sale	(72.59)	(163.86)
(Less) / Add: Share in jointly controlled entity	(16.61)	0.03
	880.99	970.19
Investment Reserve		
As per last balance sheet	1.31	1.31

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

3. RESERVES AND SURPLUS	As at 31 st March, 2017	As at 31 st March, 2016
Foreign Currency Translation Reserve		
As per last balance sheet	0.60	0.69
(Less) : Exchange difference on translation of jointly controlled foreign operation	(0.39)	(0.09)
	0.21	0.60
Hedging Reserve Account		
As per last balance sheet	0.92	(0.45)
(Less) / Add : Fair value (loss) / gain on derivative contracts designated as cash flow hedges	(0.92)	1.37
	-	0.92
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	(72.16)	31.18
Add: Gain on elimination of subsidiary	10.47	-
Add: Gain on reversal of minority interest	0.54	-
Add / (Less): (Loss) / Profit for the year	57.41	(91.09)
	(3.74)	(59.91)
(Less) / Add: Share in jointly controlled entity	(2.44)	0.18
	(6.18)	(59.73)
Less: Appropriations		
Proposed dividend	(14.46)	(10.33)
Dividend distribution tax	(2.94)	(2.10)
Net surplus in the statement of profit and loss	(23.58)	(72.16)
	1,182.40	1,244.89

* denotes values less than ₹ 1 lac

(₹ in crores)

4. LONG-TERM BORROWINGS	As at 31 st March, 2017	As at 31 st March, 2016
Secured		
Term Loans		
- from banks	1,099.79	1,330.03
- from others	221.67	200.20
	1,321.46	1,530.23
Unsecured		
Fixed Deposits	77.05	77.19
Share in jointly controlled entity	70.65	66.62
	1,469.16	1,674.04
Less: Current maturities of long-term debt (Included in note 9)	389.16	392.35
	1,080.00	1,281.69

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

- i) Term loans aggregating ₹ 251.55 crores (2015-16 ₹ 407.20 crores) are secured by first / secondary pari-passu charge over the part of land of the Company at Textile Mills at Mumbai and plant & machinery, buildings and structure thereon. Repayable in quarterly instalments over the next year.

NOTES to consolidated financial statements for the year ended 31st March, 2017

- ii) Term loan amounting to ₹ 60 crores (2015-16 ₹ 108 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 first pari-passu charge of portion of Spring Mills land & buildings and structure thereon. Repayable in monthly instalments over the next one year.
- iii) Term loan amounting to ₹ 17.10 crores (2015-16 ₹ 26.40 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 2 years.
- iv) Term loan amounting to ₹ 361.64 crores (2015-16 ₹ 342.32 crores) are secured by first pari-passu charge over part of land of the Company at Worli. Repayable over 2 to 3 years in quarterly instalments with a bullet payment of ₹ 100 crores in 01st July, 2018.
- v) Term loans amounting to ₹ 631.17 crores (2015-16 ₹ 571.87 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 3 to 4 years.
- vi) Term Loans aggregating ₹ Nil crores (2015-16 ₹ 7.80 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.
- vii) Term loan amounting to ₹ Nil crores (2015-16 ₹ 66.64 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.

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, 2017	As at 31 st March, 2016	
Trade payables	1.86	1.86	
Deposits	12.60	8.58	
	14.46	10.44	

		(₹ in crores)	
6. LONG TERM PROVISIONS	As at 31 st March, 2017	As at 31 st March, 2016	
Provision for employee benefits			
- Provision for compensated absences	4.04	3.24	
- Provision for loyalty / long service awards	2.16	2.00	
- Provision for termination benefits (Refer Note 38 and 44)	6.93	6.58	
Provision for sales tax forms (Refer Note (a) below)	3.48	3.10	
	16.61	14.92	
(a) Movement in provisions			
Provision for Sales Tax Forms			
Balance as at the beginning of the year	3.10	2.73	
Additions	0.38	1.20	
Amounts utilised	-	(0.83)	
Balance as at the end of the year	3.48	3.10	

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

7. SHORT-TERM BORROWINGS	As at 31 st March, 2017	As at 31 st March, 2016
Secured		
Short Term loans from banks	70.93	-
Working capital demand loans from banks	104.38	237.58
Packing credit from bank	92.81	166.34
Buyer's Credit in Foreign currency	72.75	76.44
Inter corporate deposits	190.00	-
Unsecured		
Short Term loans from banks	5.00	-
Bills discounted with banks	-	2.71
Inter corporate deposits	683.05	361.50
	1,218.92	844.57

a) Nature of Security for Short term borrowings

- (i) Short term loans from bank ₹ 70.93 crores (2015-16 ₹ Nil) are secured by mortgage of the company's property 'Jorbagh' and first pari-passu charge over part of the company's land, building and structures at Worli.
- (ii) Working Capital loans of ₹ 104.38 crores (2015-16: ₹ 237.58 crores) and Buyer's Credit amounting to ₹ 9.86 crores (2015-16 ₹ 29.83 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.
- (iii) Packing credit from bank of ₹ 92.81 crores (2015-16 ₹ 110.84 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.
- (iv) Buyer's Credit aggregating ₹ 62.89 crores (2015-16 ₹ 46.61 crores) is secured by first pari-passu charge on land of the Company at Spring Mills at Mumbai admeasuring 36,617.13 square metres.
- (v) Inter corporate deposits are secured by pledge of 7,538,600 equity shares of Bombay Burmah Trading Company Limited.
- (vi) Packing credit from bank of ₹ Nil crores (2015-16 ₹ 20.50 crores) is secured by way of current assets of the company (excluding the real estate division) and on the Textile mill land at Worli admeasuring 89,819.85 square metres and plant and building on pari-passu basis with other lenders.
- (vii) Packing credit from bank of ₹ Nil crores (2015-16 ₹ 35 crores) 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.

(₹ in crores)

8. TRADE PAYABLES	As at 31 st March, 2017	As at 31 st March, 2016
Acceptances under suppliers line of credit	6.20	33.09
Dues to Micro and Small Enterprises (Refer Note (a) below)	0.11	-
Other Creditors	351.43	263.42
Share in jointly controlled entity	0.08	0.08
	357.82	296.59

- 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.

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

9. OTHER CURRENT LIABILITIES	As at 31 st March, 2017	As at 31 st March, 2016
Current maturities of long-term borrowings [Refer Note 4 (a) and (b)]		
- Term loans from banks	325.51	331.81
- Term loans from others	63.65	60.52
- Fixed deposits	-	0.02
Interest accrued and due on borrowings	2.96	2.22
Interest accrued but not due on borrowings	2.02	2.23
Unclaimed matured deposits	0.85	1.36
Unpaid dividends *	1.13	1.05
Advances from customers (including for sale of property)	123.42	24.83
Deposits	4.57	3.27
Liability in respect of forward exchange contracts	13.81	6.50
Statutory dues including service tax and withholding tax	24.83	17.25
Employee benefits payable	5.51	10.52
Accrued expenses	135.58	203.48
Other liabilities	8.97	13.92
Share in jointly controlled entity	1.45	1.25
	714.26	680.23

- a) * During the year, the Company has transferred an amount of ₹ 0.05 crore (2015-16 ₹ 0.12 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, 2017	As at 31 st March, 2016
Provision for employee benefits		
Provision for compensated absences	4.87	5.30
Provision for termination benefits		
- Gratuity (Refer Note 44)	0.48	0.47
- Others (Refer Note 38 and 44)	0.61	0.59
Provision for loyalty / long service awards	0.44	0.43
	6.40	6.79
Other provisions		
Provision for litigation and disputes (Refer Note (a) below)	13.69	11.96
Provision for commercial and other matters (Refer Note (a) below)	31.50	10.34
Proposed dividend	14.46	10.33
Provision for tax on proposed dividend	2.94	2.10
	62.59	34.73
	68.99	41.52

