

*The Ruby Mills Ltd.*



**99th ANNUAL REPORT  
2014-2015**



## THE RUBY MILLS LIMITED

### Board of Directors :

Shri. Manharlal Chunilal Shah  
Shri. Hiren Manharlal Shah  
Shri. Bharat Manharlal Shah  
Shri. Viraj Manharlal Shah

### Independent Directors

Shri. Jimmy D. Masani  
Shri. Shardul J. Thacker  
Shri. Dharamsinh M. Popat  
Shri. Anup P. Shah  
Shri. Deepak R. Shah (Appointed as an Additional Director on 14th November, 2014)  
Shri. Nitin P. Shingala (Resigned on 12th August, 2015)  
Shri. Gunvantrai A. Sanghrajka (Appointed as an Additional Director on 31st August, 2015)

### Non-executive Non- Independent Director

Smt. Aruna M. Shah

### Chief Financial Officer

Shri. S. Jayaraman

### Company Secretary & Compliance Officer

Shri Pankaj Parkhiya (Resigned on 27th July, 2015)

### Solicitors

Federal & Rashmikant

### Statutory Auditors

B.S. Mehta & Co. Chartered Accountants, Mumbai

### Bankers to the Company

|                     |                   |
|---------------------|-------------------|
| State Bank of India | Axis Bank Limited |
| Bank of India       | UCO Bank          |
| Bank of Baroda      | IDBI Bank Limited |
| Andhra Bank         | Allahabad Bank    |
| HDFC Bank Limited   |                   |

### Registered Office

Ruby House,  
J.K. Sawant Marg,  
Dadar, Mumbai-400028  
Email: info@rubymills.com  
Phone:+91-22-24387800  
Website: www.rubymills.com

### Plant Locations:

|                 |                   |
|-----------------|-------------------|
| Dhamni Complex  | Kharsundi Complex |
| Village Dhamni  | Village Kharsundi |
| Taluka Khalapur | Taluka Khalapur   |
| Dist. Raigad    | Dist. Raigad      |

### Registrar and Share Transfer Agents:

Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai-400 072. Tel : 022-28473474/2847 0652/53  
Fax: 022-28475207 E-mail : investor@bigshareonline.com





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**SUMMARISED FINANCIAL DATA**

(` in Lacs)

| Sr.                  | Particular   | 2010-2011      | 2011-2012       | 2012-2013       | 2013-2014      | 2014-2015       |
|----------------------|--|----------------|-----------------|-----------------|----------------|-----------------|
| 1.                   | Total Revenue  | 20492.01       | 24690.61        | 20711.53        | 22679.50       | <b>23947.70</b> |
| 2.                   | Profit Before Depreciation and Interest                                  | 10206.41       | 12348.80        | 8642.71         | 9191.08        | <b>9962.50</b>  |
| 3.                   | Finance Costs  | 806.02         | 1742.76         | 1876.88         | 1881.65        | <b>1489.56</b>  |
| 4.                   | Depreciation and amortization Expense                                    | 2154.17        | 2365.82         | 2440.02         | 2255.96        | <b>1878.20</b>  |
| 5.                   | Profit Before Tax  | 7246.22        | 8240.22         | 4325.81         | 5053.47        | <b>6594.72</b>  |
| 6.                   | Provision for Tax including Current Tax and Adjustments of earlier Years | 1500.00        | 1565.41         | 892.51          | 814.82         | <b>1304.74</b>  |
| 7.                   | Provision for Deferred Tax   | (9.28)         | (418.59)        | 384.96          | (251.40)       | <b>(104.41)</b> |
| 8.                   | Profit After Tax and Before Prior Period and Exceptional Items           | 5755.50        | 7093.40         | 3048.34         | 4490.05        | <b>5394.39</b>  |
| 9.                   | Prior Period and Exceptional Items                                       | -              | 1269.80         | -               | -              | -               |
| 10.                  | Profit After Tax, Prior Period and Exceptional Items                     | 5755.50        | 5823.60         | 3048.34         | 4490.05        | <b>5394.39</b>  |
|                      | Add: Surplus Brought Forward   | 3093.95        | 8029.74         | 13027.44        | 15570.17       | <b>9864.60</b>  |
|                      | Balance Available for Appropriation                                      | 8849.45        | 13853.34        | 16075.78        | 20060.22       | <b>15258.99</b> |
| Less: Appropriations |  |                |                 |                 |                |                 |
|                      | - General Reserve  | 576.00         | 583.00          | 310.00          | 10000.00       | <b>10000.00</b> |
|                      | - Proposed Dividend  | 209.00         | 209.00          | 167.20          | 167.20         | <b>209.00</b>   |
|                      | - Tax on Dividend  | 34.71          | 33.90           | 28.41           | 28.41          | <b>42.54</b>    |
|                      | <b>Balance carried forward to next year</b>                              | <b>8029.74</b> | <b>13027.44</b> | <b>15570.17</b> | <b>9864.61</b> | <b>5007.44</b>  |



### THE RUBY MILLS LIMITED

(CIN: L17120MH1917PLC000447)

Registered Office:- Ruby House, J.K. Sawant Marg, Dadar (w), Mumbai-28.

Email:- info@rubymills.com, Website:- www.rubymills.com

Phone: 022-24387800/30997800, Fax: +91-22-24378125

### NOTICE

NOTICE is hereby given that the **Ninety Ninth Annual General Meeting (AGM)** of the members of THE RUBY MILLS LIMITED will be held on Wednesday the 30th September, 2015 at 4.30 p.m. IST at the Registered office of the Company at Ruby House, J.K. Sawant Marg, Dadar(W), Mumbai-400028 to transact the following business:

#### Ordinary Business

##### **Item No. 1 –Adoption of accounts**

To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015, Statement of Profit & Loss for the year ended on that date and the Report of the Directors and Auditors thereon.

##### **Item No. 2 –Declaration of Dividend**

To declare the final dividend of ` 2.50 per equity share for the Financial Year ended 31st March, 2015.

##### **Item No. 3 –Re-appointment of Shri Bharat M. Shah**

To appoint a Director in place of Bharat M. Shah (holding DIN 00071248), who retires by rotation and being eligible, seeks re-appointment.

##### **Item No. 4 –Re-appointment of Shri Viraj M. Shah**

To appoint a Director in place of Viraj M. Shah (holding DIN 00071616), who retires by rotation and being eligible, seeks re-appointment.

##### **Item No. 5 –Re-appointment of Smt. Aruna M. Shah**

To appoint a Director in place of Smt. Aruna M. Shah (holding DIN 00070999), who retires by rotation and being eligible, seeks re-appointment.

##### **Item No. 6 –Appointment of Auditors**

To appoint Auditors to hold office from conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration. The retiring Auditors, M/s. B.S. Mehta & Co., Chartered Accountants (Firm registration No.106190W) are eligible for re-appointment and have given a written certificate as per Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014.

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

**“RESOLVED THAT** pursuant to the provisions of sections 139 to 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. B.S. Mehta & Co., Chartered Accountants, Mumbai, (Firm registration No.106190W) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors in consultation with the Auditors, and upon the recommendation of the Audit Committee.”

### SPECIAL BUSINESS

##### **Item No. 7 –Ratification of Cost Auditor’s remuneration**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Dakshesh Hiralal Zaveri Cost Accountant, (Firm Registration Number 102183), appointed by the Board of



Directors of the Company to conduct the audit of the cost records of the Company's Textile manufacturing units at Dhamni and Khursundi, be paid a remuneration, for the Financial Year ending March 31, 2016, amounting to ₹ 1,25,000 as also the payment of service tax as applicable and re-imbursment of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed."

**Item No. 8 – Appointment of Shri Deepak R. Shah as an Independent Director**

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

**"RESOLVED THAT** pursuant to Section 149, 150 and 152 of the Companies Act, 2013 (the 'Act') read with Companies (Appointment and qualification of Directors) Rules, 2014 along with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement(s), Shri Deepak R. Shah (DIN : 06954206) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14th November, 2014 and who holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from the member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for five (5) consecutive years effective September 30, 2015."

**Item No. 9– Appointment of Shri Gunvantrai A. Sanghrajka as an Independent Director**

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

**"RESOLVED THAT** pursuant to Section 149, 150 and 152 of the Companies Act, 2013 (the 'Act') read with Companies (Appointment and qualification of Directors) Rules, 2014 along with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement(s), Shri Gunvantrai A. Sanghrajka (DIN :00322600) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 31st August, 2015 and who holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from the member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Non-executive & Independent Director of the Company, not liable to retire by rotation, for five (5) consecutive years effective September 30, 2015."

**Item No. 10 – Issue of Bonus Shares**

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

**"RESOLVED THAT** pursuant to the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the relevant provisions of the Memorandum and Articles of Association of the Company and the recommendation of the Board of Directors of the Company and subject to the regulations and guidelines for bonus shares issued by the Securities and Exchange Board of India (as amended from time to time), as applicable, and such permissions, sanctions and approvals as may be required in this regard, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall be deemed to include a Committee of Directors which the Board of Directors of the Company may have constituted or may thereafter constitute and delegated with the powers necessary for the purpose) for capitalization of such amount standing to the credit of the Securities Premium Account/General Reserves/Capital Reserves or any other Reserve or Accumulated Profits as per the Audited Accounts for the financial year ended 31st March 2015, available for the purpose of capitalization, as may be considered necessary by the Board for issuance of bonus shares of Rs.5 (Rupees five only) each, credited as fully paid-up shares to the holders of the existing equity shares of the Company, whose names appear on the Register of Members of the Company/List of Beneficial Owners, as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date as may be hereafter fixed by the Board in that behalf (hereinafter referred to as "the Record Date") in the proportion of one new equity share for every one existing equity share held by the Members on the Record Date and that the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the paid-up capital of the Company held by each Member and not as income.

**RESOLVED FURTHER THAT**, no allotment letters shall be issued to the allottees of the bonus shares and that the certificate(s) in respect of the bonus shares shall be completed and thereafter be dispatched to the allottees thereof within the period prescribed or that may be prescribed on this behalf, from time to time, except in respect of those allottees who hold shares in dematerialized form.

**"RESOLVED FURTHER THAT** the issue and allotment of the said bonus shares to Non-Resident shareholders of the Company shall be subject, if required, to the approval of the Reserve Bank of India under the provisions of Foreign Exchange Management Act, 1999 and rules and regulations made thereunder.

**"RESOLVED FURTHER THAT** the bonus shares so issued and allotted pursuant to this Resolution shall rank pari passu in all respects with the fully paid equity shares of the Company as existing on the 'record date'



**“RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board ,the Committee authorized by the Board and other designated officers of the Company be and are hereby authorized to do all such acts, deeds, matters or things as it may in its absolute discretion deem necessary, expedient, usual or proper including giving directions to settle any question or difficulty that may arise with regard to the issue and distribution of the bonus shares as it may think fit.”

### **Item No. 11: Increase in Authorised Share Capital**

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

**“RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Authorized Share Capital of the Company be altered and increased from the present ` 5,00,00,000 (Rupees Five Crores Only) consisting of 1,00,00,000 (One Crore) Equity Shares of Rs.5 (Rupees Five Only) each to ` 10,00,00,000 (Rupees Ten Crores Only) divided into 2,00,00,000 (Two Crores) Equity Shares of ` 5 (Rupees Five Only) each.”

**“RESOLVED FURTHER THAT** Mr. Hiren Shah, Managing Director or Mr. Bharat M. Shah, Joint Managing Director or Mr. S. Jayaraman, Chief Financial Officer of the Company be and is hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard.”

### **Item No. 12 – Alteration of Memorandum of Association**

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

**“RESOLVED THAT,** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and such approvals as may be necessary, the existing Clause 5 of the Memorandum of Association of the Company relating to the Share Capital be substituted with the following clause:“5.”

‘5. The authorised share capital of the Company is ` 10, 00, 00,000 (Rupees Ten Crores Only) divided into 2, 00, 00,000 (Two Crores) Equity Shares of ` 5 (Rupees Five Only) each.

**“RESOLVED FURTHER THAT** Mr. Hiren Shah, Managing Director or Mr. Bharat M. Shah, Joint Managing Director or Mr. S. Jayaraman, Chief Financial Officer of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary and incidental to give effect to the aforesaid Resolution.”

### **Item No. 13 – Alteration of Article of Association**

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

**“RESOLVED THAT,** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and such approvals as may be necessary, the existing Article 3 of the Article of Association of the Company relating to the Share Capital be substituted with the following Article:“3.”

“3.The present Authorised Share Capital of the Company is ` 10, 00, 00,000 (Rupees Ten Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of ` 5/- (Rupees five only) each.”

### **NOTES**

1. The relevant Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the Item Nos. 7 to 13 of the Notice dated 31st August, 2015 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY.**
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the company carrying voting right.





4. A member holding more than ten percent, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. The instrument appointing the Proxy in order to be effective should be deposited at the Registered Office of the Company duly completed and signed, not less than forty-eight hours before the commencement of the meeting. A Proxy form is sent herewith.
6. Corporate members are requested to send to the Registered Office of the Company a duly certified copy of the board resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote at the general meeting.
7. The Register of Members and the Share Transfer Books of the Bank will be closed from Saturday, 19th September, 2015 to Thursday, 24th September, 2015 both days inclusive, for the purpose of payment of dividend.
8. Final dividend of ₹ 2.50 per equity share has been recommended by the Board of Directors, If is declared at the Meeting, payment thereof will be made, on or after Thursday, 30th September, 2015, to those members whose names appear on the Register of Members of the Company at the end of the business hours on Friday, 18th September, 2015. In respect of shares held in dematerialized form in the Depository system, dividend thereon will be paid to the beneficial owners as per the list to be provided by the Depositories.
9. Members are requested to note that pursuant to Section 124 of the Companies Act, 2013 dividend not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF) . It may be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof with the Company.
10. Member/proxies should bring duly filled Attendance Slip sent herewith to attend the meeting.
11. A statement giving the details of the Director seeking reappointment under Item No.3 to 5 and 8 and 9 and of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.
12. 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. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company or its Registrar.
13. Members are requested to intimate to the Company or to its Registrar & Share Transfer Agents changes, if any, in their registered addresses, at an early date and to quote folio numbers in all their correspondence.
14. In terms of Clause 35B of the Listing Agreement, in order to enable its members who do not have access to E-voting facility, a Ballot Form is annexed to the Notice to send their assent or dissent in writing in respect of the resolutions as set out in this Notice. A member who is not able to attend the AGM and desiring to exercise vote by Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against), as per the instructions mentioned in the ballot form, and send it to the Scrutinizer.
15. Members can opt to vote either through the physical ballot forms or through remote e-voting. In case a member casts his votes through both the means, voting done through electronic means shall be considered and vote cast through physical ballot form will be treated invalid.
16. Shri Bhumitra V Dholakia, Designated Partner, or in his absence Mr. Nrupang B. Dholakia, Designated Partner, M/s Dholakia & Associates LLP, is appointed as a Scrutinizer to scrutinize the voting and remote e-voting process and ballot forms received, in a fair and transparent manner.
17. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper/ polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
18. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
19. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.rubymills.com](http://www.rubymills.com). The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed.



20. Members who are desirous of getting any information as regard to the business to be transacted at the meeting are requested to write their queries to the Company at least seven days in advance of the meeting in order to keep the information required readily available at the meeting.
21. The Annual Report duly circulated to the members of the Company, is available on the Company's Website at [www.rubymills.com](http://www.rubymills.com).
22. The documents pertaining to Special Business are available for inspection at the registered office of the Company between 10.30 a.m. and 12.30 p.m. on any working day prior to the meeting.
23. BIGSHARE SERVICES PRIVATE LIMITED having its office at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri East, Mumbai-400 072 are the Registrar and Transfer Agent for shares held in physical form and in electronic / demat form. The Register of Members is maintained at the Office of the Registrar and Share Transfer Agents.

### **Important Communication to Members**

1. In line with the circular no. CIR/MRD/DP/10/2013 dated March 21, 2013 from Securities and Exchange Board of India (SEBI), with respect to usage of any RBI (Reserve Bank of India) approved electronic payment modes for making cash payments to the investors such as ECS, NEFT, etc.

In order to comply the said circular, members are requested to co-operate in helping the Company by updating their bank's details such as Name of Bank, Branch Name, Type of Account, Account No., MICR, IFSC etc. that are required for making electronic payment, with their respective Depository Participants, in case of electronic shareholding; or registering their Bank details with the Company's Registrar and Transfer Agents, in case of physical shareholding.