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

10. SHORT TERM PROVISIONS		As at 31 st March, 2017	As at 31 st March, 2016
(a) Movement in provisions			
-	Litigation and disputes		
	Balance as at the beginning of the year	11.96	10.41
	Additions	1.73	1.55
	Amounts utilised	-	-
	Balance as at the end of the year	13.69	11.96
-	Commercial and other matters		
	Balance as at the beginning of the year	10.34	10.09
	Additions	21.16	1.90
	Amounts utilised	-	(1.65)
	Balance as at the end of the year	31.50	10.34

11. TANGIBLE ASSETS

(₹ in crores)

DESCRIPTION	Gross Block				Cost or book value as at 31-03-2017	Depreciation				Balance as at 31-03-2017	Net Block	
	Cost or book value as at 01-04-2016	Additions	Deductions	Adjustments		Balance as at 01-04-2016	For the year	Deductions	Adjustments		As at 31-03-2017	As at 31-03-2016
Land												
Freehold Land	109.00	-	-	-	109.00	-	-	-	-	-	109.00	109.00
Leasehold Land	0.60	-	-	-	0.60	0.23	0.01	-	-	0.24	0.36	0.37
Building #	78.47	4.98	0.07	-	83.38	23.82	2.04	0.04	-	25.82	57.56	54.65
Computer and data processing units	15.99	0.36	-	0.15	16.50	12.67	1.05	-	0.18	13.90	2.60	3.32
Office Equipment	6.86	0.24	-	0.01	7.11	6.68	0.38	-	-	7.06	0.05	0.18
Plant & Machinery	707.49	7.16	0.04	0.24	714.85	301.48	23.47	0.04	0.07	324.98	389.87	406.01
Furniture & Fixture	43.38	-	0.01	1.60	44.97	31.97	3.28	0.01	1.08	36.32	8.65	11.41
Motor Vehicles	4.52	0.07	0.02	-	4.57	1.02	0.15	0.02	-	1.15	3.42	3.50
Share in jointly controlled entity	65.66	-	33.89	3.21	34.98	25.07	0.19	12.71	0.92	13.47	21.51	40.59
Total	1,031.97	12.81	34.03	5.21	1,015.96	402.94	30.57	12.82	2.25	422.94	593.02	629.03
As at 31.03.2016	1,407.41	10.09	9.65	375.88	1,031.97	531.79	32.90	8.52	153.23	402.94	629.03	

Note:

- There are no adjustments to the fixed assets on account of borrowing cost and exchange differences during the year.
- # 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.
- Adjustments represent gross block and accumulated depreciation of assets transferred back from assets held for sale for use by the company

12. INTANGIBLE ASSETS

(₹ in crores)

DESCRIPTION	Gross Block				Cost or book value as at 31-03-2017	Depreciation				Balance as at 31-03-2017	Net Block	
	Cost or book value as at 01-04-2016	Additions	Deductions	Adjustments		Balance as at 01-04-2016	For the year	Deductions	Adjustments		As at 31-03-2017	As at 31-03-2016
Technical know how	4.22	-	-	-	4.22	3.59	0.42	-	-	4.01	0.21	0.63
Software	10.48	-	-	0.03	10.51	9.24	0.86	-	0.01	10.11	0.40	1.24
Total	14.70	-	-	0.03	14.73	12.83	1.28	-	0.01	14.12	0.61	1.87
As at 31.03.2016	14.85	0.07	0.01	0.21	14.70	11.54	1.46	-	0.17	12.83	1.87	

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

13. NON-CURRENT INVESTMENTS	As at 31 st March, 2017	As at 31 st March, 2016
TRADE INVESTMENTS		
Equity shares - fully paid up (unquoted)		
Investment in associate company (Valued at Carrying Value)		
20,000 (2015-16: 20,000) Equity shares of ₹ 10 each in Bombay Dyeing Real Estate Company Limited	0.03	0.16
Investment in others (Valued at Cost)		
1,900 (2015-16 :1,900) Equity shares of ₹ 10 each in BDS Urban Infrastructure Pvt. Ltd.	0.01	0.01
30,400 (2015-16: 30,400) Equity shares of ₹ 100 each in Scal Services Ltd.	0.30	0.30
	0.34	0.47
OTHER INVESTMENTS		
Equity shares - fully paid up (Quoted - Valued at Cost)		
15,560 (2015-16:15,560) Equity Shares of ₹ 10/- each fully paid up in Citurgia Biochemicals Limited	0.02	0.02
87,19,290 "(2015-16: 130,38,600) Equity Shares of ₹ 2/- each fully paid up in Bombay Burmah Trading Corporation Limited"	33.03	49.39
2,85,000 (2015-16: 285,000) Equity Shares of ₹ 10/- each fully paid up in National Peroxide Limited	2.37	2.37
25,262 (2015-16: 25,262) Equity Shares of ₹ 10/- each fully paid up in D. B. Realty Limited	1.18	1.18
Equity shares - fully paid up (unquoted)		
Investment in associate company (Valued at Carrying Value)		
88,200 (2015-16: 88,200) Equity shares of ₹ 100 each in Pentafil Textile Dealers Ltd.	2.99	0.95
Investment in others (Valued at Cost)		
100 (2015-16: 100) Shares of ₹ 25 each in Roha Industries Association's Co-operative Consumers Society Ltd. [₹ 2500/- (2015-16 ₹ 2500/-)]	*	*
	39.59	53.91
	39.93	54.38
* denotes values less than ₹ 1 lac		
Aggregate amount of Quoted Investment	36.60	52.97
Market Value of Quoted Investment	772.34	496.05
Aggregate amount of Unquoted Investment	3.33	1.42

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

14. LONG-TERM LOANS AND ADVANCES	As at 31 st March, 2017	As at 31 st March, 2016
Unsecured, Considered good (unless otherwise stated)		
Capital advances	1.65	1.28
Security deposits		
- Considered good	7.08	6.07
- Considered doubtful	0.55	0.57
- Less : Provision for doubtful advances	(0.55)	(0.57)
	7.08	6.07
Loans and advances to related parties		
- Considered good	3.00	5.83
- Considered doubtful	78.76	24.83
- Less : Provision for doubtful advances	(78.76)	(24.83)
	3.00	5.83
Advances recoverable in cash or kind		
- Considered good	2.08	2.38
- Considered doubtful	3.11	2.96
- Less : Provision for doubtful advances	(3.11)	(2.96)
	2.08	2.38
Prepaid expenses	1.40	0.03
Loans to employees	0.14	0.18
Balances with government authorities		
- Considered good	2.05	1.85
- Considered doubtful	1.98	1.46
- Less : Provision for doubtful advances	(1.98)	(1.46)
	2.05	1.85
	17.40	17.62
a) Loans and advances to related parties pertain to :		
P. T. Five Star Textile Indonesia.	78.76	30.66
The Bombay Burmah Trading Corporation Limited - Deposit	3.00	3.00
	81.76	33.66

(₹ in crores)

15. OTHER NON CURRENT ASSETS	As at 31 st March, 2017	As at 31 st March, 2016
Long term deposits with banks with maturity greater than one year (Refer Note (a) below)	6.71	6.40
Interest accrued on deposits	0.33	0.45
Unamortised finance charges	68.46	8.01
Industrial subsidy receivable		
- Considered good	33.46	18.89
- Considered doubtful	2.13	2.13
	35.59	21.02
- Less : Provision for doubtful recoverable	(2.13)	(2.13)
	33.46	18.89
Unbilled revenue	1,853.97	1,779.07
	1,962.93	1,812.82

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

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

16. INVENTORIES (Valued at lower of cost and net realisable value)	As at 31 st March, 2017	As at 31 st March, 2016
Raw materials [includes in transit ₹ 38.33 crores (2015-16 ₹ 25.34 crores)]	70.98	50.50
Work-in-progress	9.92	7.82
Finished goods [includes in transit ₹ Nil crore (2015-16 ₹ 7.86 crore)]	79.86	64.73
Stock-in-Trade	70.33	59.78
Stores, spares and catalysts	7.89	13.46
Real estate development work-in-progress	560.72	483.57
Share in jointly controlled entity	0.38	0.45
	800.08	680.31

Note: Real Estate development work-in-progress includes expenditure 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)

17. TRADE RECEIVABLES	As at 31 st March, 2017	As at 31 st March, 2016
Unsecured, considered good unless otherwise stated		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	79.75	81.66
Considered doubtful	25.32	19.89
	105.07	101.55
Less: Provision for doubtful receivables	(25.32)	(19.89)
	79.75	81.66
Other receivables - considered good	61.01	156.49
Share in Jointly controlled entity	0.09	0.16
	140.85	238.31

(a) Trade receivables includes ₹ 40.19 crores (2015-16 ₹ 38.41 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)

18. CASH AND BANK BALANCES	As at 31 st March, 2017	As at 31 st March, 2016
Cash and Cash Equivalents		
Balances with banks in current accounts	57.63	19.46
Cheques on hand	3.14	5.62
Cash on hand	0.07	0.10
	60.84	25.18
Other bank balances		
Balance with banks in unpaid dividend accounts	1.13	1.05
Balance with banks in escrow accounts (Refer note (a) below)	49.01	68.18
Bank deposits under lien, held in trust and in escrow accounts (Refer Note (b) below)	51.32	25.79
	101.46	95.02
Share in jointly controlled entity	1.21	1.29
	163.51	121.49

(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 consolidated financial statements for the year ended 31st March, 2017

(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 - ₹ 38.05 crores (2015-16 ₹ 19.31 crores).
- Short term deposits relating to amounts held under Escrow in accordance with the loan arrangements with a consortium of bankers ₹ 13.27 crores (2015-16 ₹ 6.32 crores)

(₹ in crores)

19. SHORT-TERM LOANS AND ADVANCES	As at 31 st March, 2017	As at 31 st March, 2016
Unsecured, considered good, unless otherwise stated :		
Security deposits	0.30	0.13
Loans and advances to related parties		
- Considered good	13.31	1.03
- Considered doubtful	-	0.01
- Less : Provision for doubtful advances	-	(0.01)
	13.31	1.03
Advances recoverable in cash or kind or for value to be received		
- Considered good	55.49	93.87
- Considered doubtful	0.73	-
- Less : Provision for doubtful advances	(0.73)	-
	55.49	93.87
Inter corporate deposits	229.78	-
Advance income-tax (net of provision for taxation)	17.45	37.24
Prepaid expenses	6.04	2.02
Loans/ advances to employees	0.52	0.59
Balances with government authorities	30.79	37.62
Share in jointly controlled entity	0.40	4.67
	354.08	177.17

a) Advances recoverable in cash or in kind or for value to be received includes ₹ 0.73 crore (2015-16 ₹ 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, 2017	As at 31 st March, 2016
Go Airlines (India) Limited (net)	0.05	0.76
The Bombay Burmah Trading Corporation Limited	0.17	0.27
Bombay Dyeing Real Estate Company Limited	0.84	-
Pentafil Textile Dealers Limited	12.25	-
	13.31	1.03

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

20. OTHER CURRENT ASSETS	As at 31 st March, 2017	As at 31 st March, 2016
Unsecured, considered good		
Interest accrued on deposits	2.15	1.40
Unamortised finance charges	7.38	8.85
Deferred premium	2.86	2.77
Export benefits receivable		
- Considered good	8.17	11.68
- Considered doubtful	0.35	0.35
- Less : Provision for doubtful advances	(0.35)	(0.35)
	8.17	11.68
Unbilled revenue	311.49	404.76
Share in jointly controlled entity	4.90	1.34
	336.95	430.80

(₹ in crores)

21. ASSETS HELD FOR SALE	As at 31 st March, 2017	As at 31 st March, 2016
(at net realisable value)		
Reclassification from Fixed Assets		
Leasehold land	16.64	16.64
Freehold land	9.35	9.35
Building	58.39	57.97
Plant and machinery	141.38	150.90
Other assets	0.57	1.13
Stores	0.10	-
Impairment loss	(15.69)	(13.26)
	210.74	222.73

The Company is committed to a plan to sell the assets of the Ranjangaon Unit and for this purpose has entered into an Agreement for sale for leasehold land and buildings and a Term sheet with a buyer for sale of plant and machinery. Accordingly the carrying amount of the Ranjangaon assets have been classified as held for sale at net realisable value.

(₹ in crores)

22. REVENUE FROM OPERATIONS	As at 31 st March, 2017	As at 31 st March, 2016
Sale of products and services		
Sale of products	1,502.56	1,457.35
Less : Excise duty	104.30	99.33
	1,398.26	1,358.02
Real estate development activity (Refer Note 39)	269.88	446.70
Other operating revenue		
Lease Rentals	27.07	23.53
Scrap sales	1.76	2.00
Others	13.32	14.76
	42.15	40.29
Share in Jointly controlled entity	3.78	4.45
Revenue from operations (net)	1,714.07	1,849.46
Details of Products Sold		
Polyester staple fibre	1,199.37	1,152.47
Processed long length	59.90	91.55
Made ups	243.29	213.33
	1,502.56	1,457.35

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

23. OTHER INCOME	As at 31 st March,2017	As at 31 st March,2016
Interest income		
on inter corporate deposits	13.48	17.83
on income-tax refunds	4.35	9.22
on fixed deposits with banks	5.88	3.35
on others	1.28	4.83
Profit on sale of fixed assets	-	4.45
Subsidy under Package Incentive Scheme	33.86	-
Gain on foreign currency transactions (net)	2.68	-
Sundry balances / excess provisions written back	1.95	1.80
Dividend income from non-current investment	1.59	1.45
Other non-operating income	3.75	3.57
Share in Jointly controlled entity	0.03	-
	68.85	46.50

(₹ in crores)

24. COST OF MATERIAL CONSUMED	As at 31 st March,2017	As at 31 st March,2016
Inventory at the beginning of the year	50.50	67.33
Add : Purchases	909.86	882.73
Less: Inventory at the end of the year	(70.98)	(50.50)
	889.38	899.56
Share in Jointly controlled entity	2.15	2.00
	891.53	901.56
Details of material consumed		
1 Purified Terephthalic Acid	620.74	603.99
2 Mono Ethylene Glycol	256.17	269.19
3 Others	12.47	26.38
	889.38	899.56

(₹ in crores)

25. PURCHASES OF STOCK-IN-TRADE	As at 31 st March,2017	As at 31 st March,2016
Processed long length	47.18	55.87
Made ups	183.02	155.27
	230.20	211.14

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	As at 31st March, 2017	As at 31st March, 2016
Manufacturing		
Inventories at the end of the year		
Finished goods	79.86	59.75
Work-in-progress	9.92	7.82
Stock-in-trade	70.33	59.78
	160.11	127.35
Inventories at the beginning 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
Share in Jointly controlled entity	(0.07)	0.35
Inventory change - manufacturing (a)	(32.83)	(5.53)
Real Estate		
Inventories at the end of the year	-	-
Stock in trade	-	4.98
Development work-in-progress	560.72	483.58
	560.72	488.56
Inventories at the beginning of the year		
Stock in trade	4.98	4.98
Less: Capitalised during the year	(4.98)	-
Development work-in-progress	483.58	501.24
	483.58	506.22
Decrease / (increase) in inventory	(77.14)	17.66
Release from revaluation reserve in proportion of revenue recognised on areas agreed for sale / sold	(72.59)	(163.86)
Inventory change - real estate (b)	(149.73)	(146.20)
Inventory change - (a+b)	(182.56)	(151.73)