2. The Company is concerned about the environment and utilizes natural resources in a sustainable way. The ministry of Corporate Governance of India has by its circular Nos. 17/2011 and 18/2011, dated 21st April, 2011 and 29th April, 2011 respectively, permitted companies to send official documents to their shareholders electronically as a part of its green initiatives in corporate governance.

Recognizing the spirit of the circular issued by the MCA, we are sending documents like a Notice convening the general meetings, Financial statements, Directors' Report, Auditors' Reports, etc. to the e-mail address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email account.

3. **Electronic copy of the Notice of the 99th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Ballot Paper, Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 99th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Ballot Paper, Attendance Slip and Proxy Form are being sent in the permitted mode.**
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic forms are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical forms shall submit their PAN details to the RTA or the Company.
5. **Voting by electronic means**

In accordance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rule 2014 as amended by the Companies (Management and Administration) Amendment Rule, 2015 and Clause 35B of Listing Agreement with National Stock Exchange of India Ltd. and BSE Ltd. the stated items of business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("remote e-voting") to its Members. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") National Securities Depository Limited ("NSDL") for providing remote e-voting facilities to the Members, enabling them to cast their vote in a secure manner.

The Company has appointed M/s. Dholakia & Associates, LLP Practicing Company Secretaries (Address: MHB-11, A-302, Sarvodaya Co Operative Hsg. Soc. Ltd. Near Bhavishya Nidhi Building, Service Road, Kher Nagar, Bandra East, Mumbai 400051) as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. The E-voting right of shareholders/beneficial owners shall be reckoned on the equity shares held by them as on 18th September, 2015.



Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the record date, i.e. 18th September, 2015 (End of Day) may cast their vote electronically.

- (i) The Voting period starts from 9.00 a.m. on Thursday , September 24, 2015 and ends at 5.00 p.m. on Sunday, September 27, 2015. The voting module shall be disabled by CDSL for voting thereafter.
- (ii) Open your web browser during the voting period and log on to the e-voting website <https://www.evotingindia.com>
- (iii) Now click on “**Shareholder**” to cast your votes
- (iv) Now Enter your User ID
  - a. For NSDL :- 8 characters DP ID followed by 8 digits Client ID,
  - b. For CDSL :- 16 digit beneficiary ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the **image Verification Code** as displayed and click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted an earlier voting of any company, then your existing password is to be used.
- (vii) In case you have voted before on CDSL’s e-voting system, enter your existing password.
- (viii) If you are a first time user follow the steps given below:

| <b>For Members holding shares in Demat Form and Physical Form</b> |  |
|---|--|
| PAN   | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul> |
| Dividend Bank Details OR Date of Birth (DOB)                      | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul>  |

- (ix) After entering above details appropriately, click on “**SUBMIT**”.
- (x) Members holding shares in Physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding share in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the “Electronic Voting Sequence Number” (EVSN) for the relevant <Company Name> on which you choose to vote.



- (xiii) On the voting page, you will see “**Resolution Description**” and option for voting **YES/NO** against Resolution Description. The option ‘**YES**’ implies that you assent to the resolution & ‘**NO**’ implies that you dissent to the resolution.
- (xiv) Click on the Resolution File Link if you wish to view the entire AGM Notice.
- (xv) Enter the number of shares (which represents number of votes) under **YES/NO** or alternatively you may partially enter any number in **YES** and partially in **NO**, but the total number in **YES** and **NO** taken together should not exceed your total shareholding.
- (xvi) After selecting the resolution you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- (xvii) Once you ‘**CONFIRM**’ your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xx) **Note for Non- Institutional Shareholders and Custodians:**
- Non-Institutional members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are requested to log on to <https://www.evotingindia.co.in> and registered themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity send to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) Members, who have registered their e-mail addresses with the Bank or their Depository Participant, are being sent the AGM Notice along with the Annual Report, Attendance Slip & Proxy Form by e-mail and others are being sent by post/courier.
- (xxii) The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.rubymills.com](http://www.rubymills.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the National Stock Exchange of India Limited and BSE Limited.

By Order of the Board of Directors  
For **The Ruby Mills Limited**

Place: Mumbai  
Dated: 31st August, 2015

**M.C. Shah**  
Chairman



**ANNEXURE TO THE NOTICE OF THE NINETY NINTH ANNUAL GENERAL MEETING**

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

**Item No. 7 of Notice of Annual General Meeting**

**Ratification of Cost Auditors Remuneration**

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. D.H. Zaveri, Cost Accountants, to conduct the audit of the Cost records of the Company's Textile manufacturing units at Dhamni and Khursundi for the financial year ending March 31, 2016. In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending March 31, 2016, as set out in the Resolution for the aforesaid services to be rendered by them. None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the Notice for ratification by the Members

**Item No. 8 of Notice of Annual General Meeting**

Appointment of Shri Deepak R. Shah as an Independent Director (Date of Birth 4th June, 1964)

Shri Deepak R. Shah, aged 51 years, was appointed as an Additional Director of the Company with effect from 14th November, 2014 in accordance with the provisions of Section 161 of the Companies Act, 2013.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, ("the Act") the above director holds office as a Director up to the date of this Annual General Meeting but is eligible to be appointed as a Director.

The Company has received the required notice pursuant to the provisions of Section 160 of the Act from a member signifying his intention to propose the appointment of Shri Deepak R. Shah as a Non-Executive Independent Director of the Company. Shri Deepak R. Shah has filed his consent, pursuant to sub-section (5) of Section 152 of the Companies Act, 2013, to act as a Director, if appointed.

In terms of Section 149 read with Section 152 of the Act, Shri Deepak R. Shah shall hold the office for a term of 5 years on the Board and is not liable to retire by rotation.

The Company has received declaration from Shri Deepak R. Shah confirming that he meets with the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Further Shri Deepak R. Shah is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The Board feels that presence of Shri Deepak R. Shah is a Chartered Accountant on the Board is desirable and would be beneficial to the company as he is having wide experience in the field of Direct and Indirect Taxation for last 25 years and hence recommend resolution No. 8 for adoption.

Shri Deepak R. Shah does not hold any equity share either directly or on a beneficial basis in the Company and neither hold directorship in other companies.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the passing of the Resolution.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

The terms and conditions of the Appointment of Shri Deepak R. Shah shall be made available for inspection by the Members at the registered Office of the Company on all working dates between 11.00 a.m. to 1.00 p.m. upto the date of the meeting

The Board recommends the Ordinary Resolution as set out at Item No. 8 of the Notice for approval by the Members



### Item No. 9 of Notice of Annual General Meeting

#### Appointment of Shri Gunvantrai A. Sanghrajka as an Independent Director (Date of Birth 21st October 1935)

Shri Gunvantrai A. Sanghrajka, aged 80 years, was appointed as an Additional Director of the Company with effect from 31st August, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, ("the Act") the above director holds office as a Director up to the date of this Annual General Meeting but is eligible to be appointed as a Director.

The Company has received the required notice pursuant to the provisions of Section 160 of the Act from a member signifying his intention to propose the appointment of Shri Gunvantrai A. Sanghrajka as a Non-Executive Independent Director of the Company. Shri Gunvantrai A. Sanghrajka has filed his consent, pursuant to sub-section (5) of Section 152 of the Companies Act, 2013, to act as a Director, if appointed.

In terms of Section 149 read with Section 152 of the Act, Shri Gunvantrai A. Sanghrajka shall hold the office for a term of 5 years on the Board and is not liable to retire by rotation.

The Company has received declaration from Shri Gunvantrai A. Sanghrajka confirming that he meets with the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Further Shri Gunvantrai A. Sanghrajka is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The Board feels that presence of Shri Gunvantrai A. Sanghrajka an eminent Businessman, has wide and extensive experience in the field of Finance and hence recommend resolution No. 9 for adoption.

Shri Gunvantrai A. Sanghrajka does not hold any equity share either directly or on a beneficial basis in the Company and neither hold directorship in other companies.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the passing of the Resolution.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

The terms and conditions of the Appointment of Shri Gunvantrai A. Sanghrajka shall be made available for inspection by the Members at the registered Office of the Company on all working dates between 11.00 a.m. to 1.00 p.m. upto the date of the meeting

The Board recommends the Ordinary Resolution as set out at Item No.9 of the Notice for approval by the Members

### Item No. 10, 11, 12 and 13 of Notice of Annual General Meeting

At the meeting of the Board of Directors of the Company held on 31st August, 2015, the Board considered and approved a bonus issue of one new equity share for every one existing equity share held by such persons on the record date (to be determined by the Board), credited as fully paid-up bonus equity shares, such bonus equity shares to rank pari passu in all respects with the existing fully paid equity shares of the Company. It was also proposed to capitalise such amount standing to the credit of the General Reserve/Capital Reserve or any other Reserve or Accumulated Profits as per the Audited Accounts for the financial year ended 31st March 2015 for the purpose of issuance of the bonus shares.

The Articles of Association of the Company authorizes the capitalization and the issue of the bonus shares by the Company in the manner proposed. The Resolution at Item No. 10, 11, 12 and 13 are intended to give effect to the above proposal and the Board recommends the passing of this Resolution.

The bonus shares are being issued in line with the provisions of the Companies Act, 2013 and the Rules made thereunder and the regulations & guidelines issued by the Securities and Exchange Board of India and the Reserve Bank of India, as applicable. Requisite applications will also be made to the various Stock Exchanges where the existing shares of the Company are already listed, for permission to deal in such bonus shares.

It is proposed to alter and increase the Authorised Capital from ` 5,00,00,000 (Rupees Five crores) divided into 1,00,00,000 (One crores) equity shares of ` 5/- (Rupees Five) each to Rs.10,00,00,000 (Rupees Ten crores) divided into 2,00,00,000 (Two crores) equity shares of ` 5 (Rupees Five) each.

Accordingly, Clause 5 of the Memorandum of Association and Article 3 of the Articles of Association are sought to be amended to reflect the increased capital.





**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE:**

**Re-appointment of Shri. Bharat M. Shah, Shri. Viraj M. Shah and Smt. Aruna M. Shah (Item Nos. 3, 4 and 5)**

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 read with rules thereof for the purpose of determining the directors liable to retire by rotation, the Independent Directors shall not be included in the total number of directors of the Company. Shri B.M. Shah, Shri V.M. Shah and Smt. Aruna M. Shah shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment.

| Name of the Director   | Shri Bharat M. Shah   | Shri Viraj M. Shah   | Smt. Aruna M. Shah  |
|--|---|--|---|
| Date of Birth (DD/MM/YYYY)   | 15/08/1959  | 18/04/1961   | 16/06/1936  |
| Date of Appointment as Director (DD/MM/YYYY)                               | 28/11/1994  | 28/11/1994   | 15/09/1987  |
| Qualification  | B.Com   | B.Com  | Matriculation   |
| Brief resume & Expertise in specific functional areas                      | He has been associated with the Company for more than 33 years having experience in Finance, Administration, Materials Management and Taxation. He has been instrumental for Treasury operations carried out reducing the interest burden on the Company in 2005-2006. He is a permanent invitee on the Mills Owners Association, Mumbai. He was appointed by Bharat Petroleum Ltd. on the Local Advisory Board. As the Jt. Managing Director of the Company, he is in overall charge of day-to-day control of legal, secretarial, taxation, accounts, finance including interaction with Banks and Institutions. The vendor selection and right sourcing of materials at competitive rates is also managed by him. He is overall in charge of administration and the interaction with various local authorities at all levels. | He has been associated with Senior Management for the last 28 years. He has been instrumental in revamping the company's Marketing Policy from the traditional system of distribution to the system of Del Credre marketing which has enabled the Company penetrate in local markets, territory wise and further assuring the Company of faster collections against sales. This system has safe guarded the Company's position against Bad-debts as the territorial agents i.e. Del Credre are responsible for the sales effected in their territories to various parties. He has been instrumental in developing unique trend setting, finishing of fabrics resulting in improved realization product development as well as unique finishing of fabrics. | She is wife of Mr. M.C. Shah, Executive Chairman of the Company and she is associated with Company for more than two decades. |
| *Directorships in other Public Limited Companies                           | Nil   | Nil  | Nil   |
| *Directorships in Private Limited Companies                                | 1. Manubhai & Sons Investment Co. Pvt. Ltd.<br>2. Ruby Travels Pvt. Ltd.<br>3. Galore International Projects Pvt. Ltd.<br>4. Ruby Sales & Services Pvt. Ltd.  | 1. M. C. Shah & Sons Investment Co. Pvt. Ltd.<br>2. Ruby Travels Pvt. Ltd.<br>3. Galore International Projects Pvt. Ltd.<br>4. Ruby Sales & Services Pvt. Ltd.   | Nil   |
| *Committee Positions held in other Companies<br>C - Chairman<br>M - Member | Nil   | Nil  | Nil   |
| No. of shares held in the Company  | 3, 27,500 (3.92%)   | 137830 (1.65%)   | 1, 15,900 (1.39%)   |



| Name of the Director   | Shri Deepak R Shah  | Shri Gunvantrai A Sanghrajka   |
|--|---|--|
| Date of Birth (DD/MM/YYYY)   | 04-06-1964  | 21-10-1935   |
| Date of Appointment as Director (DD/MM/YYYY)                               | 14-11-2014  | 31-08-2015   |
| Qualification  | Chartered Accountant  | Under Graduate   |
| Brief resume & Expertise in specific functional areas                      | <p>A Fellow member of the Institute of Chartered Accountants of India with 25 years of experience in the field of Direct and Indirect Tax.</p> <p>He has his own firm by the name Deepak R Shah &amp; Associates, Chartered Accountants.</p> <p>He was President of Bombay Chartered Accountants' Society in the Year 2012-2013.</p> <p>Currently he is Co-Chairman of International Taxation Committee of Bombay Chartered Accountants' Society.</p> <p>He is member of Membership &amp; Public Relations Committee of Bombay Chartered Accountants' Society.</p> <p>He is Managing Committee member of All India Federation of Tax Practitioners (AIFTP WZ) for 2013 -2015.</p> <p>He is Chairman of Education Committee of AIFTP (WZ).</p> <p>He is also the member of Palkhivala Foundation &amp; Research Committee &amp; Journal Committee of AIFTP.</p> <p>He is member of RRC &amp; Skill Development Committee, and Student &amp; IT Connect Membership Committee of The Chamber of Tax Consultants.</p> <p>He was an editor of BCA REFERENCER for almost 12 years till 2012.</p> <p>He has contributed articles in Income tax Review, monthly magazine of The Chamber of Income tax Consultants and in Journal of All India Federation of Tax Practitioners.</p> <p>He was member of Research Team of the publication Titled "Digest of Case Laws (2003-2011) – Direct Tax including Allied Laws – A tax Companion, jointly published by All India Federation of Tax Practitioners and Income tax Appellate Tribunal Bar Association.</p> | <p>He is an eminent Businessman and has wide and extensive experience in the field of Finance.</p>   |
| *Directorships in other Public Limited Companies                           | NIL   | M/s. Sigma Laboratories Limited  |
| *Directorships in Private Limited Companies                                | NIL   | <p>M/s. DadajeeDhackjee Private Limited</p> <p>M/s. Kaya Sales Private Limited</p> <p>M/s. Amrit Safe Vaults Private Limited</p> <p>M/s. Solo India Private Limited</p> <p>M/s. Billionaire Securities &amp; Finance Private Limited</p> <p>M/s. DadajeeDhackjeeInfotech Private Limited</p> <p>M/s. DadajeeDhackjee Logistics Private Limited</p> <p>M/s. Victory Securities &amp; Finance Private Limited</p> <p>M/s. Narmada Colours Private Limited</p> <p>M/s. Amrit Vaults Private Limited</p> |
| *Committee Positions held in other Companies<br>C - Chairman<br>M – Member | NIL   | NIL  |
| No. of shares held in the Company  | NIL   | NIL  |

\*Note:

- The Directorships held by Directors mentioned above; do not include Alternate Directorship and Directorship in Foreign Companies and Section 8 Companies
- In accordance with Clause 49, Memberships/ Chairmanships of only the Audit Committees and Stakeholders Relationship Committees in all Public Limited Companies (excluding The Ruby Mills Limited) have been considered.

By Order of the Board of Directors  
For **The Ruby Mills Limited**

Place: Mumbai  
Dated: 31st August, 2015

**M.C. Shah**  
Chairman



**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to presents the Ninety ninth Annual Report together with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2015.

**Financial Results**

The financial performance of the Company for the year ended 31st March, 2015 is summarised below:

| Sl. No. | Particulars   | For the year ended ( ` In Lakhs) |                              |
|---------|---|----------------------------------|------------------------------|
|         |   | 31 <sup>st</sup> March, 2015     | 31 <sup>st</sup> March, 2014 |
| 1.      | Total Revenue   | 23948                            | 22679                        |
| 2.      | Finance Costs   | 1490                             | 1882                         |
| 4.      | Depreciation and Amortisation Expense                                 | 1878                             | 2256                         |
| 5.      | Profit before Tax   | 6595                             | 5054                         |
| 6.      | Provision for Tax including Current Tax adjustments of Earlier Years. | 1304                             | 815                          |
| 7.      | Provision for Deferred Tax  | (104)                            | (251)                        |
| 8.      | Profit after Tax, Prior period and Exceptional Items                  | 5394                             | 4490                         |
|         | Add: Surplus Brought Forward  | 9865                             | 15570                        |
|         | Balance Available for Appropriation                                   | 15259                            | 20060                        |
|         | Less: Appropriations  |                                  |                              |
|         | -General Reserve  | 10000                            | 10000                        |
|         | - Proposed Dividend   | 209                              | 167                          |
|         | - Tax on Dividend   | 42                               | 28                           |
|         | <b>Balance carried forward to next year</b>                           | <b>5007</b>                      | <b>9864</b>                  |

**Operating and Financial Performance:**

During the year under review, total revenue marginally increased over the previous year, i.e. from ` 22679 lacs to ` 23947 lacs. Your company coupled with high level of modernization concentrated efforts of both Management and employees; the whole hearted support of Banks, suppliers and customers has been able to attain these levels of performance.

**Textiles and Real Estate Division**

The revenue from the textiles activity was ` 16469 lacs as compared to ` 15454 lacs in the previous year. The operating profit/(loss) for the year was ` 1304 lacs against ` 181 lacs in the previous year.

The revenue from real estate activity was ` 3304 lacs as compared to ` 3309 lacs in the previous year. The operating profit for the year was ` 2764 lacs as against ` 2838 lacs in the previous year.

**Land Development at Dadar**

The construction of office building structure is complete except for certain finishing work. The State Government has notified an amendment in Development Control Rules wherein approvals under the old Development Control Rules has been obtained (like ours) have the either option to continue with the old regulation or opt for the new rules.. We are studying the option and we are waiting for the balance Occupation Certificate. Thereafter the office building "The Ruby" shall be leased /sold gradually in view of the improving market for office space.

**Dividend**

Your Directors, have after assessing the need for corporate requirement, recommended a dividend at the rate of 50% p.a. i.e of ` 2.50 (Two rupees fifty paise) per share on 83,60,000 equity shares of ` 5/- each aggregating to ` 209 lacs. The dividend will be paid after your approval at the ensuing Annual General Meeting. The aggregate outflow on account of the equity dividend for the year would be ` 251 lacs including tax on dividend. An amount of ` 10000 lacs (previous year ` 10000 lacs) has been transferred to General Reserve.



### Bonus Shares

Your Directors have recommended the issue of fully paid Equity Shares by way of Bonus to the shareholders in the ratio of one new equity share for every one existing equity shares held at its Meeting held on 31st August, 2015. The proposal is subject to the approval of the members at its ensuing Annual General Meeting. The paid up capital of the Company post Bonus if approved by the members would increased from Rs. 4,18,00,000 (Rupees Four Crores Eighteen Lacs only) divided into 83,60,000 equity shares of Rs. 5/- each to Rs. 8,36,00,000 (Rupees Eight Crores Thirty Six Lacs only) divided into 1,67,20,000 equity shares of Rs. 5/- each

### Report on Performance of Subsidiaries, Associates and Joint Venture Companies

During the year under review, your Company did not have any subsidiary, associate or joint venture company.

### Corporate Governance

Pursuant to Clause 49 of the Listing Agreement executed with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report and Certificate regarding compliance of conditions of Corporate Governance form an integral part of this report and are set out as separate Annexure to this Report.

### Public Deposits

The Company has not accepted deposits from the public within the meaning of Section 73 of The Companies Act, 2013 and rules framed thereunder.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### (i) Directors

Mr. Bharat M. Shah, (DIN: 00071248), Mr. Viraj M. Shah, (DIN: 00071616) and Ms. Aruna M. Shah (DIN: 00070999), Directors will retire by rotation and being eligible and not being disqualified under section 164 of the Companies Act, 2013, offers themselves for re-appointment.

The Board recommends their re-appointment.

Mr. Deepak R. Shah (DIN NO: 06954206), and Mr. Gunvantrai A. Sanghrajka (DIN: 00322600) were appointed as Additional Director of the Company in the category of Independent Director on 14th November, 2014 and 31st August, 2015 respectively. The Nomination and Remuneration Committee has recommended Mr. Deepak R. Shah, and Mr. Gunvantrai A. Sanghrajka for appointment as Independent Directors based on their qualifications and experience at the ensuing Annual General Meeting. The company has received all the declarations to fulfill the requisite criteria.

The Company has received a notice from a member along with requisite deposit proposing the candidature of Mr. Deepak R. Shah, and Mr. Gunvantrai A. Sanghrajka for their appointment as Director at the ensuing Annual General Meeting. Since in the opinion of the Board Mr. Deepak R. Shah, and Mr. Gunvantrai A. Sanghrajka fulfill the criteria of independence and also they are desirable and would be beneficial to the company as they are having wide experience in their respective field, the Board recommends their appointment as Independent Directors.

The tenure of Mr. D.M. Popat as an Independent Director will be completed on the 23rd September, 2015 and no intimation of notice has been received from Mr. D.M. Popat for his re-appointment

### Resignation

Shri Nitin Shingala resigned from the Board of Directors of the Company with effect from 12th August, 2015 on account of his new professional engagement. The Directors place on record their deep sense of appreciation for the valuable services rendered by Shri Nitin Shingala during his tenure as a Director of the Company.

Except above, there is no change in the composition of the Board of Directors.

### (ii) Key Managerial Personnel

Mr. Pankaj Parkhiya has tendered his resignation as the Company Secretary of the Company with effect from the close of the business hours on 27th July, 2015 and the same was accepted by the Management. The Company is in the process of appointing a suitable replacement.



**(iii) Declaration by an Independent Directors**

The Company has complied with clause 49 of Listing Agreement according to the provisions of section 149(6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013.

**(iv) Annual Evaluation of Board**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance and other Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, promotion of participation by all directors and developing consensus amongst the directors for all decisions.

**Number of Board Meetings**

During the Financial year, total 5 (Five) meetings of the Board of Directors were held on 17th May, 2014, 14th August, 2014, 24th September, 2014, 14th November, 2014 and 5th February, 2015 respectively.

**Director's Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by your Directors they make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 and hereby confirm that:-

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied 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 as at 31st March, 2015 and of the profit of the Company for the year on that date;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and the directors had laid down proper systems financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

**Nomination and Remuneration Committee**

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

**Audit Committee:**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of:

1. Mr. Anup P. Shah, Chairman and Independent Director
2. Mr. Deepak R Shah, Independent Director
3. Mr. Shardul J. Thacker, Independent Director
4. Mr. Bharat Shah, Joint Managing Director



The scope and terms of reference of the Audit Committee have been amended in accordance with the Act and the Listing Agreement entered into with the Stock Exchanges. The Board has accepted all the recommendations of the Audit Committee

### **Vigil Mechanism Policy for the Directors and Employees**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal and unethical behaviour.

The Board of Directors of the Company has, pursuant to the provisions of Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

During the year under review, no employee was denied access to the Chairman of the Audit Committee.

### **Risk Management Policy**

The Board of Directors of the Company during the year has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. At present there is no identifiable risk which, in the opinion, of the Board may threaten the existence of the Company.

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

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

### **Internal Control Systems:**

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

### **Extract of Annual Return:**

Extract of the Annual Return in form MGT-9 for the financial year ended 31st March, 2015 made under the provisions of Section 92(3) of the Act is attached as "Annexure B" which forms part of this Report.

### **Corporate Social Responsibility:**

The Corporate Social Responsibility Committee comprises of:

1. Mr. Anup P. Shah, Chairman and Non-Executive- Independent Director
2. Mr. Shardul J. Thacker- Non-executive Director- Independent
3. Mr. M.C. Shah, Executive Chairman
4. Ms. Aruna M. Shah, Non-executive Director

The Company has formulated and recommended the Board a Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities as attached as "**Annexure C**" and forms a part of this Report.



### Significant and Material Orders passed by the Regulators

During the year under review, no significant material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

### Auditors

#### (i) Statutory Auditors

M/s. B.S. Mehta & Co. Chartered Accountants Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from M/s. B.S. Mehta & Co., Chartered Accountants to the effect that their appointment, if made would be within the prescribed limits under Section 139 (1) of the Companies Act, 2013.

Members are requested to re-appoint M/s. B.S. Mehta & Co. Chartered Accountants as the Statutory Auditors of the Company.

### Auditors Remarks

As regards to the qualification stated under Clause (ix) of the Annexure to Auditors' Report, the delay in payments of instalments and interest on Loans was mainly due to slow down in the Real Estate Market due to which the expected realisation from sale/Lease of premises didn't materialize."

#### (ii) Secretarial Auditor

The Board has appointed M/s. Hemanshu Kapadia & Associates Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2014-2015. The Report of the Secretarial Audit Report is annexed herewith as "Annexure D".

The following observation in the Secretarial Audit Report was noted by the Board

The Company has paid Managerial Remuneration to its Chairman, Managing Director, Joint Managing Director and Executive Director as per the provisions of the Companies Act. However, as an abundant precautions, the Company has filed applications to the Central Government for the remuneration paid by the Company and approvals of the same are awaited".

After perusal of the aforesaid observation it was noted that the same was a statement of fact though mentioned in italics in the Secretarial Audit Report

#### (iii) Cost Auditor

Mr. Dakshesh H. Zaveri, Cost Auditor has been appointed pursuant to the provision of the Companies (Cost Records and Audit) Rules, 2014.

#### (iv) VAT Auditor

The Board has appointed M/s. Hemant V. Shah, Chartered Accountants as the VAT Auditor to conduct the VAT Audit.

### Green Initiatives

Pursuant to Sections 101 and 136 of the Companies Act, 2013 the Company will be sending Annual Report through electronic mode email to all the shareholders who have registered their email addresses with the Company or with the Depository to receive Annual Report through electronic mode and initiated steps to reduce consumption of paper.

### Human Resources

Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Policies and Systems. The Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

### Environment and Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires



conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources. There was no accident during the year.

### **Material Changes and Commitments, if any affecting the Financial Position of the Company which have occurred between the Financial Year end of the company to which Financial Results relate**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

### **Adequacy of Internal Financial Controls with reference to the Financial Statements**

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

### **Particular of Contracts or Arrangement with Related Parties**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. Hence, the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC-2 is not required. However, the details have been furnished in the Note 33 to the financial statement.

Apart from the above there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel.

All Related Party Transactions are placed before the Audit Committee as also to the Board for approval at every quarterly meeting.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web-link of the same has been provided in the Corporate Governance Report.

### **Disclosure under section 197(12) of the Companies Act, 2013 and other disclosures as per Rule 5 of Companies (Appointment & Remuneration) Rules, 2014.**

There were no employees except the Executive Chairman, Managing Director Joint Managing Director and Executive Director of the remuneration of ₹ 60 lacs per annum or more or ₹ 5 lacs per month or more during the year under review.

The prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure E and forms a part of this Report of the Directors

### **Disclosure under the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013.**

The Company has set up an Internal Complaints Committee (ICC) for providing a Redressal mechanism pertaining to Sexual harassment of women employees at workplace. There was no complaint received during the year under review.

### **Listing**

The Equity Shares of the Company continue to remain listed with BSE Limited and National Stock Exchange of India Limited and the stipulated listing fees for the year 2014-15 have been paid.

### **Management's Discussion and Analysis Report**

In compliance with Clause 49 of the Listing Agreement with BSE Limited and National Stock Exchange of India Limited, a separate section on Management Discussion and Analysis which also includes further details on the state of affairs of the Company and Corporate Governance Report, as approved by the Board of Directors, together with a certificate from the Statutory Auditors confirming the compliance with the requirements of Clause 49 forms part of this Annual Report.

### **Segments**

The Company has two segments namely Textile and Real Estate. The statement of accounts prepared and submitted are therefore of two Segments.



### General Disclosures

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
2. The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
3. The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
4. During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.
5. No orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

### Acknowledgement

Your Directors thank all the shareholders, all employees of the Company, customers, suppliers, Government Authorities, Financial Institutions and bankers for their continued support.

You Directors look forward to their continued support in future.

For and on behalf of the Board  
For **The Ruby Mills Limited**

**M. C. SHAH**  
**Executive Chairman**

Place : Mumbai  
Dated : 31<sup>st</sup> August, 2015

## ANNEXURE TO THE DIRECTORS' REPORT

### Annexure 'A'

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#### **(A) CONSERVATION OF ENERGY:**

This is a continuous process, new developments in energy saving Projects are studied and implemented from time to time. Future plan entails water harvesting and use of Solar power for street lighting. Energy Audits are carried out from time to time and staff is encouraged to attend lectures and seminars on energy savings.

#### **(a) Energy Conservation Measures Taken**

Following measures are continuously undertaken to conserve energy during the year under report:

- Maintaining Unit Power Factor
- Use of Harmonic filters
- Regular check of Air Leakage
- Use of Automatic Coal Feeder for Boilers
- Use of tested imported coal for Boilers
- Use of Opti Power motors on cardins
- Use of steam yarn conditioning machine





- Use of fixed energy saving Transformers
  - Use of maximum day lights
  - Running all machines at optimum speeds
  - Regular servicing of compressor, transformers and air-
- (b) Additional investment and Proposals, if any, being implemented for reduction of consumption of energy:
- Very old machines to be replaced by high speed machinery
  - Regular preventive maintenance measures to keep machines working effectively for longer time
- (c) Impact of measures at (a) & (b) for reduction of energy consumption and consequent impact on the cost of production of goods.
- Saving in cost
  - Better quality to customers
  - Reduction in wastage of all types

**(B) TECHNOLOGY ABSORPTION AND INNOVATION :**

**(a) Efforts made towards technology absorption, adaptation & innovation:**

- Encouraging Technical staff to attend seminars, conference and exhibitions to acquire and adopt latest technology.
- Subscribing to Technical magazines and inviting foreign expert for training to staff.

**(b) Specification areas in which R & D carried out by the Company**

- New product Development keeping in mind green concepts.
- Shortening process cycle for achieving Standardization.
- Creating novel product concept and fashions.
- Process standardization for consistent quality, meeting customer requirements.

**(c) Benefits derived as a result of the above R & D**

- Successfully marketing new products and creating business viability and volumes
- Reduction in energy consumption and wastages
- Improvement in product marketability and business viability through consistent quality, lower cost and new products.
- Meeting customer needs and in turn increased customer satisfaction.

**(d) Future plan of action**

- Increasing range of products.
- Development of new export and local markets
- Reduction of energy consumption
- Adopting more and more environ friendly process

**(e) Expenditure on R & D**

- It forms part of the project cost and cannot be quantified separately.





**(C) FOREIGN EXCHANGE SPENT AND EARNED:**

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

|     |  | <b>Current Year<br/>2014-2015<br/>(` in lacs)</b> | Previous Year<br>2013-2014<br>(` in lacs) |
|-----|--|---|---|
| (a) | Value of Direct Imports calculated on CIF Basis:   |   |   |
|     | (i) Stores, Spare parts and Colour Chemicals   | 133.34  | 147.68                                    |
|     | (ii) Raw Materials   | 30.17   | -   |
|     | (iii) Yarn   | -   | 8.93                                      |
|     | (iv) Capital Goods   | 15.78   | -   |
| (b) | Earnings in Foreign Exchange on account of export of goods :<br>Direct Export on FOB Basis | 451.47  | 294.34                                    |
| (c) | Expenditure in Foreign Currency :<br>Travelling<br>Others                                  | 22.88<br>19.30                                    | 8.85<br>54.09                             |

**FORM 'A'**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY:**

|           |  | <b>Current Year<br/>2014-15</b> | Previous Year<br>2013-14 |
|-----------|--|---------------------------------|--------------------------|
| <b>1.</b> | <b>Power &amp; Fuel Consumption :</b>      |                                 |                          |
|           | <b>Electricity :</b>                       |                                 |                          |
|           | <b>a Purchased Unit :</b>                  | <b>2,93,28,443</b>              | 2,91,72,481              |
|           | Total Amount (`)                           | <b>21,28,42,209</b>             | 20,78,13,422             |
|           | <b>b Own Generation :</b>                  |                                 |                          |
|           | i. Through Diesel Generator Units Unit     | <b>27,55</b>                    | 2,376                    |
|           | Units per 1 Ltr. of diesel oil Unit        | <b>2.90</b>                     | 2.95                     |
|           | Cost / Unit.                               | <b>17.36</b>                    | 21.7                     |
|           | ii. Through steam turbine / Generator Unit | <b>Nil</b>                      | Nil                      |
|           | Units per 1 ltr. Of diesel oil             | <b>Nil</b>                      | Nil                      |
|           | Cost / Unit                                | <b>Nil</b>                      | Nil                      |
| <b>2.</b> | <b>Coal (Dhamni &amp; Kharsundi):</b>      |                                 |                          |
|           | Quantity (Tonnes)                          | <b>11,679.74</b>                | 10,516.13                |
|           | Total Cost (`)                             | <b>6,79,81,991</b>              | 5,83,06,771              |
|           | Cost / Unit                                | <b>*</b>                        | <b>*</b>                 |
| <b>3.</b> | <b>Furnace Oil:</b>                        |                                 |                          |
|           | Quantity (K. Ltrs.)                        | <b>71.80</b>                    | 27.330                   |
|           | Total Cost                                 | <b>37,77,483</b>                | 13,97,336                |

\*Cost per unit of production for Electricity is not comparable as the company is a composite Textile Mill and have a regular change of product mix.