(₹ in crores)

27. EMPLOYEE BENEFITS EXPENSE	As at 31st March, 2017	As at 31st March, 2016
Salaries, wages and bonus	78.12	87.40
Contribution to provident and other funds	7.14	7.55
Workmen and staff welfare expenses	4.75	5.25
Share in jointly controlled entity	3.06	1.99
	93.07	102.19

(₹ in crores)

28. FINANCE COSTS	As at 31st March, 2017	As at 31st March, 2016
Interest on long term borrowing	188.16	162.46
Interest on short term borrowing	134.44	74.88
Ancillary borrowing costs	31.63	28.67
Exchange difference to the extent considered as an adjustment to borrowing costs	14.21	20.93
Share in jointly controlled entity	2.22	2.98
	370.66	289.92

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

29. DEPRECIATION AND AMORTISATION EXPENSES	As at 31 st March, 2017	As at 31 st March, 2016
Depreciation on tangible assets	30.38	32.45
Depreciation on intangible assets	1.28	1.46
Share in jointly controlled entity	0.19	0.45
	31.85	34.36

(₹ in crores)

30. OTHER EXPENSES	As at 31 st March, 2017	As at 31 st March, 2016
Manufacturing Expenses		
Stores, spare parts and catalysts	32.28	34.55
Oil and coal consumed	36.74	37.88
Electric energy (net of refund receivable on account of regulatory liability charges)	45.65	46.20
Water charges	3.28	2.71
Repairs: Buildings	0.86	3.38
Machinery	6.59	6.39
Others	1.57	1.76
Excise duty other than relating to sales	-	(0.01)
Job work / processing charges	0.40	1.17
	127.37	134.03
Construction Expenses		
Architect fees and technical and project related consultancy	21.69	19.14
Civil, Electrical, contracting etc..	199.71	177.86
Payment to local agencies	7.08	89.82
Compensation for rehabilitation of tenants	2.20	4.66
	230.68	291.48
Selling and Distribution Expenses		
Brokerage, commission and indenting charges on sales	6.05	7.01
Discount on sales	2.47	1.92
Freight and forwarding	22.72	25.27
Advertisement expense	27.18	27.55
	58.42	61.76
Establishment Expenses		
Rent	18.38	18.88
Rates and taxes	14.87	15.77
Insurance	1.71	2.13
Sundry balances written off	-	0.02
Provision for doubtful advances/debts	62.32	8.55
Legal and Professional Fees	19.48	16.63
Retainership Fees	6.54	2.32
Loss on foreign currency transactions (net)	-	2.41
Loss on sale of fixed assets	0.10	-
Expenditure incurred on corporate social responsibility activities	-	0.30
Other expenses	41.88	40.05
	165.29	107.06
Share in jointly controlled entity	(18.66)	4.65
	563.10	598.97

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

30. OTHER EXPENSES	As at 31 st March, 2017	As at 31 st March, 2016
Payment to auditor		
As an auditor :		
Audit Fee (including 2015-16 ₹ 0.05 crore)	0.70	0.57
Limited Review	0.41	0.35
In other capacity:		
Certification fees	0.02	0.03
Reimbursement of expenses	0.01	0.02
	1.14	0.97

(₹ in crores)

31. EXCEPTIONAL ITEMS	As at 31 st March, 2017	As at 31 st March, 2016
Voluntary Retirement benefits to workmen at Ranjangaon Plant	(18.82)	-
Profit on sale of non current investments	311.90	-
Profit on sale of surplus property	9.35	-
	302.43	-

(₹ in crores)

32 CONTINGENT LIABILITIES	2016-17	2015-16
A Claims against the company not acknowledged as debt.		
(a) Income-tax matters in respect of earlier years under dispute (including interest of ₹ 106.62 crores) [31.03.2016. ₹ 5.12 crores] as follows:		
i Decided in Company's favour by appellate authorities and department in further appeal	-	-
ii Pending in appeal - matters decided against the Company	308.82	26.79
(b) Sales Tax, Service Tax and Excise Duties	8.81	8.29
(c) Custom Duty	0.95	0.95
(d) Other Matters (Including claims related to real estate, employees and other matters)	119.05	103.67
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		
1. Counter indemnity for an amount of ₹ 189.39 crores (31.3.2016 ₹ 193.75 crores) issued in favour of IDBI Bank Limited which in turn has guaranteed loans granted by Punjab National Bank International London and Axis Bank, UK 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 thereon.		
2. Corporate guarantee for an amount of ₹ 21.72 crores (31.03.2016 ₹ 35.27 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	5.36	6.65

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

33 CAPITAL & OTHER COMMITMENTS		2016-17	2015-16
i	Estimated amount of contracts to be executed on capital account and not provided for:	105.98	99.75
ii	Other Commitments not provided for related to construction under development	1,031.96	1,075.12
iii	Export obligation pending under Advance License Scheme is ₹ NIL crores (31.03.2016 ₹ 0.72 crores) and duty saved thereon.	-	0.17

- 34** During the year, the Company's wholly owned subsidiary Archway Investments Company Limited, a non-Banking Finance Company has been amalgamated with the Company, in terms of the scheme of amalgamation ('Scheme') sanctioned by the National Company Law Tribunal (NCLT) vide its Order dated 20th June, 2017. The Scheme became effective on 28th June, 2017 with appointed date of 1st April, 2016 when the sanction of the NCLT was received and certified copy of the same filed with the Registrar of Companies. The scheme has been accounted for under the 'pooling of interest method' as prescribed under AS 14 "Accounting for Amalgamations" as per the terms of the Tribunal Order. Since the subsidiary amalgamated was a wholly owned subsidiary of the Company, there was no exchange of shares to effect the amalgamation. The difference between the amounts recorded as investments of the company and the amount of share capital and reserves of the aforesaid amalgamating subsidiary of ₹ 10.35 Crore has been adjusted in the reserves.
- 35** 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.
- 36** The proposed sale and transfer of the entire Undertaking consisting of the Textile factory/ plant of the Company situated at Ranjangaon, on a slump sale basis as a going concern and on as is where is basis for a total consideration of ₹ 230 crore, as stated in the previous year, could not be consummated. Consequently, the Company has during the year, entered into a fresh Term Sheet with new purchaser, to sell the plant & machinery & spares at Ranjangaon for ₹ 36.25 crore. The Company has received Earnest money deposit / Security deposit of ₹ 3.76 crore and advances of ₹ 21.14 crore up to 31st March, 2017 and the party has lifted plant and machinery amounting to ₹ 9.32 crore against the same.
- The Company has also entered into an Agreement for Sale of the leasehold land and building at Ranjangaon for total consideration of ₹ 168.85 crore and deposits of ₹ 90.60 crore has been received against the same. The balance amount shall be receivable on transfer of the property, free from all encumbrances, after obtaining of NOC from MIDC.
- Consequent to the above committed plans to sell the assets of Ranjangaon, the said assets have been reclassified from fixed assets and disclosed under Assets Held for Sale under Current Assets at their net realisable value and an Impairment provision of ₹ 15.69 crore including ₹ 2.43 crore during the current year has been made."
- 37** 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.
- 38** 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 ₹ 7.53 crores (2015-16 - ₹ 7.17 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 ₹ 0.93 crore (2015-16 - ₹ 0.48 crore) has been recorded in the Statement of Profit & Loss.
- 39** 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 31st March, 2017. Based on the method of accounting (percentage of completion) followed by the company, net revenue of ₹ 156.07 crores (2015-16 : ₹ 239.26 crores) and resultant profit before tax of ₹ 102.63 crores (2015-16 : ₹ 158.63 crores) has been recognised during the year ended 31st March, 2017 in respect of the sales to SCAL. The Company, had pursuant to SCAL's request and considering the facts and circumstances including delays in construction, that led to SCAL's inability to sell the flats, had granted SCAL deferment of milestone payments till June

NOTES to consolidated financial statements for the year ended 31st March, 2017

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 purchaser, the Company reduced the advance consideration payable by SCAL to 10% (2015-16 : 7.5%). Accordingly, progress payments have not been billed to SCAL during the year.