**Annexure 'B'**

**FORM NO. MGT - 9  
EXTRACT OF ANNUAL RETURN  
as on the financial year ended 31.03.2015  
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

|     |   |  |
|-----|---|--|
| i   | CIN   | L17120MH1917PLC000447                                    |
| ii  | Registration Date   | 09.01.1917   |
| iii | Name of the Company   | Ruby Mills Limited                                       |
| iv  | Category/Sub-Category of the Company                                      | Limited  |
| v   | Whether listed Company (Yes/No)   | Yes  |
| vi  | Address of the Registered Office and contact details                      | Ruby House, J.K. Sawant Marg, Dadar West, Mumbai-400028. |
| vii | Name, Address and Contact details of Registrar and Transfer Agent, if any | Bigshare Services Pvt. Ltd.                              |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

| Sr. No. | Name and Description of Main Product/Services | NIC Code of the Product | % to total turnover of the Company |
|---------|---|-------------------------|------------------------------------|
| 1.      | Textile Manufacturing                         | 13131                   | 83%                                |
| 2.      | Real Estate Development                       | 68100                   | 17%                                |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

| Sr. | Name and Address of the Company | CIN/GIN | Holding/Subsidiary of the Company | % of shares held | Applicable Section |
|-----|---------------------------------|---------|-----------------------------------|------------------|--------------------|
|     | N.A.                            |         | N.A.                              |                  |                    |



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

(i) Category-wise Share Holding

| Category of Shareholders                                  | No. of Shares held at the beginning of the year |          |                |              | No. of Shares held at the end |          |                |              | % Change During the year |
|---|---|----------|----------------|--------------|-------------------------------|----------|----------------|--------------|--------------------------|
|   | Demat   | Physical | Total          | % of Total   | Demat                         | Physical | Total          | % of Total   |                          |
| <b>A. Promoters</b>                                       |   |          |                |              |                               |          |                |              |                          |
| <b>(1) Indian</b>   |   |          |                |              |                               |          |                |              |                          |
| a) Individual/ HUF  | 1267870   | -        | 1267870        | 15.17        | 1267870                       | -        | 1267870        | 15.17        | -                        |
| b) Central Govt.  | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| c) State Govt(s).   | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| d) Bodies Corp.   | 3772070   | -        | 3772070        | 45.12        | 3772070                       | -        | 3772070        | 45.12        | -                        |
| e) Bank/ FI   | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| f) Any Other  | 1223420   | -        | 1223420        | 14.63        | 1223420                       | -        | 1223420        | 14.63        | -                        |
| <b>Sub-Total (A)(1)</b>                                   | <b>6263360</b>                                  | <b>-</b> | <b>6263360</b> | <b>74.92</b> | <b>6263360</b>                | <b>-</b> | <b>6263360</b> | <b>74.92</b> | <b>-</b>                 |
| <b>(2) Foreign</b>  |   |          |                |              |                               |          |                |              |                          |
| a) NRIs-Individuals                                       | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| b) Other-Individuals                                      | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| c) Bodies Corp.   | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| d) Bank/ FI   | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| e) Any Other  | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| <b>Sub-Total (A)(2)</b>                                   | <b>-</b>  | <b>-</b> | <b>-</b>       | <b>-</b>     | <b>-</b>                      | <b>-</b> | <b>-</b>       | <b>-</b>     | <b>-</b>                 |
| <b>Total shareholding of Promoter (A) (A)(1) + (A)(2)</b> | <b>6263360</b>                                  | <b>-</b> | <b>6263360</b> | <b>74.92</b> | <b>6263360</b>                | <b>-</b> | <b>6263360</b> | <b>74.92</b> | <b>-</b>                 |
| <b>B. Public Shareholding</b>                             |   |          |                |              |                               |          |                |              |                          |
| <b>1. Institutions</b>                                    |   |          |                |              |                               |          |                |              |                          |
| a) Mutual Funds   | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| b) Bank/ FI   | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| c) Central Govt.  | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| d) State Govt(s).   | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| e) Venture Capital Funds                                  | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| f) Insurance Companies                                    | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| g) FIs  | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| h) Foreign Venture Capital Funds                          | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| i) Others (specify)                                       | -   | -        | -              | -            | -                             | -        | -              | -            | -                        |
| <b>Sub-Total (B)(1)</b>                                   | <b>-</b>  | <b>-</b> | <b>-</b>       | <b>-</b>     | <b>-</b>                      | <b>-</b> | <b>-</b>       | <b>-</b>     | <b>-</b>                 |



| <b>2. Non- Institutions</b>   |                |               |                |              |                |               |                |              |          |
|---|----------------|---------------|----------------|--------------|----------------|---------------|----------------|--------------|----------|
| a) Bodies Corp.   |                |               |                |              |                |               |                |              |          |
| i) Indian   | 207123         | 131140        | 338263         | 4.33         | 216801         | 131140        | 347941         | 4.16         | 0.17     |
| i) Overseas   | -              | -             | -              | -            |                |               |                |              |          |
| b) Individuals  |                |               |                |              |                |               |                |              |          |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh          | 1275817        | 39550         | 1315367        | 15.21        | 1284386        | 36832         | 1321218        | 15.80        | 0.59     |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 303670         | -             | 303670         | 3.95         | 283470         | -             | 283470         | 3.40         | (0.55)   |
| b) Others (specify)   |                |               |                |              |                |               |                |              |          |
| Trust   | 1490           | -             | 1490           | 0.02         | 1490           | -             | 1490           | 0.02         | -        |
| Clearing Members  | 15944          | -             | 15944          | 0.12         | 21566          | -             | 21566          | 0.26         | (0.14)   |
| Non-resident Indian(repat)  | 121906         | -             | 121906         | 1.45         | 120955         | -             | 120955         | 1.44         | (0.10)   |
| <b>Total Public shareholding (B)(B)(1) + (B)(2)</b>                               | <b>1925950</b> | <b>170690</b> | <b>2096640</b> | <b>25.08</b> | <b>1928668</b> | <b>167972</b> | <b>2096640</b> | <b>25.08</b> | <b>-</b> |
| <b>A. Shares held by Custodian for GDRs &amp; ADRs</b>                            |                |               |                |              |                |               |                |              |          |
|   | -              | -             | -              | -            | -              | -             | -              | -            | -        |
| <b>Grand Total (A+B+C)</b>  | <b>8189310</b> | <b>170690</b> | <b>8360000</b> | <b>100</b>   | <b>8189310</b> | <b>170690</b> | <b>8360000</b> | <b>100</b>   | <b>-</b> |

(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 | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |   |
| 1      | Manubhai and Sons Investments Company Private Limited  | 1194450                                   | 14.29                            | -  | 1194450                             | 14.29                            | -  | N.A.                                      |
| 2      | Hiren Brothers Investments Company Private Limited     | 1194450                                   | 14.29                            | -  | 1194450                             | 14.29                            | -  | N.A.                                      |
| 3      | M. C. Shah and Sons Investment Company Private Limited | 1194170                                   | 14.28                            | -  | 1194170                             | 14.28                            | -  | N.A.                                      |
| 4      | Executors and Trustee of late ChunilalNarbheram        | 189000                                    | 2.26                             | -  | 189000                              | 2.26                             | -  | N.A.                                      |
| 5      | Manharlal Chunilal Shah                                | 366660                                    | 4.39                             | -  | 366660                              | 4.39                             | -  | N.A.                                      |



| 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 |   |
| 6      | Bharat Manharlal Shah    | 327500                                    | 3.92                             | -  | 327500                              | 3.92                             | -  | N.A.                                      |
| 7      | Viraj Manharlal Shah     | 275660                                    | 3.30                             | -  | 275660                              | 3.30                             | -  | N.A.                                      |
| 8      | Purav Hiren Shah         | 192254                                    | 2.30                             | -  | 192254                              | 2.30                             | -  | N.A.                                      |
| 9      | Hiren Manharlal Shah     | 182150                                    | 2.18                             | -  | 182150                              | 2.18                             | -  | N.A.                                      |
| 10     | M. C. Shah               | 181300                                    | 2.17                             | -  | 181300                              | 2.17                             | -  | N.A.                                      |
| 11     | Rishabh Viraj Shah       | 156556                                    | 1.87                             | -  | 156556                              | 1.87                             | -  | N.A.                                      |
| 12     | Jayshree Hiren Shah      | 156310                                    | 1.87                             | -  | 156310                              | 1.87                             | -  | N.A.                                      |
| 13     | Viraj Manharlal Shah     | 117600                                    | 1.41                             | -  | 117600                              | 1.41                             | -  | N.A.                                      |
| 14     | Hiren Manharlal Shah     | 117600                                    | 1.41                             | -  | 117600                              | 1.41                             | -  | N.A.                                      |
| 15     | Aruna Manharlal Shah     | 115900                                    | 1.38                             | -  | 115900                              | 1.38                             | -  | N.A.                                      |
| 16     | Bharat Manharlal Shah    | 114100                                    | 1.36                             | -  | 114100                              | 1.36                             | -  | N.A.                                      |
| 17     | Dipti Viraj Shah         | 98500                                     | 1.18                             | -  | 98500                               | 1.18                             | -  | N.A.                                      |
| 18     | Aabha Bharat Shah        | 86500                                     | 1.03                             | -  | 86500                               | 1.03                             | -  | N.A.                                      |
| 19     | Yogesh Sumatilah Koradia | 1650                                      | 0.02                             | -  | 1650                                | 0.02                             | -  | N.A.                                      |
| 20     | Asha Yogesh Mehta        | 1050                                      | 0.012                            | -  | 1050                                | 0.012                            | -  | N.A.                                      |
|        | <b>Total</b>             | <b>6263360</b>                            | <b>74.92</b>                     | <b>-</b>   | <b>6263360</b>                      | <b>74.92</b>                     | <b>-</b>   | <b>N.A.</b>                               |

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

| Sr. No. |   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|---|---|----------------------------------|---|----------------------------------|
|         |   | No. of Shares                             | % of total Shares of the company | No. of Shares                           | % of total Shares of the company |
|         | At the beginning of the year  | No Change                                 |                                  |   |                                  |
|         | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.): |   |                                  |   |                                  |
|         | At the End of the year  |   |                                  |   |                                  |



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

| Sr No. | Name                               | Shareholding  |                                  | Date | Increase/ Decrease in shareholding | Reason | At the End of the year ( or on the date of separation, if separated during the year |                                  |
|--------|------------------------------------|---------------|----------------------------------|------|------------------------------------|--------|---|----------------------------------|
|        |                                    | No, of shares | % of total Shares of the company |      |                                    |        | No, of shares   | % of total Shares of the company |
| 1.     | Adrik Traders Pvt. Ltd             | 131040        | 1.57                             |      |                                    |        | 131040  | 1.57                             |
| 2      | Adrik Traders Pvt. Ltd             | 113376        | 1.36                             |      |                                    |        | 113376  | 1.36                             |
| 3      | Umesh Kishorekant Sanghvi          | 86528         | 1.03                             |      |                                    |        | 86528   | 1.03                             |
| 4      | Kishorekant Bhimji Sanghvi         | 62406         | 0.75                             |      |                                    |        | 62406   | 0.75                             |
| 5      | ShashikantGordhandasBadani         | 48510         | 0.58                             |      |                                    |        | 48510   | 0.58                             |
| 6      | ChampaklalChatrabhujSheth          | 34020         | 0.41                             |      |                                    |        | 34020   | 0.41                             |
| 7.     | YogeshBhogilal Mehta               | 30000         | 0.36                             |      |                                    |        | 30000   | 0.36                             |
| 8      | K B Sanghvi                        | 29746         | 0.35                             |      |                                    |        | 29746   | 0.35                             |
| 9      | Risha Dyeing and Printing Pvt. Ltd | 28380         | 0.27                             |      |                                    |        | 22260   | 0.27                             |
| 10     | Chetan Rameshchandra Parekh        | 22260         | 0.34                             |      |                                    |        | 28380   | 0.34                             |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sr No. | Name   | Shareholding  |                                  | Date | Increase/ Decrease in shareholding | Reason | At the End of the year ( or on the date of separation, if separated during the year |                                  |
|--------|--|---------------|----------------------------------|------|------------------------------------|--------|---|----------------------------------|
|        |  | No, of shares | % of total Shares of the company |      |                                    |        | No, of shares   | % of total Shares of the company |
| 1      | Shri M.C. Shah (Chairman)  | 366660        | 4.39                             |      |                                    |        | 366660  | 4.39                             |
| 2      | Shri Hiren M. Shah (Managing Director)                           | 182150        | 2.18                             |      |                                    |        | 182150  | 2.18                             |
| 3      | Shri Bharat M. Shah (Jt. Managing Director )                     | 327500        | 3.92                             |      |                                    |        | 327500  | 3.92                             |
| 4      | Shri . Viraj M. Shah (Executive Director)                        | 275660        | 3.30                             |      |                                    |        | 275660  | 3.30                             |
| 5      | Smt. Aruna M. Shah (Non-Executive Director)                      | 115900        | 1.38                             |      |                                    |        | 115900  | 1.38                             |
| 6      | Shri Anup P. Shah (Independent Director)                         | 800           | 0.01                             |      |                                    |        | 800   | 0.01                             |
| 7      | Shri S. Jayaraman (Chief Financial Officer)                      | NIL           |                                  |      |                                    |        | NIL   |                                  |
| 8      | Shri Pankaj J. Parkhiya (Company Secretary & Compliance Officer) | NIL           |                                  |      |                                    |        | NIL   |                                  |