40 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.

41 Pursuant to the Order of the Supreme Court dated 2nd August, 2013 and the Order of the Bombay High Court dated 20th November, 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 square metres of land to MCGM and 33,822.89 square metres 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 square metres 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 square metres 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

42 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 20th November, 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 damages and interest for delayed handover, non completion of essential and basic amenities, failure to provide prominent signage, etc. and has not paid the common area maintenance charges amounting ₹ 11.26 crores (2015-16 : ₹ 9.48 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.

NOTES to consolidated financial statements for the year ended 31st March, 2017

43 The remuneration paid to the Managing Director for the year ended 31st March, 2017 is in excess of the limits laid down in section 197 of the Companies Act, 2013 by ₹ 4.29 crore. The Company had applied to the Central Government under section 196,197,198 & 200 read with Schedule V to the Companies Act, 2013 for permission to pay remuneration in excess of the prescribed limits. The Company has received an approval from the Central Government dated 21st June, 2017, for payment of remuneration amounting to ₹ 2.12 crores only. The Company is proposing to make a representation to the Central Government with a request to reconsider the amount approved. Pending such representation, no adjustments have been made in the accounts for the year ended 31st March, 2017 and the excess amount is held by the Managing Director in trust for the Company.

The remuneration payable to the Managing Director for the year ended 31st March, 2016 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 16th November, 2016.

44 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)	
	2016-17	2015-16
Employer's contribution to Provident Fund	3.44	3.24
Employer's contribution to Family Pension Fund	0.47	0.47
Employer's contribution to Superannuation Fund	0.28	0.32

B. Defined Benefit Plan

Gratuity and Voluntary Retirement Scheme (VRS) (Refer note 38 above) - as per actuarial valuation as on 31st March, 2017

	(₹ in crores)			
	2016-17	2015-16	2016-17	2015-16
	Gratuity		VRS	
i. Reconciliation of opening and closing balances of Defined Benefit Obligation				
Present value of Defined Benefit Obligation as at 31 st March, 2016	19.43	17.84	7.17	7.26
Interest cost	1.53	1.41	0.56	0.58
Current Service Cost	1.58	1.54	-	-
Benefits paid	(2.46)	(0.75)	(0.57)	(0.57)
Net Actuarial (gain) / loss	1.04	(0.61)	0.37	(0.10)
Present value of Defined Benefit Obligation as at 31 st March, 2017	21.12	19.43	7.53	7.17
	(₹ in crores)			
	2016-17	2015-16	2016-17	2015-16
ii. Reconciliation of fair value of Plan Assets				
Fair value of Plan Assets as at 31 st March, 2016	18.96	18.20	-	-
Expected return on Plan Assets	1.49	1.45	-	-
Net Actuarial gain / (loss)	(0.28)	(0.32)	-	-
Employer's Contribution	0.47	0.38	-	-
Benefits Paid	-	(0.75)	-	-
Fair value of Plan Assets as at 31 st March, 2017	20.64	18.96	-	-
The Company expects to contribute in 2017-2018	2.24	2.05	-	-
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 consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

	2016-17	2015-16	2016-17	2015-16
iii. Net assets / (liabilities) recognised in the Balance Sheet as at 31 st March, 2017				
Present value of Defined Benefit Obligation	(21.12)	(19.43)	(7.53)	(7.17)
Fair value of Plan Assets	20.64	18.96	-	-
	(0.48)	(0.47)	(7.53)	(7.17)
iv. Net Assets / (liability) recognised in Balance Sheet				
Current Service Cost	1.58	1.54	-	-
Interest Cost	1.53	1.41	0.56	0.58
Expected return on Plan Assets	(1.49)	(1.45)	-	-
Net Actuarial (gain) / loss	1.32	(0.29)	0.37	(0.10)
Total expenses recognised in the statement of profit and loss	2.94	1.21	0.93	0.48
Actual return on Plan Assets	1.21	1.13	-	-
v. Mortality Table	Indian Assured Lives Mortality (2006-08)			
Discount Rate (per annum)	6.82%	7.85%	6.82%	7.85%
Expected rate of return on Plan Assets	6.82%	7.85%	-	-
Salary escalation	8.50%	8.50%	5.00%	5.00%

vi. Amount recognized in current year and previous years

GRATUITY

(₹ in crores)

	2016-17	2015-16	2014-15	2013-14	2012-13
1 Present Value of Defined Benefit Obligation as at 31 st March	21.12	19.43	17.84	17.04	16.41
2 Fair Value of Plan Assets as on 31 st March	20.64	18.96	18.20	17.44	15.08
3 Funded Status [Surplus / (Deficit)]	(0.48)	(0.47)	0.36	0.40	(1.33)
4 Experience adjustment on Plan Liabilities [(Gain)/Loss]	(0.34)	(0.56)	(2.23)	(1.00)	1.35
5 Experience adjustment on Plan Assets [(Loss)/Gain]	(0.28)	(0.32)	(0.36)	(0.28)	(0.27)

VRS

(₹ in crores)

	2016-17	2015-16	2014-15
1 Present Value of Defined Benefit Obligation as at 31 st March	7.53	7.17	7.26
2 Fair Value of Plan Assets as on 31 st March	-	-	-
3 Funded Status [Surplus / (Deficit)]	(7.53)	(7.17)	(7.26)
4 Experience adjustment on Plan Liabilities [(Gain)/Loss]	(0.22)	(0.16)	0.07
5 Experience adjustment on Plan Assets [(Loss)/Gain]	-	-	-

NOTES to consolidated financial statements for the year ended 31st March, 2017

- 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.
- ix The above information regarding employee benefit is in respect of the holding company only as the 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 20th June, 2000. In the year 2009, provision of Rs 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 / management estimates as on 31st March, 2017 is ₹ 8.91 crores [2015-16- ₹ 8.54 crores]
- ii Amount recognised as a liability in respect of long service awards as per the actuarial valuation / management estimate as on 31st March, 2017 is ₹ 2.60 crores. [2015-16 - ₹ 2.43 crores]

45 DEFERRED TAXES

(₹ in crores)

	Deferred Tax (Liability)/Asset as at 31 st March, 2016	Credit / (Charge) for the year	Deferred Tax (Liability)/Asset as at 31 st March, 2017
Nature of Timing Difference			
(a) Deferred Tax Liabilities			
- Depreciation	(126.12)	(18.01)	(144.13)
	(126.12)	(18.01)	(144.13)
(b) Deferred Tax Assets			
- Item covered under section 43B	2.70	0.45	3.15
- Provision for bad and doubtful debts	13.22	21.57	34.79
- 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	105.69	(4.85)	100.84
- Impairment of Assets	4.51	0.84	5.35
	126.12	18.01	144.13
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.

NOTES to consolidated financial statements for the year ended 31st March, 2017

46 NOTE ON DEMONITISATION

In accordance with the Notification No. G.S.R. 308 (E) dated 30th March, 2017 issued by Ministry of Corporate Affairs the details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below:-

PARTICULARS	(₹ in crores)		
	SBN	Other denomination notes	Total
Closing cash in hand as on 08-Nov-2016	0.08	0.02	0.10
(+) Permitted receipts	0.21	0.69	0.90
(-) Permitted payments	(0.01)	(0.14)	(0.15)
(-) Amount deposited in Banks	(0.28)	(0.52)	(0.80)
Closing cash in hand as on 30-Dec-2016	-	0.05	0.05

47 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 on the stock exchange having highest trading volume 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.

On 7th August, 2012, the Board of Directors had granted 14,000 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. The said options have lapsed on 7th August, 2016.

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:	(₹ in crores)	
	31 st March, 2017	31 st March, 2016
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	70,000	NIL
Unexercised option outstanding as at the end of the year	NIL	70,000
Options excisable at the end of the period	NIL	70,000
Weighted average price per option (₹)	NA	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 1st April, 2016 - to 31st March, 2017 would also be nil.

NOTES to consolidated financial statements for the year ended 31st March, 2017

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:

(₹ in crores)

PARTICULARS	31 st March, 2017	31 st March, 2016
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	NA
Risk free rate	NA	NA
Expected dividends	NA	NA

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

(₹ in crores)

PARTICULARS	31 st March, 2017	31 st March, 2016
Net profit / (loss) (as reported)	57.41	(91.09)
Add/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)	57.41	(91.09)
Basic earnings per share (as reported)	2.78	(4.41)
Basic earnings per share (pro-forma)	2.78	(4.41)
Diluted earnings per share (as reported)	2.78	(4.41)
Diluted earnings per share (pro-forma)	2.78	(4.41)

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

48 DERIVATIVE INSTRUMENTS & UNHEDGED FOREIGN CURRENCY EXPOSURE

(i) Particulars of outstanding Forward Foreign Exchange Contracts entered into by the Company as on 31st March, 2017 for hedging the currency risk:

PARTICULARS	PURPOSE	31 st March, 2017	31 st March, 2016
Forward contracts to buy USD	Hedge of external commercial borrowings & raw material imports	3,99,43,900	3,22,59,410
Forward contracts to sell USD	Hedge of firm commitments, highly probable forecast transactions and export of finished goods	-	-

(ii) Particulars of unhedged foreign currency exposures as on 31st March, 2017

	31 st March, 2017	31 st March, 2016
(a) Trade Receivables		
USD	17,58,345	10,51,247
EURO	3,16,927	1,06,164
JPY	59,65,000	-
(b) Trade and Other Payables		
USD	3,05,927	2,10,908
EURO	38,640	-

(iii) The Company had 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 upto the previous year. Accordingly, the foreign exchange (gain)/loss of ₹ NIL (2015-16 ₹ (0.92) crores) as on 31st March, 2017 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. There were no contracts which qualified for hedge accounting as on 31st March, 2017, consequently the mark-to-market gain/(loss) on such contracts has been recorded in the statement of profit and loss.

NOTES to consolidated financial statements for the year ended 31st March, 2017

49 EARNINGS PER EQUITY SHARE

PARTICULARS	2016-17	2015-16
(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 (₹ in crores)	57.41	(91.09)
(ii) Number of Equity Share	No. of equity shares	No. of equity shares
Number of Equity Shares at the beginning of the year	20,65,34,900	20,65,34,900
Add:- Shares allotted during the year	-	-
Number of Equity Shares at the end of the year	20,65,34,900	20,65,34,900
Weighted average number of equity shares		
(a) For basic earnings	20,65,34,900	20,65,34,900
(b) For diluted earnings	20,65,34,900	20,65,34,900
Face value of Equity Shares (In ₹)	2	2
(iii) Earning per equity share		
Basic (in ₹)	2.78	(4.41)
Diluted (in ₹)	2.78	(4.41)

50 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, 2017	As at 31 st March, 2016
Lease rent expenses		
(i) Total of minimum lease payments for a period:		
- not later than one year	8.21	8.64
- later than one year but not later than five years	26.32	33.76
- later than five years	2.17	7.92
(ii) Lease payments recognised in the statement of profit and loss for the year	18.08	18.47

- (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 five 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, 2017	As at 31 st March, 2016
i Lease rent income		
(i) Total of lease rental income for a period:		
- not later than one year	30.43	17.77
- later than one year but not later than five years	66.60	37.30
- 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, 2017

51 SEGMENT REPORTING

(₹ in crores)

(I) PRIMARY SEGMENTS - BUSINESS SEGMENTS	Textile/ Retail	Polyester	Real Estate	Elimination	Total
A REVENUE					
1 Segment revenue - External sales/ income from operations	306.97	1,110.15	296.95	-	1,714.07
	[310.11]	[1069.12]	[470.23]	-	[1849.46]
2 Inter - segment revenue	-	-	-	-	-
	[-]	[-]	-	-	-
3 Total segment revenue	306.97	1,110.15	296.95	-	1,714.07
	[310.11]	[1,069.12]	[470.23]	[-]	[1,849.46]
4 Unallocated revenue					-
					[0.05]
TOTAL					1,714.07
					[1849.46]
B RESULT					
1 Segment result / operating profit / (loss)	(19.65)	82.02	160.57		222.94
	[(26.30)]	[(22.66)]	[277.20]	-	[228.24]
2 Unallocated (Expenses) / Income Net					(95.15)
					[(64.00)]
3 Operating Profit					127.79
					[164.24]
4 Interest Expenses					(370.66)
					[(289.92)]
5 Interest Income					24.99
					[35.23]
6 Income Taxes					29.57
					[0.53]
7 Profit from ordinary activities					(247.45)
					[(90.98)]
8 Impairment of assets held for sale					(2.43)
					[-]
9 Exceptional items					302.43
					[-]
10 Net Profit					57.41
					[(90.98)]

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ in crores)

(I) PRIMARY SEGMENTS - BUSINESS SEGMENTS		Textile/ Retail	Polyester	Real Estate	Elimination	Total
C OTHER INFORMATION						
1	Segment assets	370.42 [403.04]	657.73 [651.05]	3,201.43 [3215.48]	-	4,229.58 [4,269.57]
2	Unallocated assets					465.19 [189.38]
3	Total assets					4,694.77 [4,458.95]
4	Segment liabilities	202.73 [222.54]	345.73 [333.72]	222.39 [258.73]	-	770.85 [814.99]
5	Unallocated liabilities					2,700.20 [2,357.76]
6	Total liabilities					3,471.05 [3172.75]
7	Cost incurred during the year to acquire segment fixed assets	0.22 [1.20]	7.31 [6.60]	5.03 [0.30]		12.56 [8.10]
8	Depreciation	2.28 [4.36]	23.80 [23.72]	5.09 [5.69]		31.17 [33.77]
9	Non-cash expenses other than depreciation -provision for bad & doubtful debts	12.36 [8.20]	- [0.35]	1.36 [-]		13.72 [8.55]
(ii) Secondary Segments - Geographical Segments				India	Rest of the World	Total
A	Segment revenue from external customer, based on geographical location of customers			1,423.97 [1,566.99]	290.10 [282.47]	1,714.07 [1,849.46]
B	Segment assets based on geographical location			4,183.71 [4,206.37]	511.06 [63.20]	4,694.77 [4,269.57]
C	Cost incurred during the year to acquire fixed assets			12.49 [8.07]	0.07 [0.03]	12.56 [8.10]

NOTES to consolidated financial statements for the year ended 31st March, 2017

52 RELATED PARTY DISCLOSURES

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

1. Enterprises controlled by the company

Subsidiary Company: Archway Investment Company Limited (upto 31st March, 2016)