**V. INDEBTEDNESS**

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

|   | <b>Secured Loans<br/>excluding<br/>deposits</b> | <b>Unsecured<br/>Loans</b> | <b>Deposits</b> | <b>Total</b>          |
|---|---|----------------------------|-----------------|-----------------------|
| <b>Indebtedness<br/>Indebtedness at the beginning<br/>of the financial year</b> |   |                            |                 |                       |
| i) Principal Amount   | 4,92,46,88,092                                  | 51,80,50,000               | -               | 5,44,27,38,092        |
| ii) Interest due but not paid   |   | 50,71,105                  | -               | 50,71,105             |
| iii) Interest accrued but not due   | 4,46,46,056                                     | -                          | -               | 4,46,46,056           |
| <b>Total (i+ii+iii)</b>   | <b>4,96,93,34,148</b>                           | <b>52,31,20,105</b>        | <b>-</b>        | <b>5,49,24,54,253</b> |
| <b>Change in Indebtedness<br/>during the financial year</b>                     |   |                            |                 |                       |
| • Addition  | 69,50,11,891                                    | 43,84,60,000               | -               | 1,13,34,71,891        |
| • Reduction   | 1,73,84,52,728                                  | 1,43,00,000                | -               | 1,75,27,52,728        |
| <b>Net Change</b>   | <b>(1,04,34,40,837)</b>                         | <b>42,41,60,000</b>        | <b>-</b>        | <b>(61,92,80,837)</b> |
| <b>Indebtedness at the<br/>end of the financial year</b>                        |   |                            |                 |                       |
| i) Principal Amount   | 3,88,12,47,255                                  | 94,22,10,000               | -               | 4,82,34,57,255        |
| ii) Interest due but not paid   | 3,20,93,511                                     | 42,27,535                  | -               | 3,63,21,046           |
| iii) Interest accrued but not due   | 3,63,21,046                                     | -                          | -               | 3,63,21,046           |
| <b>Total (i+ii+iii)</b>   | <b>3,94,96,61,812</b>                           | <b>94,64,37,535</b>        | <b>-</b>        | <b>4,89,60,99,347</b> |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

| <b>Sr.<br/>No.</b> | <b>Particulars of Remuneration</b>  | <b>Name of MD/WTD/Manager</b> |                      |                       |                      | <b>Total Amount<br/>(<sup>₹</sup>)</b> |
|--------------------|---|-------------------------------|----------------------|-----------------------|----------------------|--|
|                    |   | <b>M.C. Shah</b>              | <b>Hiren M. Shah</b> | <b>Bharat M. Shah</b> | <b>Viraj M. Shah</b> |  |
| 1.                 | Gross Salary  |                               |                      |                       |                      |  |
|                    | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act | 133,08,000                    | 95,64,000            | 95,64,000             | 95,64,000            | 420,00,000                             |
|                    | (b) Value of perquisites u/s 17(2) Income Tax Act, 1961                       | 16,92,000                     | 12,36,000            | 12,36,000             | 12,36,000            | 54,00,000                              |
|                    | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961        |                               |                      |                       |                      |  |
| 2.                 | Stock Option  | N.A.                          | N.A.                 | N.A.                  | N.A.                 | N.A.                                   |
| 3.                 | Sweat Equity  | N.A.                          | N.A.                 | N.A.                  | N.A.                 | N.A.                                   |
| 4.                 | Commission<br>- As % of Profit<br>- Others, specify                           | N.A.<br>N.A.                  | N.A.<br>N.A.         | N.A.<br>N.A.          | N.A.<br>N.A.         | N.A.<br>N.A.                           |
| 5.                 | Others, please specify  |                               |                      |                       |                      |  |
|                    | <b>Total (A)</b>  | <b>150,00,000</b>             | <b>108,00,000</b>    | <b>108,00,000</b>     | <b>108,00,000</b>    | <b>474,00,000</b>                      |



B. Remuneration of other directors:

| Sr. No. | Particulars of Remuneration                  | Name of Directors |               |                    | Total Amount ( ` ) |
|---------|--|-------------------|---------------|--------------------|--------------------|
|         |  | J.D.Masani        | D.M. Popat    | Shardul J. Thacker |                    |
|         | <b>Independent Directors</b>                 |                   |               |                    |                    |
|         | • Fee for attending board committee meetings | 1,07,500          | 45,000        | 1,40,000           | 2,92,500           |
|         | • Commission                                 | -                 | -             | -                  | -                  |
|         | • Others, please specify                     | -                 | -             | -                  | -                  |
|         | <b>Total (1)</b>                             | 1,07,500          | 45,000        | 1,40,000           | 2,92,500           |
|         | <b>Other Non-Executive Directors</b>         | <b>A.M.Shah</b>   |               |                    |                    |
|         | • Fee for attending board committee meetings | 70,000            | -             | -                  | 70,000             |
|         | • Commission                                 | -                 | -             | -                  | -                  |
|         | • Others, please specify                     | -                 | -             | -                  | -                  |
|         | <b>Total (2)</b>                             | 70,000            | -             | -                  | 70,000             |
|         | <b>Total (B) = (1+2)</b>                     | <b>1,77,500</b>   | <b>45,000</b> | <b>1,40,000</b>    | <b>3,62,500</b>    |

| Sr. No. | Particulars of Remuneration                  | Name of Directors |                |               | Total Amount ( ` ) |
|---------|--|-------------------|----------------|---------------|--------------------|
|         |  | Anup Shah         | Nitin Shingala | Deepak Shah   |                    |
|         | <b>Independent Directors</b>                 |                   |                |               |                    |
|         | • Fee for attending board committee meetings | 1,32,500          | 25,000         | 25,000        | 1,82,500           |
|         | • Commission                                 | -                 | -              | -             | -                  |
|         | • Others, please specify                     | -                 | -              | -             | -                  |
|         | <b>Total (1)</b>                             | 1,32,500          | 25,000         | 25,000        | 1,82,500           |
|         | <b>Other Non-Executive Directors</b>         |                   |                |               |                    |
|         | • Fee for attending board committee meetings | -                 | -              | -             | -                  |
|         | • Commission                                 | -                 | -              | -             | -                  |
|         | • Others, please specify                     | -                 | -              | -             | -                  |
|         | <b>Total (2)</b>                             | -                 | -              | -             | -                  |
|         | <b>Total (B) = (1+2)</b>                     | <b>1,32,500</b>   | <b>25,000</b>  | <b>25,000</b> | <b>1,82,500</b>    |
|         | <b>Total Managerial Remuneration</b>         |                   |                |               | <b>4,77,62,500</b> |





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

| Sr. | Particulars of Remuneration   | Key Managerial Personnel |                   |                  | Total Amount ( ` ) |
|-----|---|--------------------------|-------------------|------------------|--------------------|
|     |   | CEO                      | Company Secretary | CFO              |                    |
| 1.  | Gross Salary  |                          |                   |                  |                    |
|     | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act | -                        | 4,02,277          | 12,02,400        | 16,04,677          |
|     | (b) Value of perquisites u/s 17(2) Income Tax Act, 1961                       | -                        | 89,308            | 3,34,785         | 4,24,093           |
|     | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961        | -                        | -                 | -                | -                  |
| 2.  | Stock Option  | -                        | -                 | -                | -                  |
| 3.  | Sweat Equity  | -                        | -                 | -                | -                  |
| 4.  | Commission<br>- As % of Profit<br>- Others, specify                           | -<br>-<br>-              | -<br>-<br>-       | -<br>-<br>-      | -<br>-<br>-        |
| 5.  | Others, please specify  | -                        | -                 | -                | -                  |
|     | <b>Total</b>  | <b>-</b>                 | <b>4,91,585</b>   | <b>15,37,185</b> | <b>20,28,770</b>   |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty /Punishment/Compounding fees imposed | Authority [RD/NCLT/ COURT] | Appeal, if any (give details) |
|-------------------------------------|------------------------------|-------------------|---|----------------------------|-------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                            |                               |
| Penalty                             | Nil                          | Nil               | Nil   | Nil                        | Nil                           |
| Punishment                          | Nil                          | Nil               | Nil   | Nil                        | Nil                           |
| Compounding                         | Nil                          | Nil               | Nil   | Nil                        | Nil                           |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                            |                               |
| Penalty                             | Nil                          | Nil               | Nil   | Nil                        | Nil                           |
| Punishment                          | Nil                          | Nil               | Nil   | Nil                        | Nil                           |
| Compounding                         | Nil                          | Nil               | Nil   | Nil                        | Nil                           |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                            |                               |
| Penalty                             | Nil                          | Nil               | Nil   | Nil                        | Nil                           |
| Punishment                          | Nil                          | Nil               | Nil   | Nil                        | Nil                           |
| Compounding                         | Nil                          | Nil               | Nil   | Nil                        | Nil                           |



**Annexure 'C'**

**ANNUAL REPORT ON CSR ACTIVITIES**

| Particulars  | Details   |
|--|---|
| 1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs. | The Company has adopted the CSR Policy in line with the Schedule VII to the Companies Act, 2013. The detail is available on the website of the Company <a href="http://www.rubymills.com">www.rubymills.com</a> |
| 2. The Composition of the CSR Committee.   | Mr. Anup P. Shah<br>Mr. Shardul J. Thacker<br>Mr. M.C. Shah<br>Ms. A.M. Shah  |
| 3. Average net profit of the company for last three financial years  | ₹ 9,28,82,863/-   |
| 4. Prescribed CSR Expenditure (two per cent. Of the amount as in item 3 above)   | ₹ 18,57,657/-   |
| 5. Details of CSR spent during the financial year.   |   |
| (a) Total amount to be spent for the financial year;   | ₹ 9,80,314/-  |
| (b) Amount unspent, if any;  | ₹ 8,79,686/-  |

Manner in which the amount spent during the financial year is detailed below.

| Sr. No. | Month                            | Nature of Activities   | Amount (₹) |
|---------|----------------------------------|--|------------|
| 1.      | October, 2014                    | Distribution of Blankets for flood affected victims of Jammu and Kashmir under Preventive Health Care  | 1,99,500/- |
| 2.      | January, 2015<br>BCAS Foundation | Donation towards noble cause (flood affected victims of Jammu and Kashmir under CSR head of preventive Health care Activities)                 | 2,50,000/- |
| 3.      | March, 2015                      | Shri Ram Krishna Cancer Hospital (U.P.)  | 1,00,000/- |
| 4.      |                                  | Gurukul Centre for Special Children (Ghatkopar)  | 1,25,000/- |
| 5.      | March, 2015                      | Free Health check up campaigns at Dhamni organized by the Company for general public free of cost  | 80,814/-   |
| 6.      | March, 2015                      | To Sir Kikabhai Premchand Trust towards surgery of two patients who had visited to Health checkup campaigns organized by the Company at Dhamni | 2,25,000/- |

6. The company was unable to spend the two per cent of the average net profit of the last three financial years as this is the first year of implementation of CSR Policy as it was time consuming to understand the exact nature of project, location of suitable site, finalization of project etc.

A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The CSR Committee at its meeting held on 12th August 2015 has approved the above CSR Report and made a statement that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**Bharat M. Shah**  
Joint Managing Director

**M.C. Shah**  
Chairman of CSR Committee



Annexure 'D'

**HEMANSHU KAPADIA & ASSOCIATES**

COMPANY SECRETARIES

Office No. 12, 14th Floor, Navjivan Society, Building No.3

Lamington Road, Mumbai-400 008

Tel 6631 0888/6631 4830

E-mail: hemanshu@hkacs.com

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial year ended 31st March 2015

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

To,  
The Members,  
**RUBY MILLS LIMITED**  
Ruby House,  
J. K. Sawant Marg, Dadar,  
Mumbai- 400028

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RUBY MILLS 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015 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 maintained by RUBY MILLS LIMITED ("the Company") for the financial year ended on 31st March 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not Applicable to the Company during the Audit period as there were no Foreign Direct Investments, Overseas Direct Investments in the Company and no External Commercial Borrowings were made by the Company**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the Company during the Audit period as the Company has not issued any new securities**);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not Applicable to the Company during the Audit period as the Company has not granted any stocks purchase scheme or stock options to the employees**);
  - (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 as the Company has not issued any Debt instruments/ Securities**);



- (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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit period as delisting of securities did not take place); and**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit period as the Company has not Bought back its securities);**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges.

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

*We further report that the Company has paid Managerial Remuneration to its Chairman, Managing Director, Joint Managing Director and Executive Director. However, as an abundant precaution, the Company has filed applications to the Central Government for the remuneration paid by the Company and approval of the same are awaited.*

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

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

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

We further report that during the audit period, there were no instances of:

- i. Public/Rights/Preferential issue of shares / debentures/sweat equity.
- ii. Redemption / buy-back of securities.
- iii. Merger /amalgamation /reconstruction etc.
- iv. Foreign technical collaborations.

For Hemanshu Kapadia & Associates

Hemanshu Kapadia  
Proprietor  
C.P. No.: 2285  
Membership No.: 3477

Date: 15th May, 2015  
Place: Mumbai

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.



**HEMANSHU KAPADIA & ASSOCIATES**

COMPANY SECRETARIES

Office No. 12, 14th Floor, Navjivan Society, Building No.3

Lamington Road, Mumbai-400 008

Tel 6631 0888/6631 4830

E-mail: hemanshu@hkacs.com

**Annexure A**

To,  
The Members,  
**RUBY MILLS LIMITED**  
Ruby House,  
J. K. Savant Marg, Dadar,  
Mumbai- 400028

Our report of even date is to be read along with the 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 processes 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 processes 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 happenings 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 procedures 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 Hemanshu Kapadia & Associates

Hemanshu Kapadia  
Proprietor

C.P. No.: 2285

Membership No.: 3477

Date: 15th May, 2015  
Place: Mumbai



Annexure 'E'

**PARTICULAR OF EMPLOYEES**

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act 2013 (Appointment and Remuneration of Managerial Personnel) Rules 2014.

| Sr. No.                              | Requirements  | Details   |             |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
|--------------------------------------|---|---|-------------|------------|------------|-----------|------------------------------------|--------|--------|-----|---------------------|------|------|-----|--------------------------------------|--------|--------|-----|
| 1.                                   | the ratio of the remuneration of each director to the median employee's remuneration for the financial year   | Mr.Hiren M Shah 10.80:0.26<br>Mr.Bharat M Shah 10.80:0.26<br>Mr.Viraj M Shah 10.80:0.26   |             |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| 2.                                   | the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;  | NIL   |             |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| 3.                                   | the percentage increase in the median remuneration of employees in the financial year   | 11 %  |             |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| 4.                                   | The number of permanent employees on the rolls of company   | 185   |             |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| 5.                                   | the explanation on the relationship between average increase in remuneration and company performance.   | NA  |             |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| 6.                                   | Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;  | The managerial remuneration has been fixed in 2009-10 when the turnover was ` .136 Crs as against current turnover of ` .198 Crs.   |             |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| 7.                                   | Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and 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 in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year | <table border="1"> <thead> <tr> <th>Particulars</th> <th>31-03-2015</th> <th>31-03-2014</th> <th>Variation</th> </tr> </thead> <tbody> <tr> <td>Market Capitalisation (Rs. In Crs)</td> <td>228.73</td> <td>170.46</td> <td>35%</td> </tr> <tr> <td>Price Earning Ratio</td> <td>4.24</td> <td>3.80</td> <td>12%</td> </tr> <tr> <td>Closing rate of Shares in BSE ( Rs.)</td> <td>273.60</td> <td>203.90</td> <td>35%</td> </tr> </tbody> </table> <p>The Company has not made any Public issue or right issues, so comparison have not been made of current share price with public offer.</p> <p>The Company's shares are list in BSE and NSE.</p> | Particulars | 31-03-2015 | 31-03-2014 | Variation | Market Capitalisation (Rs. In Crs) | 228.73 | 170.46 | 35% | Price Earning Ratio | 4.24 | 3.80 | 12% | Closing rate of Shares in BSE ( Rs.) | 273.60 | 203.90 | 35% |
| Particulars                          | 31-03-2015  | 31-03-2014  | Variation   |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| Market Capitalisation (Rs. In Crs)   | 228.73  | 170.46  | 35%         |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| Price Earning Ratio                  | 4.24  | 3.80  | 12%         |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| Closing rate of Shares in BSE ( Rs.) | 273.60  | 203.90  | 35%         |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| 8.                                   | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration  | There are no increases in the remuneration of the Whole time Directors  |             |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |
| 9.                                   | comparison of the each remuneration of the Key Managerial Personnel against the performance of the company  | Same in (6) above.  |             |            |            |           |                                    |        |        |     |                     |      |      |     |                                      |        |        |     |



| Sr. No. | Requirements   | Details  |
|---------|--|--|
| 10.     | The key parameters for any variable component of remuneration availed by the directors   | There are no variable components in the remuneration of the Whole time Directors                         |
| 11.     | 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 employees who are in receipt of remuneration higher than that of the Whole time Directors   |
| 12.     | Affirmation that the remuneration is as per the remuneration policy of the company   | Remuneration paid during the year ended March 31, 2015 is as per the Remuneration Policy of the Company. |

- a) The non executive directors are entitled for sitting fees as per the statutory provisions. The details of remuneration paid to non executive directors are disclosed in the Corporate Governance Report. Hence the ratio of remuneration and percentage increase for non executive directors remuneration is therefore not considered for the above purpose.
- b) Employees for the purpose above includes all employees excluding employed governed under collective bargaining and on contract.

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

This report covers the operations and financial performance of the Company for the year ended 31st March, 2015 and forms part of the Directors’ Report.

**Overall Review:**

Indian Textile Industry has made a major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. The sector contributes about 14% to industrial production. The textile sector is the second largest provider of employment after agriculture. Thus the growth and all round development of the industry has a direct bearing on the improvement in the Indian economy. In spite of the adverse market conditions prevailing in various businesses in which the Company operates, the overall performance of the Company during the year has improved compared to that of the previous year.

The Company is in the business of manufacturing of textiles and real estate. The Company had achieved an overall turnover of ₹ 16468 lacs.