2. Related parties with whom Company had transaction during the year

Associate Companies: Pentafil Textile Dealers Limited

Bombay Dyeing Real Estate Company Limited

Joint Venture Company: P. T. Five Star Textile, Indonesia

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

Mr. Pushpamitra Das - Chief Financial Officer (w.e.f. 4th Apr, 2016)

Mr. Sanjive Arora - Company Secretary (w.e.f. 11th July, 2016)

Mr. K. Subharaman - Company Secretary & Compliance Officer (upto 30th Apr, 2016)

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

Mr. Vinod Hiran - Chief Financial Officer (19th May, 2015 to 2nd Nov, 2015)

Relatives 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 consolidated financial statements for the year ended 31st March, 2017

(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)	(-)	(-)	(-)
- P. T. Five Star Textile Indonesia	-	38.15	-	-
	(-)	(18.57)	(-)	(-)
- Pentafil Textile Dealers Limited	12.25	-	-	-
	(-)	(-)	(-)	(-)
(ii) Inter corporate Deposits/Advances taken				
- Pentafil Textile Dealers Limited	6.00	-	-	-
	(-)	(-)	(-)	(-)
(iii) Repayment received against ICD/Advances				
- Bombay Dyeing Real Estate Co. Ltd.	0.55	-	-	-
	(33.95)	(-)	(-)	(-)
- P. T. Five Star Textile Indonesia	-	12.46	-	-
	(-)	(18.57)	(-)	(-)
(iv) Repayment of ICD/Advances taken				
- Pentafil Textile Dealers Limited	6.00	-	-	-
	(-)	(-)	(-)	(-)
(v) Interest income on ICD/Advance				
- Bombay Dyeing Real Estate Co. Ltd.	0.15	-	-	-
	(3.45)	(-)	(-)	(-)
- P. T. Five Star Textile Indonesia	-	1.12	-	-
	(-)	(0.05)	(-)	(-)
- Pentafil Textile Dealers Limited	0.35	-	-	-
	(-)	(-)	(-)	(-)
(vi) Interest paid on ICD/Advance				
- Pentafil Textile Dealers Limited	0.26	-	-	-
	(-)	(-)	(-)	(-)
(vii) Expenses incurred on behalf of related parties (reimbursable)				
- P. T. Five Star Textile Indonesia	-	7.23	-	-
	(-)	(5.64)	(-)	(-)
- Go Airlines (India) Limited	-	-	-	0.40
	(-)	(-)	(-)	(0.66)
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	0.75
	(-)	(-)	(-)	(0.57)
- Gladrags Media Ltd.	-	-	-	-
	(-)	(-)	(-)	(0.04)

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ 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
(viii) Property related expenses recovered for adjustment against advances received				
- Mr. Jehangir N. Wadia	-	-	0.08	-
	(-)	(-)	(-)	(-)
- Mr. Ness N. Wadia	-	-	0.82	-
	(-)	(-)	(-)	(-)
(ix) Reduction in the cost of flat delivered unfurnished				
- Mr. Ness N. Wadia	-	-	1.57	-
	(-)	(-)	(-)	(-)
(x) Expenses incurred by related parties on behalf of Company (reimbursable)				
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	0.06
	(-)	(-)	(-)	(0.02)
- Gladrags Media Ltd.	-	-	-	-
	(-)	(-)	(-)	(0.26)
- Go Airlines (India) Limited	-	-	-	0.16
	(-)	(-)	(-)	(-)
(xi) Directors sitting fees				
- Mr. Nusli N. Wadia	-	-	0.07	-
	(-)	(-)	(0.07)	(-)
- Mr. Ness N. Wadia	-	-	0.06	-
	(-)	(-)	(0.05)	(-)
(xii) Remuneration				
- Mr. Jehangir Wadia	-	-	5.75	-
	(-)	(-)	(5.82)	(-)
- Mr. J. C. Bham	-	-	-	-
	(-)	(-)	(0.30)	(-)
- Mr. Vinod Hiran	-	-	-	-
	(-)	(-)	(0.72)	(-)
- Mr. K. Subharaman	-	-	0.06	-
	(-)	(-)	(0.44)	(-)
- Mr. Pushpamitra Das	-	-	1.82	-
	(-)	(-)	(-)	(-)
- Mr. Sanjive Arora	-	-	0.29	-
	(-)	(-)	(-)	(-)
(xiii) Guarantee and collaterals given / (expired) (net)				
- P. T. Five Star Textile Indonesia	-	(17.98)	-	-
	(-)	(25.44)	(-)	(-)
(xiv) Lease Rent income				
- Go Airlines (India) Ltd.	-	-	-	3.47
	(-)	(-)	(-)	(1.84)
(xv) Repayment of Fixed Deposits				
- Mrs. Saroj Jairaj Bham	-	-	-	-
	(-)	(-)	(0.02)	(-)

NOTES to consolidated financial statements for the year ended 31st March, 2017

(₹ 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
(xvi) Provision for doubtful debts				
- P. T. Five Star Textile Indonesia	-	53.93	-	-
	(-)	(-)	(-)	(-)
II) Particulars of amounts due to or due from related parties at the year end				
i) Receivables				
- P. T. Five Star Textile Indonesia	-	63.54	-	-
	(-)	(29.68)	(-)	(-)
- Go Airlines (India) Limited	-	-	-	0.98
	(-)	(-)	(-)	(0.78)
- Gladrags Media Ltd.	-	-	-	-
	(-)	(-)	(-)	(0.05)
- The Bombay Burmah Trading Corporation Ltd.	-	-	-	0.17
	(-)	(-)	(-)	(0.27)
- Bombay Dyeing Real Estate Co. Ltd.	0.84	-	-	-
	(-)	(-)	(-)	(-)
- Pentafil Textile Dealers Limited	12.25	-	-	-
	(-)	(-)	(-)	(-)
ii) Payables				
- Go Airlines (India) Limited	-	-	-	0.16
	(-)	(-)	(-)	(-)
- Mr. Ness Wadia	-	-	0.28	-
	(-)	(-)	(-)	(-)
III) Advances received for purchase of flats				
- Mr. Ness Wadia	-	-	-	-
	(-)	(-)	(0.57)	(-)
- Mr. Jehangir Wadia	-	-	-	-
	(-)	(-)	(0.28)	(-)
IV) Shareholders' deposit given				
- P. T. 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				
- P. T. Five Star Textile Indonesia	-	211.11	-	-
	(-)	(229.02)	(-)	(-)
VII) Fixed Deposits accepted				
- Mrs. Saroj Jairaj Bham	-	-	-	-
	(-)	(-)	(0.10)	(-)

Note:

- (a) Dividend paid has not been considered by the Company as a transaction falling under the purview of Accounting Standard 18 "Related Party Disclosures".