**2. Segment Review**

**Business Segment – Cotton, Synthetics Yarn and Fabrics.**

**Industry Structure and Development:**

Raw material costs have fairly stabilized during the year under review and are expected to remain stable. The recovery of the textile industry seems to be round the corner as domestic demand is expected to pick up this year on account of improved economic sentiments. A clear policy on TUF Scheme and timely release of TUF subsidies would go a long way in the recovery of the industry.

**Opportunities and Threats:**

The country’s domestic market offers much potential for growth and numerous business opportunities as demand for textile products are expected to keep pace with increased purchasing power augering well for the Industry. Moreover, government’s initiatives to revive manufacturing industry with textile as key segment in its 'Make in India' program also adds to the positive for the sector. Further, increasing labour cost in China, which is likely to witness slow down, also offers an opportunity for Indian mills to increase their market share.

Lack of uninterrupted power, increased power costs, higher transaction costs, high cost of labour, uncertainty in labour reforms are hindering the progress. However, we are making all out efforts to cope with all these challenges by continuous efforts at cost reduction, process improvements, diversification of products and improving productivity by improving efficiencies.

**Review and Analysis:**

The financial performance of our textile has stabilized and is showing improvements including in capacity utilization. As a result, the sales have improved aided by increasing demand in the domestic Markets. The costs of inputs have been comparatively stable during the year.



In order to increase our share in the domestic market and to provide newer varieties of fabric to meet the consumer demand, our Research and Development Department continues to remain actively engaged in development of new shades, finishes and varieties in an economical and environmentally sustainable manner. After the commissioning of new processing facility we are trying to develop different finishes for various fabrics. Efforts are continuously being made for value addition to enable the customer to have accessibility to a wide range for exclusive varieties. Additionally, several new fabric blends are being developed with unique finishing processes to cater to the ever changing consumer demand.

### **Outlook:**

The company is taking all efforts to improve the quality and productivity to get more orders at competitive rates. Due to well-established Spinning and Weaving units at Dhamni and Khursundi the company is able to quote better rates and maintain high quality & productivity in the finished goods manufactured. Barring unforeseen circumstances the company is confident of achieving better results in the current year.

### **Risks and Concerns:**

Delays in labour reforms, scarce availability of manpower resources, high attrition rate are some of the concerns and risk which poses threats to the company. Further weakening of the rupees will push up the input costs. High inflation has already added significantly to the labour cost as well as other inputs costs and continues to pose a threat as the unit is not in a position to pass on this burden to end user consumers.

### **Business Segment – Real Estate.**

#### **Industry Structure and Development:**

The commercial real estate sector stayed relatively weak. Reduction in new office developments, decline in leasing activity, lack of appreciation in capital values, compression in yields and lease rentals across major Indian cities were a few factors that impacted overall performance. The real estate industry continued to remain subdued in FY 14-15. The sector witnessed slowing demand due to reduction in affordability, increase in asset prices and cumbersome government regulations.

In the long term, commercial real estate is expected to witness robust demand with an increasing number of companies looking to expand operations and setting up offices. Issuance of new banking licenses will stimulate increased demand from the BFSI sector

#### **Threats and Opportunities:**

The Securities and Exchange Board of India (SEBI) has notified final regulations that will govern REITs and Infrastructure Investment Trusts (InvITs) which will enable cash strapped projects easy access. Growing requirements of space from sectors such as education, healthcare and tourism provide opportunities for IT parks. The prospects of India's real estate sector are closely linked with the state of the economy. Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector.

In order to realize the long-term growth potential of the sector, there is a growing need to introduce reforms. Year 2014-15 has witnessed various measures initiated by the Indian Government to revive growth in the real estate sector, which if executed correctly, will encourage transparency, corporate governance and investment and improve the industry's long-term prospects. It is our hope that various regulations also incorporate provisions to address challenges the sector currently faces in terms of receiving project approvals

Depressed demand, together with increased constructions cost(both men and materials), delays in approvals will put pressure on the cost of the projects and thereby the profit margin. High borrowing costs coupled with rising price levels due to rapid inflation in input costs impacted affordability for buyers across markets. Lack of supporting infrastructures like roads, highways, electricity can also hamper the growth of the sector.

### **Outlook:**

The current market environment calls for increased dynamism. RML is reinforcing the advantages of its differentiated business proposition and competitive strengths by focusing on remaining capital efficient.

### **Risks and Concerns:**

Risks and threats are an imminent part of any business. The major risks and threats to our business are Constraints of funds, Human Resources, Legal etc.





The company has adequate and appropriate systems in place to ensure that the impact of these risks are minimised and interests of the Company are protected.

### **Internal control systems and their adequacy:**

The Company has proper and adequate systems of internal controls in order to ensure that all assets are safeguarded against loss from unauthorised use or disposition and that all transactions are authorised, recorded and reported correctly. Regular internal audits and checks are carried out to ensure that the responsibilities are executed effectively and that adequate systems are in place. The Management continuously reviews the internal control systems and procedures to ensure orderly and efficient conduct of business. The emphasis of internal control will be further strengthened across functions and processes, covering the entire gamut of activities including manufacturing, finance, supply chain sales & distribution, marketing etc. The Company has adopted Risk management policy. The implementation of the ERP system shall ensure internal controls in finance, supply chain, sales distribution and marketing.

### **Company's financial performance and analysis:**

The turnover and other income of the Company during the year is ` 23929. lacs as against ` 22679 lacs in the previous year. The profit from ordinary activities before Tax is ` 6595 lacs as against ` 5054 lacs in the previous year. The net profit after depreciation, taxation is ` 5394 lacs as against ` 4490 lacs in the previous year.

### **Human Resource Development / Industrial Relations:**

The Company firmly believes that motivated and empowered employees are the cornerstone of competitive advantage. The Company's employee value proposition is based on a strong focus on employee development, providing a satisfying work environment, performance appraisal and counseling and appropriate empowerment.

The Company continues to maintain and enjoy a cordial relationship with its employees, providing positive environment to improve efficiency with regular investments in upgrading the knowledge and skills of the employees.

### **Cautionary Statement:**

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, govt. regulations, economic developments within/outside count



## Corporate Governance Report

### I. Company's philosophy on Corporate Governance:

Ethical dealings, transparency, fairness, disclosure and accountability are the main thrust to the working of the Ruby Mills. The Company believes in adopting and adhering to the best standards of corporate governance to all the stakeholders. The Company's corporate governance is, therefore based on the following principles:

- Appropriate composition, size of the Board and commitment to adequately discharge its responsibilities and duties.
- Transparency and independence in the functioning of the Board.
- Availability of information to the members of the Board and Board Committee to enable them to discharge their fiduciary duties.
- Adequate risk management and Internal Control.
- Protection of shareholders' rights and priority for investor relations.
- Timely and accurate disclosure on all matters concerning operations and performance of the Company.

The Company understands and respects its fiduciary role and responsibility to shareholders. The report on the Company's corporate governance, as per the applicable provisions of the Clause 49 is as under

### II. Board of Directors :

Your Company's Board is a professionally managed Board, consisting of 11 Directors, in all, categorized as under:

#### I. Composition of Board of Directors:

For the financial year 2014-15, the Board of Directors comprised of Executive Chairman, Managing Director, Jt. Managing Director and an Executive Director along-with seven non-executive Directors.

Since the Chairman is an Executive Chairman the requirement of half of the Board of Directors as Independent Directors is met with by the Company in view of six Independent directors out of a total of eleven directors. The non-executive independent directors are eminent professionals and have experience in the field of finance, taxation, management, administration and law, bringing a wide range of expertise and experience to the Board.

The Board does not have any Nominee Director representing any institution.

Composition of the Board and category of Directors:-

| Sr.No. | Name                    | Category               |
|--------|-------------------------|------------------------|
| 1.     | Shri M.C. Shah          | Executive Chairman     |
| 2.     | Shri H. M. Shah         | Managing Director      |
| 3.     | Shri B.M. Shah          | Jt. Managing Director  |
| 4.     | Shri V.M. Shah          | Executive Director     |
| 5.     | Smt. A.M. Shah          | Non-executive Director |
| 6.     | Shri J.D. Masani        | Independent Director   |
| 7.     | Shri D.M. Popat         | Independent Director   |
| 8.     | Shri Shardul J. Thacker | Independent Director   |
| 9.     | Shri Anup P. Shah       | Independent Director   |
| 10.    | Shri Nitin P. Shingala  | Independent Director   |
| 11.    | Shri Deepak R. Shah     | Independent Director   |



## II. Board Procedure and Access to information

The Board of Directors is responsible for the management of the business of the Company and meets regularly for discharging its role and functions.

The Board of Directors of the Company review all information provided periodically for discussion and consideration at its meetings in terms of Clause 49 of the Listing Agreement.

Detailed Agenda are circulated to the Directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. Where it is not practicable to enclose any document to the agenda, the same is placed before the meeting. In special and exceptional circumstances, additional item(s) on the agenda are permitted to be discussed at the Meeting.

During the year 2014-15, the Board met five times on the following dates 17th May, 2014, 14th August, 2014, 24th September, 2014, 14th November, 2014 and 5th February, 2015.

Attendance of each Director at the Board Meeting and Last Annual General Meeting and number of Chairmanship/membership in other companies Board Committees are given in following Table.

| Name of Director         | Status Executive / Non-Executive | No. of Board Meetings held | No. of Board Meetings attended | Attendance at last AGM | No. of Directorship in other Cos. | No. of Chairmanship / membership in other Board Committee |          |
|--------------------------|----------------------------------|----------------------------|--------------------------------|------------------------|-----------------------------------|---|----------|
|                          |                                  |                            |                                |                        |                                   | Public  | Chairman |
| Shri M.C. Shah           | EC                               | 5                          | 5                              | Yes                    | -                                 | -   | -        |
| Shri H.M. Shah           | MD                               | 5                          | 3                              | Yes                    | -                                 | -   | -        |
| Shri B.M. Shah           | Jt.MD                            | 5                          | 5                              | Yes                    | -                                 | -   | -        |
| Shri V.M. Shah           | ED                               | 5                          | 3                              | Yes                    | -                                 | -   | -        |
| Smt. A.M. Shah           | NED                              | 5                          | 5                              | No                     | -                                 | -   | -        |
| Shri J.D. Masani         | NED                              | 5                          | 4                              | No                     | -                                 | -   | -        |
| Shri D.M. Popat          | NED                              | 5                          | 3                              | No                     | 2                                 | -   | 1        |
| Shri Shardul J. Thacker  | NED                              | 5                          | 5                              | Yes                    | 2                                 | -   | -        |
| Shri Anup P. Shah        | NED                              | 5                          | 5                              | Yes                    | 5                                 | 1   | 3        |
| Shri Nitin P. Shingala   | NED                              | 3                          | 2                              | No                     | 1                                 | -   | 1        |
| Shri Deepak R. Shah      | NED                              | 2                          | 2                              | No                     | -                                 | -   | -        |
| *Shri Dilip J. Thakkar   | NED                              | 2                          | 1                              | No                     | N.A.                              | N.A.  | N.A.     |
| *Shri Shaunak J. Thacker | NED                              | 2                          | 1                              | No                     | N.A.                              | N.A.  | N.A.     |

Note:

1. The Directorships held by Directors mentioned above; do not include Alternate Directorship and Directorship in Foreign Companies, Private Companies and Section 8 Companies.
2. In accordance with Clause 49, Memberships/Chairmanships of only the Audit Committees and Shareholders/Investors Grievance Committee in all Public Limited Companies (excluding The Ruby Mills Limited) have been considered.
3. \*Shri Dilip J. Thakkar and Shri Shaunak J. Thacker independent directors of the Company had resigned from the Board w.e.f. 14th August, 2014.

## III. Inter-se relationships among Directors

Shri M.C. Shah is the father of Shri Hiren M. Shah, Shri Bharat M. Shah & Shri Viraj M. Shah and husband of Smt. Aruna M. Shah. Except the above, there are no inter-se relationships among the Directors.



**IV. Code of Conduct**

The Company has adopted a Code of Conduct for the members of the Board and the Senior Executives in compliance with the provision of Clause 49 of the Listing Agreement. All the members of the Board and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31st March, 2015 and a declaration to that effect signed by the Managing Director is given below.

**I hereby confirm that:**

“The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2014-15”

Hiren M. Shah  
Managing Director

**V. Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting:**

The provisions of Section 149 and 152(6) of the Companies Act, 2013 and rules made thereunder, stipulate that at least 1/3rd of the 2/3rd of the Directors of the Company other than independent directors, are liable to retire by rotation every year. Accordingly, Shri Bharat M. Shah, Shri V.M. Shah and Smt. A.M. Shah retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

The brief profile of Shri Deepak R. Shah and their other relevant particulars are furnished in the Notice convening the 99th Annual General Meeting of the Company .

**VI. Board Committees**

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of Committees with specific terms of reference/ scope. The Board has established various Committees such as Audit Committee, Share Transfer & Stakeholders Relationship/Shareholders/Investors Grievance Committee, Nomination and Remuneration Committee, Social Responsibility Committee & Risk Management Committee. The minutes of the meetings of all committees are placed before the Board for discussion/noting/ratification.

**i. Audit Committee**

a. The Audit Committee of the Company met five times during the year as per the dates mentioned below:

17th May, 2014, 14th August, 2014, 24th September, 2014, 14th November, 2014 and 5th February, 2015.

b. The Audit Committee of the Board comprises of one Joint Managing Director and three non-executive, independent Directors. Recommendations of the Audit Committee, if any, are considered and implemented by the Board from time to time.

c. Attendance of the members of these meetings was as follows up to 31st March, 2015:

| Name of the Audit Committee Member | Category of Directorship             | Status   | No. of Meetings attended |
|------------------------------------|--------------------------------------|----------|--------------------------|
| Shri Anup P. Shah                  | Non-Executive Director – Independent | Chairman | 5/5                      |
| Shri J. D. Masani                  | Non-Executive Director – Independent | Member   | 4/5                      |
| Shri Shardul J. Thacker            | Non-Executive Director – Independent | Member   | 5/5                      |
| Shri Bharat M. Shah                | Jt. Managing Director                | Member   | 5/5                      |

Note:- With effect from 6th February, 2015 Shri J.D. Masani-Independent Director of the Company had resigned as a member of Audit Committee and Shri Deepak R. Shah- Independent Director of the Company has been appointed as a member of Audit Committee.



The Representatives of Statutory Auditor and Internal Auditor and Chief Financial Officer were also invited to attend the Audit Committee meetings. Shri Anup P. Shah was present at 98th Annual General Meeting of the Company held on 24th September, 2014 to attend and reply to the shareholders queries. Shri Pankaj Parkhiya, Company Secretary acts as Secretary to the Committee.

- d. The Company generally considers and reviews all items listed in Clause 49(II)(D) of the Listing Agreement. The Committee mandatorily reviews information as per the requirement of Clause 49(II)(E) of the Listing Agreement and such other matters as considered appropriate by it or referred to it by Board.

**ii. Nomination and Remuneration Committee:**

The Board of Directors of the Company has constituted the Nomination and Remuneration Committee in conformity with and keeping a good balancing with the requirements under provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreements to determine and review the remuneration package of Managing/Whole-time/Executive/Independent Directors, senior officers of the Company, evaluating performance of directors/senior officer and to deal with other matters related to appointment and removal of managerial/ directors/ senior personnel.

- a. Brief description of Terms of Reference

To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- b. The Remuneration Committee of the Board comprises of three independent, non-executive Directors viz.:

| Name of the Remuneration Committee Member | Category of Directorship             | Status   |
|---|--------------------------------------|----------|
| Shri J. D. Masani                         | Non-Executive Director – Independent | Chairman |
| Shri S. J. Thacker                        | Non-Executive Director – Independent | Member   |
| Shri D. M. Papat                          | Non-Executive Director – Independent | Member   |

- c. Meeting of committee was held on 14th November, 2014 during the financial year ended 31st March, 2015. Presently, the Company does not have any Stock Option Scheme.

- d. Remuneration Policy

The remuneration policy for Working Directors is in line with the other peer Companies and reviewed periodically. The payment of remuneration is duly approved by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and the Shareholders.

- e. Directors' Remuneration

- a. Details of remuneration paid to Managing Directors and Whole-time Directors for the year ended 31st March, 2015 are as follows;-

(In `)

| Name of Director         | Shri M. C. Shah    | Shri H. M. Shah    | Shri B. M. Shah       | Shri V. M. Shah    |
|--------------------------|--------------------|--------------------|-----------------------|--------------------|
| Designation              | Executive Chairman | Managing Director  | Jt. Managing Director | Executive Director |
| Salary (Rs.)             | 133,08,000         | 95,64,000          | 95,64,000             | 95,64,000          |
| *Other Perquisite (Rs.)  | 95,040             | 88,320             | 88,320                | 88,320             |
| Contribution to PF (Rs.) | 15,96,960          | 11,47,680          | 11,47,680             | 11,47,680          |
| <b>Total</b>             | <b>1,50,00,000</b> | <b>1,08,00,000</b> | <b>1,08,00,000</b>    | <b>1,08,00,000</b> |

\* Other perquisites include Telephone, driver salary, Leave Travel Allowance, medical reimbursement etc.



b. Sitting Fees & Commission paid to Non-executive Directors

The Non-Executive Directors are paid sitting fees at the rate of ₹ 12,500/- for attending each meeting of the Board and Audit Committees.

In respect of the financial year 2014-15 the sitting fees paid/payable to the Non-Executive Directors are as detailed below.

(In ₹)

| Name                    | Total Sitting fees paid |
|-------------------------|-------------------------|
| Smt.A. M. Shah          | 62,500                  |
| Shri J. D. Masani       | 1,00,000                |
| Shri Dilip J. Thakkar   | 12,500                  |
| Shri Shardul J. Thacker | 1,25,000                |
| Shri D. M. Popat        | 37,500                  |
| Shri Shaunak J. Thacker | 12,500                  |
| Shri Anup P. Shah       | 1,25,000                |

Note: No commission is paid to any of the Directors.

iii. Share Transfer & Stakeholders Relationship/Shareholders/Investors Grievance Committee:

The Board of Directors of the Company has constituted the Share Transfer and Stakeholders Relationship/Shareholders/Investors Grievance Committee in conformity with and keeping a good balancing with the requirements under provisions of Companies Act, 2013 and provisions of Listing Agreement.

The Share Transfer and Stakeholders Relationship/Shareholders/Investors Grievance Committee of the Board comprises of five members as follows:-

| Name of the Share Transfer and Shareholders / Investors Grievance Committee Member | Status                |
|--|-----------------------|
| Shri Anup P. Shah  | Chairman              |
| Shri Manharlal C. Shah   | Executive Chairman    |
| Shri Hiren M. Shah   | Managing Director     |
| Shri Bharat M. Shah  | Jt. Managing Director |
| Shri Viraj M. Shah   | Executive Director    |

a. Name & Designation of Compliance Officer:

Shri Pankaj Jayantilal Parkhiya is designated as a Company Secretary and Compliance Officer of the Company.



- b. A statement of various complaints received and cleared by the Company during the year ended 31st March, 2015 is given below:

| Name of Complaint                        | Received | Cleared | Pending |
|--|----------|---------|---------|
| Non Receipt of Annual Report             | -        | -       | -       |
| Non Receipt of Dividend Warrants         | -        | -       | -       |
| Request for Duplicate Share Certificates | 1        | 1       | -       |
| Non Receipt of Share Transferred         | -        | -       | -       |
| Others                                   | 2        | 2       | -       |
| Letters from Stock Exchanges/SEBI        | -        | -       | -       |
| Ministry of Corporate Affairs            | -        | -       | -       |

- c. Compliance Certificate

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith.

#### iv. Social Responsibility Committee

The Board of Directors of the Company has constituted Social Responsibility Committee pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

- a. Brief description of Terms of Reference

To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 to recommend the amount of expenditure to be incurred on the activities; and monitor the Corporate Social Responsibility Policy of the Company from time to time.”

- b. The Social Responsibility Committee of the Board comprises of as follows:

| Name of the Social Responsibility Committee Member | Category of Directorship             | Status   |
|--|--------------------------------------|----------|
| Shri Anup P. Shah                                  | Non-Executive Director – Independent | Chairman |
| Shri Shardul J. Thacker                            | Non-Executive Director – Independent | Member   |
| Shri M.C. Shah                                     | Executive Chairman                   | Member   |
| Smt. A.M. Shah                                     | Non-executive Director               | Member   |

#### v. Risk Management Committee

The Board of Directors of the Company has constituted Risk Management Committee pursuant to amended Clause 49(VI) of Listing Agreement.

- a. Brief description of Terms of Reference

To identify the risks impacting the Company's business and minimize the same by implementing Risk Management Policy.

- b. The Risk Management Committee of the Board comprises of two executive directors and a President:-

| Name of the Risk Management Committee Member | Category of Directorship | Status   |
|--|--------------------------|----------|
| Shri H.M. Shah                               | Managing Director        | Chairman |
| Shri V.M. Shah                               | Executive Director       | Member   |
| Shri Purav H. Shah                           | President                | Member   |



**III. General Body Meetings:**

The details of Annual General Meetings held in last three years are as under:-

| AGM  | DAY       | DATE       | TIME      | VENUE  | Details of the Special Resolutions   |
|------|-----------|------------|-----------|--|--|
| 98th | Wednesday | 24/09/2014 | 4.30 p.m. | Ruby House, J.K.Sawant Marg, Dadar, Mumbai-28. | <ol style="list-style-type: none"> <li>1. Appointment of Shri M.C. Shah, Executive Chairman</li> <li>2. Appointment of following independent directors and fixed their tenure under Companies Act, 2013. <ul style="list-style-type: none"> <li>• Shri J.D. Masani</li> <li>• Shri D.M. Popat</li> <li>• Shri Shardul Thacker</li> <li>• Shri Anup P. Shah</li> <li>• Shri Nitin P. Shingala</li> </ul> </li> <li>3. Approval of borrowing power pursuant to section 180(1)(c) of the Companies Act,2013.</li> <li>4. Approval pursuant to section 180(1)(a) of the Companies Act,2013.</li> </ol> |
| 97th | Monday    | 23/09/2013 | 4.30 p.m. | Ruby House, J.K.Sawant Marg, Dadar, Mumbai-28. | <ol style="list-style-type: none"> <li>1. Regularization of appointment of Shri Anup P. Shah as a Director</li> <li>2. Re-appointment and Payment of existing remuneration to Chairman, Managing Directors and Executive Directors for Five years w.e.f. 1-4-2014;-<br/>Shri M.C. Shah<br/>Shri Hiren M. Shah<br/>Shri Bharat M. Shah<br/>Shri Viraj M. Shah</li> </ol>  |
| 96th | Monday    | 24/09/2012 | 4.30 p.m. | Ruby House, J.K.Sawant Marg, Dadar, Mumbai-28. | <ol style="list-style-type: none"> <li>1. Regularization of appointment of Shri Shaunak J. Thacker as a Director</li> <li>2. Payment of existing Remuneration to Chairman, Managing Directors and Executive Directors;-<br/>Shri M.C. Shah<br/>Shri Hiren M. Shah<br/>Shri Bharat M. Shah<br/>Shri Viraj M. Shah</li> <li>3. Sub-Division of Equity Shares of the Company.</li> <li>4. Alteration of MOA and AOA of the Company.</li> </ol>  |

- a. Whether special resolutions were put through postal ballot last year? No
- b. Are special resolutions proposed to be put through postal ballot this year? No
- c. No Extra Ordinary General Meeting was held.





#### IV. Disclosures

- a. Disclosure regarding materially significant related party transactions :

During the year under review, besides the transactions reported in Directors' Report, there were no other related party transactions with the promoters, directors and management that had a potential conflict with the interest of the Company at large.

All the transactions with related parties are periodically placed before the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every meeting for its approval. Transactions with related parties, as per requirements of Companies Act, 2013 and Accounting Standard 18, are disclosed in Schedule 32 Note No. 32.1 to the Accounts and in the Directors' Report part of the Annual Report and they are not in conflict with the interest of the Company at large.

- b. Disclosure of non-compliance by the Company

No penalties have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

- c. Whistle blower and Vigil Mechanism policy:

The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the Audit Committee. It is affirmed that no person has been denied access to the Audit Committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

- d. The Company has complied with the Mandatory requirements regarding the Board of Directors, Audit Committees and other Board Committees and other disclosures as required under the provisions of the revised Clause 49 of the Listing Agreement. The status of compliance in respect of non-mandatory requirement of Clause 49 of Listing Agreement is as follows:

- (a) **Maintenance of the Chairman's Office:** The Company has an Executive Chairman and the office provided to him for performing his executive duties is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the non-executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him whenever needed, in performance of his duties
- (b) **Tenure of Independent Directors:** Tenure of independent directors has been fixed for 5 years from 98th Annual General Meeting.
- (c) **Remuneration Committee:** The Company has set up a Nomination and Remuneration committee consisting of three Non-Executive Independent Directors.
- (d) **Shareholders' Rights:** Un-audited quarterly financial results are sent to the stock exchanges and published in the news papers as per the Listing Agreement.
- (e) **Training of Board of Directors:** The Directors of the Company are persons from Business and Profession with experience in corporate sector. They are being kept posted with various statutory and regulatory changes which are applicable to the Company.
- (f) **Whistle Blower Policy:** The Company has put in place a mechanism of reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. It is affirmed that no person has been denied access to the audit committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.
- (g) **Board disclosure - Risk Management:** The Company has set up Risk Management Committee. The said committee shall be responsible for framing, implementing and monitoring the risk management plan for the company with main object to identify the risks impacting the Company's business and minimize the same by implementing Risk Management Policy.

- e. In line with the circular no. CIR/OIAE/2/2011 dated 3rd June, 2011 from Securities and Exchange Board of India, the investor complaints are now centrally monitored through web based complaints redressal system called SCORES. The Company processes the investor complaints through this system and updates status periodically.



- f. In line with the notification no. G.S.R. 352(E) dated 10th May, 2012 from the Ministry of Corporate Affairs, the Company has uploaded in its website the information regarding the unpaid and unclaimed dividends as on the date of the AGM including the name and address of the shareholders who haven't claimed the dividend, the amount to which the shareholders are entitled and the due date of transfer to Investor Education and Protection Fund Account.

### V. MD/CFO Certification

Managing Director/Chief Executive Officer and Chief Financial Officer have issued necessary certificate pursuant to the provisions of Clause 49 of the Listing Agreement and the same is annexed and forms part of the Annual Report.

### VI. Declaration regarding Code of Conduct

Board has laid down a Code of Conduct and Ethics for all Board Members and Senior Management Personnel of the Company. The code has been circulated to all the Board Members and senior management and the same is available on the Company's website [www.rubymills.com](http://www.rubymills.com). All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the financial year 2014-15.

### VII. Shareholding of the Non- executive Directors in the Company:-

| S. No. | Name of Non-Executive Director | No. of Shares Held |
|--------|--------------------------------|--------------------|
| 1.     | Shri J. D. Masani              | 3150               |
| 2.     | Shri Shardul J. Thacker        | Nil                |
| 3.     | Shri Anup P. Shah              | 800                |
| 4.     | Shri Nitin P. Shingala         | Nil                |

### VIII. Means of Communication

- a. Newspapers: During F.Y 2014-15, financial results (Quarterly & Annual) are published in newspapers viz. The Financial Express and Navshakti in the format prescribed under Clause 41 of the Listing agreement with the stock exchanges where the shares of the Company are listed.
- b. Website: In compliance with Clause 54 of the Listing Agreement, the Company is maintaining a website containing financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances. The company updates the contents of the website on a regular basis.
- c. Annual Report: Annual Report is circulated to all the members within the required time frame.
- d. Designated Email ID for Complaints/ Redressal: In compliance of clause 47(f) of the Listing Agreement entered with the Stock Exchanges, the Company has designated an email ID [info@rubymills.com](mailto:info@rubymills.com) exclusively for the purpose of registering complaints/ grievances by investors. Investors whose requests/ queries/correspondence remain unresolved can send their complaints/ grievances to the above referred e-mail ID and the same would be attended to promptly by the Company.
- e. NSE Electronic Application Processing System (NEAPS) & BSE Listing Centre (BLC): The NEAPS & BLC are web based application designed by NSE and BSE for Corporate. The Shareholding Pattern, Corporate Governance Report and others Annually/Quarterly disclosures are filed electronically on NEAPS & BLC.
- f. There were no presentations made to the institutional investors or analysts during the Financial Year 2014-15.

### IX. General Shareholder Information

#### a. Annual General Meeting to be held :

Day, date, time and venue

Day : Wednesday

Date : 30th September, 2015

Time : 4.30 p.m.

Venue : Ruby House, J.K. Sawant Marg, Dadar (West), Mumbai – 400 028.



**b. Financial Calendar 2015-2016**

First Quarterly Unaudited Results : Within 45 days of the end of the quarter  
 Second Quarterly Unaudited Results : Within 45 days of the end of the quarter  
 Third Quarterly Unaudited Results : Within 45 days of the end of the quarter  
 Audited Yearly Results for the Year  
 Ended 31st March, 2016 : Before 30th May 2016

**c. Dates of Book Closure:**

The Register of Members and Share Transfer Register closed from 19th September, 2015 to 24th September, 2015 (both days inclusive).

**d. Dividend Payment Date:**

The Dividend recommended by the Board of Directors, if declared at the meeting, will be payable to those Shareholders whose names are registered in the Register of Members of the Company on 18th September, 2015. The dividend in respect of Shares held in electronic form will be payable to the beneficial owners of the Shares as at the end of the business hours on 18th September, 2015 as per details furnished by the Depositories for this purpose.

**e. Listing on Stock Exchanges at:**

The Equity Shares of the Company are listed at

- a. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal street, Mumbai – 400 001.
- b. National stock Exchange of India Limited, Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai-400 051.

Note: Listing fees have been paid to the above Stock Exchanges for the year 2015-2016

**f. Stock/ Company/ Security/ Common Code : Equity Shares.**

- a. Bombay Stock Exchange, Mumbai : 503169
- b. National Stock Exchange of India Limited : RUBYMILLS
- c. ISIN : INE301D01026

**g. Market price Data :**

The monthly high and low quotations and volume of shares traded at the National Stock Exchange of India Limited and BSE Limited during the financial year 2014-15 are given below:

**Stock Price**  
**For the period: 1st April 2014 to 31st March 2015**  
**Script Code: RUBYMILLS (NSE) 503169 (BSE)**

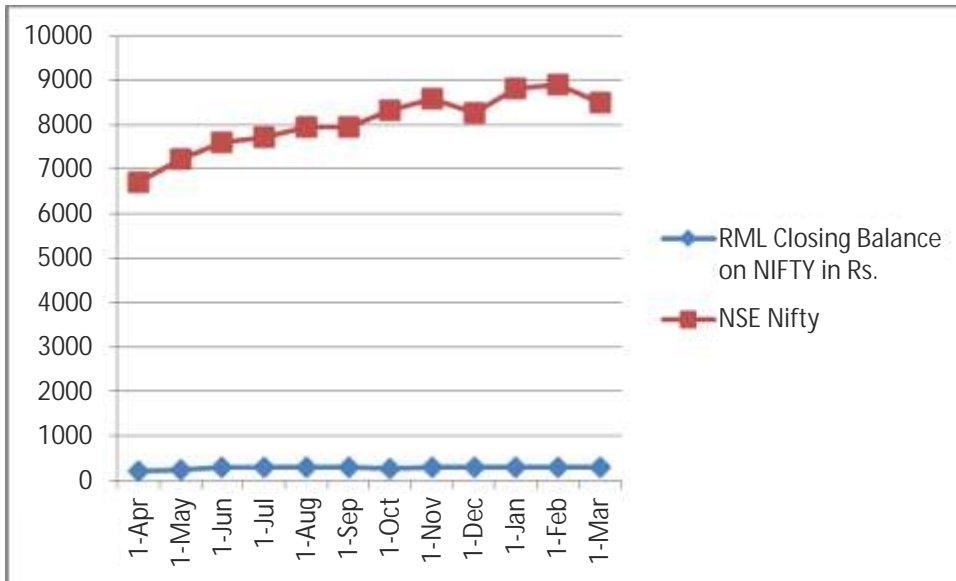
| Month  | NSE               |                  |                                     | BSE               |                  |                                     |
|--------|-------------------|------------------|-------------------------------------|-------------------|------------------|-------------------------------------|
|        | High Price<br>Rs. | Low Price<br>Rs. | Volume<br>Traded<br>(No. of Shares) | High Price<br>Rs. | Low Price<br>Rs. | Volume<br>Traded<br>(No. of Shares) |
| Apr-14 | 220.00            | 187.00           | 30625                               | 218.95            | 188.05           | 1728                                |
| May-14 | 289.80            | 176.50           | 109223                              | 290.00            | 180.00           | 4305                                |
| Jun-14 | 307.00            | 236.00           | 46806                               | 309.85            | 241.00           | 3218                                |
| Jul-14 | 346.50            | 236.00           | 589503                              | 346.70            | 243.00           | 18733                               |
| Aug-14 | 324.00            | 272.40           | 155495                              | 325.00            | 276.00           | 7481                                |
| Sep-14 | 334.90            | 266.05           | 101931                              | 335.55            | 268.00           | 8387                                |
| Oct-14 | 295.75            | 268.00           | 33713                               | 293.55            | 268.00           | 1681                                |
| Nov-14 | 335.00            | 271.60           | 146236                              | 334.00            | 271.25           | 7959                                |
| Dec-14 | 309.00            | 252.25           | 54957                               | 303.00            | 253.50           | 3657                                |
| Jan-15 | 314.30            | 267.00           | 103618                              | 314.00            | 272.65           | 5195                                |
| Feb-15 | 333.40            | 271.00           | 109621                              | 333.00            | 279.80           | 4309                                |
| Mar-15 | 309.50            | 242.00           | 49319                               | 309.90            | 245.20           | 3060                                |



**h. Liquidity**

Shares of the Company are actively traded on BSE and NSE as is seen from the volume of shares indicated in the table containing stock market data and hence ensure good liquidity for the investors.