NOTES to consolidated financial statements for the year ended 31st March, 2017

53 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 2017		Share in profit or loss for F.Y.2016-17		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	
	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)
	2	3	4	5	2	3	4	5
(I) Parent								
The Bombay Dyeing And Manufacturing Company Ltd.	103.40%	1,265.28	72.67%	41.71	102.02%	1,312.12	93.58%	(85.24)
(II) Subsidiary								
Indian								
Archway Investments Co Ltd	0.00%	-	0.00%	-	5.03%	64.75	2.46%	2.24
(III) Joint Ventures (as per proportionate consolidation method)								
Foreign								
P.T. Five Star Textile	(5.17%)	(63.30)	(12.93%)	(7.42)	(0.68%)	(8.80)	4.30%	(3.92)
Adjustments arising out of consolidation	98.22%	1,201.98	59.74%	34.29	106.37%	1,368.07	95.42%	(86.92)
Minority Interest		19.82	36.93%	21.20	(6.15)%	(79.07)	4.46%	(4.06)
Share in Profit/ (Loss) in associates	0.16%	1.91	0.00%	1.91	(0.22)%	(2.79)	0.11%	(0.10)
TOTAL		1,223.71	100.00%	57.40	100.00%	1,286.20	100.00%	(91.09)

NOTES to consolidated financial statements for the year ended 31st March, 2017

54 JOINT VENTURES

The Company has the following joint venture as on 31st March, 2017 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, 2016	As at 31 st Dec, 2015
(a)	ASSETS		
	Fixed Assets	21.52	40.58
	Inventories	0.38	0.45
	Trade receivables	0.09	0.16
	Cash and bank balances	1.20	1.29
	Short-term loans and advances	4.53	5.90
	Other current assets	1.00	1.34
	Other Non-current assets	4.91	3.93
		33.63	53.65
(b)	LIABILITIES		
	Long-term borrowings	65.52	61.12
	Trade payables	0.08	0.07
	Other current liabilities	1.45	1.25
		67.05	62.44
		For the Year Ended 2016	For the Year Ended 2015
(c)	INCOME	3.80	4.45
(d)	EXPENSES	11.41	8.37
(e)	CONTINGENT LIABILITY	-	-

The Company's interest in this Joint Venture is reported as Non-current investment (Refer Note 13) 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.

55 CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR)

The company was required to spend ₹ 0.04 crore (2015-16 ₹ 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 ₹ NIL (2015-16: ₹ 0.30 crore towards Chennai Flood Relief). Accordingly, there is a shortfall in CSR spend by ₹ 0.04 crore (₹ 1 crore during 2015-16).

56 Figures in Brackets indicate corresponding figures for the previous year.

57 Previous year figures have been regrouped where necessary.

As per our report attached

FOR **KALYANIWALLA & MISTRY LLP**
Chartered Accountants
Firm Registration No.104607W/W100166

Daraius Z Fraser
Partner
Membership No.42454
Mumbai, 28th June, 2017

Nusli N. Wadia *Chairman*
Jehangir N. Wadia *Managing Director*
Pushpamitra Das *Chief Financial Officer*
Sanjive Arora *Company Secretary*
Mumbai, 28th June, 2017

For and on behalf of the Board of Directors

R. A. Shah
S. S. Kelkar
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

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 1 st April, 2016 - 31 st March, 2017	Financial year 1 st April, 2015 - 31 st March, 2016
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	-	52,05,00,000
5.	Reserves & Surplus	-	12,69,61,174
6.	Total Assets	-	88,76,73,805
7.	Total Liabilities	-	88,76,73,805
8.	Investments	-	52,95,18,783
9.	Turnover/total income	-	9,60,53,028
10.	Profit before taxation	-	2,77,22,820
11.	Provision for taxation	-	53,00,000
12.	Profit after taxation	-	2,24,22,820
13.	Proposed Dividend	-	-
14.	% of Shareholding	0.00%	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)	P. T. Five Star Textile Indonesia (Joint Venture)
1.	Latest audited Balance Sheet date	31-03-2017	31-03-2017	31-12-2016
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	88,20,000	2,00,000	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	2,99,68,092	3,85,320	(63,29,71,966)
6.	Profit/Loss for the year			
	i. Considered in Consolidated	2,03,79,759	(12,71,783)	(7,41,90,485)
	ii. Not considered in Consolidated	2,12,11,586	(19,07,675)	(14,47,25,080)

As per our report attached

FOR KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration No.104607W/W100166

Daraius Z Fraser
Partner
Membership No.42454
Mumbai, 28th June, 2017

Nusli N. Wadia *Chairman*
Jehangir N. Wadia *Managing Director*
Pushpamitra Das *Chief Financial Officer*
Sanjive Arora *Company Secretary*
Mumbai, 28th June, 2017

For and on behalf of the Board of Directors

R. A. Shah
S. S. Kelkar
S. M. Palia
Ness N. Wadia
V. K. Jairath
Keki M. Elavia
Minnie Bodhanwala

Directors

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

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),
G.D. 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 PRESERVERANTIA means 'Trust in God and Perseverance'.

AFTER 281 YEARS, OUR BRANDS:



SINCE 2005



SINCE 1879



SINCE 1918



SINCE 1954



SINCE 1863



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) 66620069; **Website:** www.bombaydyeing.com

ATTENDANCE SLIP

137TH ANNUAL GENERAL MEETING - 10TH AUGUST, 2017

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 137th Annual General Meeting of the Company to be held at Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021, on Thursday, 10th August, 2017, 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.



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) 66620069; **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 _____

_____ E-mail: _____ Signature _____ or failing him/her

2. Name: _____ of _____

_____ E-mail: _____ Signature _____ or failing him/her

3. Name: _____ of _____

_____ E-mail: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 137th Annual General Meeting of the Company to be held on Thursday, 10th August, 2017 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 Statement of the Company for the financial year ended 31 st March, 2017, together with the Reports of the Board of Directors and the Auditors thereon. (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31 st March, 2017, together with the Report of the Auditors thereon.		
2	Declaration of Dividend on Equity Shares.		

Resolution No.	Resolutions	For	Against
Ordinary Business			
3	To appoint a Director in place of Mr. Ness N. Wadia (DIN: 00036049), who retires by rotation and being eligible, offers himself for re-appointment.		
4	To appoint M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, as Statutory Auditors of the Company.		
Special Business			
5	Approval of the Remuneration of the Cost Auditors.		
6	Appointment of Mr. Vinesh Kumar Jairath (DIN: 00391684) as an Independent Director of the Company.		
7	Appointment of Dr. (Mrs.) Minnie Bodhanwala (DIN: 00422067) as a Director of the Company.		
8	Appointment of Mr. Keki M. Elavia (DIN: 00003940) as an Independent Director of the Company.		

Signed this _____ day of _____ 2017

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 '✓' 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.

The instructions for shareholders voting electronically are as under:

The voting period begins on 7th August, 2017 at 9.00 a.m. and ends on 9th August, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 3rd August, 2017, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter.

I The process and manner for remote e-voting is as under:

- A. Member whose email IDs are registered with the Company/DPs will receive an email from Karvy informing them of their User-ID and Password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process:
- (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - (ii) Enter the login credentials (i.e. User ID and password) which will be sent separately. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.
 - (iii) After entering these details appropriately, click on "LOGIN".
 - (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (az), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - (v) You need to login again with the new credentials.
 - (vi) On successful login, the system will prompt you to select the E-Voting Event Number for The Bombay Dyeing & Mfg. Co. Ltd.
 - (vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
 - (viii) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
 - (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - (x) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - (xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
 - (xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: grievance_redressal_cell@bombaydyeing.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
- B. In case a member receives physical copy of the Notice of AGM [for members whose email IDs are not registered or have requested the physical copy]:
- a) Initial password is provided in below format at the bottom of the Attendance Slip for the AGM :

EVSNO.	USER ID	PASSWORD
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- b) Please follow all steps from Sr. No. (i) to Sr. No. (xii) above to cast vote.

- II In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.
- III If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
- IV You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication.
- V The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3rd August, 2017.
- VI Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 3rd August, 2017, may obtain the User ID and password in the manner as mentioned below:
- a) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - b) Member may send an e-mail request to evoting@karvy.com. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
 - c) Member may call Karvy's toll free number 1-800-3454-001.
 - d) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : **MYEPWD** <space> E-Voting Event Number + Folio No. or DP ID Client ID to **9212993399**
Example for NSDL: MYEPWD <SPACE> IN12345612345678
Example for CDSL : MYEPWD <SPACE> 1402345612345678
Example for Physical : MYEPWD <SPACE> XXXX1234567890