**Performance in Comparison to broad-based indices such as NSE Nifty**



**i. Registrar and Transfer Agents :**

The Company has engaged the services of Bigshare Services Pvt. Ltd., a SEBI registered Registrar as its Share Transfer Agents for processing the transfers, sub-division, consolidation, Splitting of Securities, etc. The requests for transfers, sub-division, consolidation, splitting of securities, demat and remat should be sent directly to Bigshare Services Pvt. Ltd. Shareholders have the option to open their accounts with either NSDL or CDSL as the Company has entered into Agreements with both these Depositories.

**j. Share Transfer System:**

The Company has appointed a Common Registrar for the physical transfer and dematerialisation of shares.

Presently the shares transfers which are received in physical form are processed by the Registrar and Share Transfer Agent and approved by the Company Secretary and same has been placed before Board Meeting. Shares certificates are registered and returned within the stipulated time of 15 days from the date of receipt, subject to transfer instruments being valid and complete in all respects. Physical Shares recorded for dematerialisation are processed and completed within the stipulated time if the documents are complete in all respects.

The Company obtains from a Company Secretary in Practice, half yearly certificates of Compliance with the Share transfer facilities as required under Clause 47(C) of the Listing Agreement with the Stock Exchanges and files a copy of certificate with the Stock Exchanges.

**k. Secretarial Audit for Reconciliation of Share Capital:**

A qualified Practicing Company Secretary carried out the Secretarial Audit pursuant to SEBI (Depositories and Participants) Regulations, 1996, on quarterly basis to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued/paid-up listed equity capital of the Company.

The Secretarial Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the dematerialisation form.



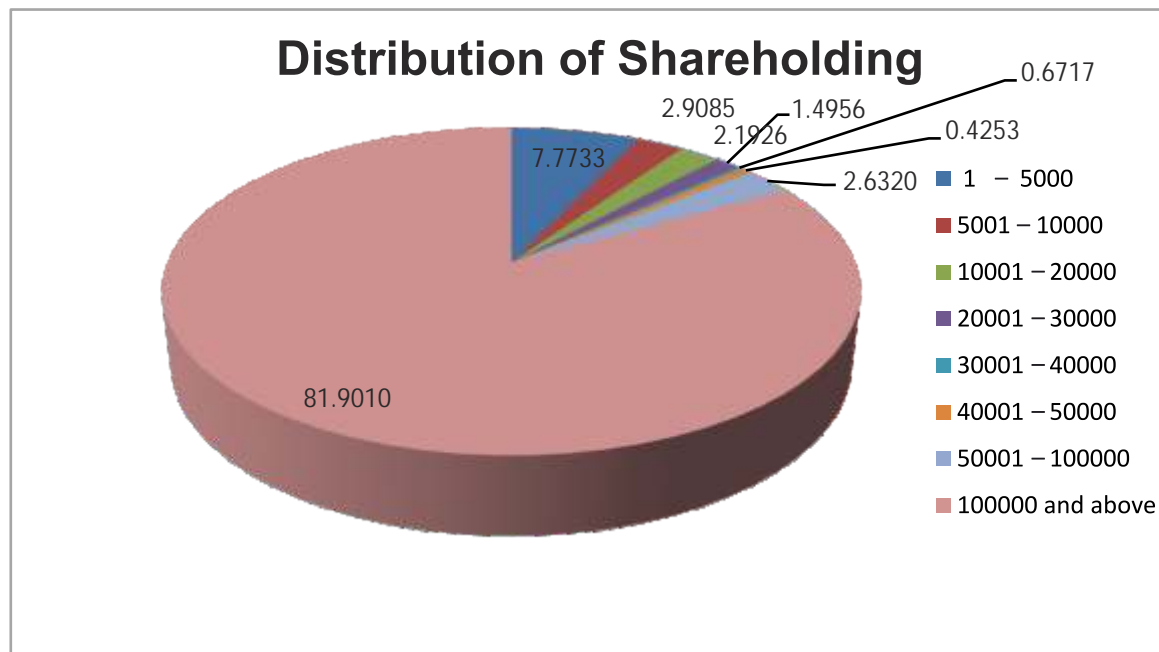
**I. Permanent Account Number (PAN) for Transfer of Shares in Physical Form:**

SEBI vide its circular dated 20th May, 2009, has stated that for securities market transactions and off market transactions involving transfer of shares in physical form of Listed Companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company or Company's RTA for registration of such transfer of shares in physical form. Accordingly shareholders are requested to furnish copy of PAN Card to the Company or its RTA for registration of transfer of shares in their name.

**m. Distribution of Share holding**

The shareholding distribution of equity shares as of 31st March, 2015 is given below:

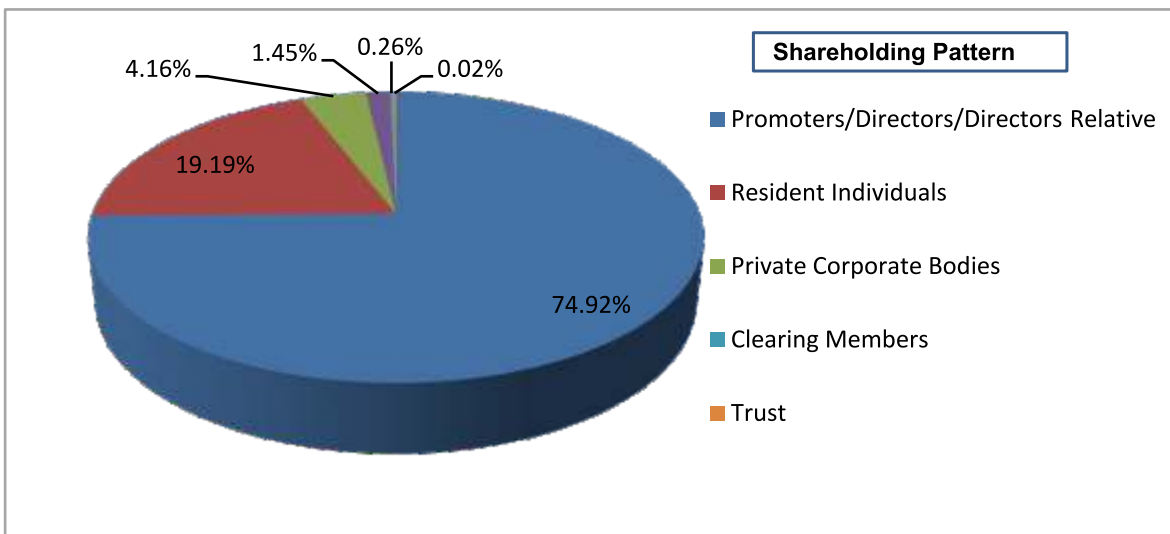
| Sr. No | Range (In Rs.)   | Total Holders | % of Total Holders | Share Amount    | Percentage of shareholding |
|--------|------------------|---------------|--------------------|-----------------|----------------------------|
| 1      | 1 – 5000         | 5557          | 93.6356            | 3249225         | 7.7733                     |
| 2      | 5001 – 10000     | 169           | 2.8781             | 1215755         | 2.9085                     |
| 3      | 10001 – 20000    | 65            | 1.1069             | 916495          | 2.1926                     |
| 4      | 20001 – 30000    | 26            | 0.4428             | 625150          | 1.4956                     |
| 5      | 30001 – 40000    | 8             | 0.1362             | 280790          | 0.6717                     |
| 6      | 40001 – 50000    | 4             | 0.0681             | 177790          | 0.4253                     |
| 7      | 50001 – 100000   | 15            | 0.2554             | 1100165         | 2.6320                     |
| 8      | 100000 and above | 28            | 0.4768             | 34234630        | 81.9010                    |
|        | <b>TOTAL</b>     | <b>5,872</b>  | <b>100.00</b>      | <b>41800000</b> | <b>100.00</b>              |





**Shareholding pattern as on 31st March 2015.**

| Sr. No. | Category                               | No. of Shares held | % of Share holding |
|---------|--|--------------------|--------------------|
| 1       | Promoters/Directors/Directors Relative | 6263360            | 74.92              |
| 2       | Resident Individuals                   | 1604688            | 19.19              |
| 3       | Private Corporate Bodies               | 347941             | 4.16               |
| 4       | NRIs                                   | 120955             | 1.45               |
| 5       | Clearing Members                       | 21566              | 0.26               |
| 6       | Trust                                  | 1490               | 0.02               |
|         | <b>TOTAL</b>                           | <b>83,60,000</b>   | <b>100.00</b>      |



**n. Dematerialisation of equity Shares**

As on 31st March, 2015, 97.99% of the Company's total equity shares representing 81,92,028 shares are held in dematerialised form and the balance 2.01% representing 1,67,972 shares are in physical form.

**o. Plant (Manufacturing Units)**

| Dhamni Unit Address   | Kharsundi Address   |
|---|---|
| Village Dhamni<br>Off. SavroliKharpada Road<br>Taluka Khalapur<br>Dist. Raigad. Pin: 410202 | Village Kharsundi<br>SavroliKharpada Road<br>Taluka Khalapur<br>Dist. Raigad. Pin: 410202 |

**p. Address for Correspondence**

**a. Any query on Annual Report or Investors' Grievance Redressal:**

By email: info@rubymills.com  
By telephone: 022-24387800



**b. Investor Correspondence**

| For shares held in physical form  | For shares held in Demat form  |
|---|--|
| Bigshare Services Private Limited<br>E-2/3, Ansa Industrial estate<br>Sakivihar Road, Saki Naka,<br>Andheri (E), Mumbai-400 072.<br>Tel : 022-28470652 / 40430200<br>Fax : 022-2847 5207<br>Email : investor@bigshareonline.com | Investors' concerned Depository Participant(s)<br>and/or Bigshare Services Private Limited |

**c. Unclaimed Dividends**

Section 124 of the Companies Act, 2013, mandates that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to IEPF.

| Financial Year | Date of declaration of dividend | Dividend Per Share in Rs. | Due date for transfer to IEPF | Amount (Rs.)# |
|----------------|---------------------------------|---------------------------|-------------------------------|---------------|
| 2007-08        | 25th September, 2008            | 3                         | 29th November, 2015           | 94,446        |
| 2008-09        | 18th September, 2009            | 3                         | 22nd November, 2016           | 42,903        |
| 2009-10        | 25th September, 2010            | 4                         | 29th November, 2017           | 53,668        |
| 2010-11        | 29th September, 2011            | 5                         | 2nd December, 2018            | 66,150        |
| 2011-12        | 24th September, 2012            | 5                         | 22nd November, 2019           | 49,180        |
| 2012-13        | 23rd September, 2013            | 2 (*)                     | 21st November, 2020           | 48,576        |
| 2013-14        | 24th September, 2014            | 2 (*)                     | 21st November, 2021           | 70,044        |

\* Share of paid - up value of Rs. 5/- each.

# Amount unclaimed as at 31st March, 2015.

Members who have so far not encashed their dividend warrants/DD are requested to write to the Company/Registrar to claim the same, to avoid transfer to IEPF. Shareholders are cautioned that once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

**q. Reconciliation of Share Capital Audit Report**

The Reconciliation of share capital audit report, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis. A copy of the Audit Report is submitted to BSE & NSE within 30 days of the end of each quarter.

**r. Information pursuant to Clause 32 of the Listing Agreement.**

The Company has no subsidiary and hence provisions for furnishing specific information are not applicable.



**MANAGING DIRECTOR / CFO COMPLIANCE CERTIFICATE**

**Certificate by the Managing Director and Chief Financial Officer (CFO) pursuant to Clause 49 of the Listing Agreement on the Audited Financial Statement for the financial year ended 31st March, 2015**

We, hereby certify that:-

- a) We have reviewed the Financial Statements and Cash Flow Statement for the year ended on 31st March, 2015 and that to the best of our knowledge and belief:
  - I. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. these statements together present a true & fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Statutory Auditors, Internal Auditors and Audit Committee:
  - I. significant changes in internal control over financial reporting during the year, if any;
  - II. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - III. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

**For The Ruby Mills Limited**

Place : Mumbai  
Date : 15th May, 2015

**S. Jayaraman**  
**Chief Financial Officer**

**Hiren M. Shah**  
**Managing Director**





**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

**To the Members of THE RUBY MILLS LIMITED**

We have examined the compliance of conditions of Corporate Governance by THE RUBY MILLS LIMITED, for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with BSE Limited and National Stock Exchange of India Limited.

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no Investor grievances were pending for a period of one month against the company as per the records maintained by the Stakeholder's Relationship Committee.

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

For **B. S. MEHTA & CO.**  
Chartered Accountants  
Firms Registration No.106190W

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place : Mumbai  
Date : May 15, 2015



## INDEPENDENT AUDITOR'S REPORT

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To the Members of **THE RUBY MILLS LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **THE RUBY MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the 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 Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence that 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 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, 2015, its profit and its cash flows for the year ended on that date.

### Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 25.1 to the financial statements regarding pending approval of the applications made by the Company to the Central Government for the Managerial Remuneration paid to the Chairman, Managing Director, Joint Managing Director and Executive Director.



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in the 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 purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial 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 as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B. S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 106190W

PLACE : MUMBAI  
DATED: 15<sup>th</sup> May, 2015

**PARESH H. CLERK**  
Partner  
Membership No. 36148



## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date on the financial statements for the year ended March 31, 2015.

We report that:

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets where item wise particulars and tagging of fixed assets are still in the process of updation in the fixed assets register.
- b. As explained to us, the fixed assets have been physically verified by the management according to a phased programme designed to cover all the fixed assets over a period of three years, which in our opinion, is at reasonable intervals having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
- ii. a. Inventories, other than stocks lying with third parties, have been physically verified by the management at the year-end. In our opinion, the frequency of such verification is reasonable. In case of stocks lying with third parties, certificates confirming such stocks have been received in respect of stocks held as on March 31, 2015.
- b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. In our opinion, the Company has maintained proper records of its inventories and no material discrepancies have been noticed on physical verification between the physical stocks and book records.
- iii. As the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act, Clause 3(iii)(a) of the Order regarding regularity of the receipt of principal amount and interest and Clause 3(iii)(b) of the Order regarding steps for recovery of overdue amount of more than rupees one lakh, are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses have been observed in such internal control system.
- v. In our opinion and according to the information and explanations given to us, as the Company has not accepted any deposit from the public, Clause 3(v) of the Order to comment on whether the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under, are not applicable.
- vi. Though the cost records are required to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government under Section 148(1) of the Act in respect of its products with effect from April 1, 2015, the Company has maintained such costs records which we have broadly reviewed and are of the opinion that, prima facie, the accounts and records have been made and maintained as aforesaid. However, we have not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii. a. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Value Added tax Cess and other statutory dues as applicable to it with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day 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 and on the basis of the books and records examined by us, as may be applicable, given hereinbelow are the details of dues of Income-tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess which have not been deposited on account of disputes and the forum where the dispute is pending:



| Name of the Statute          | Forum where dispute is pending                     | Nature of the Dues               | Period to which the amount relates                                     | Amount ( ` )   |
|------------------------------|--|----------------------------------|--|----------------|
| The Income-tax Act, 1961     | High Court   | Income-tax, interest and penalty | Assessment Years 1998-99, 2000-01, 2002-03 and 2005-06                 | 1,13,84,000    |
|                              | Income-tax Appellate Tribunal                      | Income-tax and interest          | Assessment Year 1998-99  | 47,000         |
|                              | Commissioner of Income-tax (Appeals)               | Income-tax and interest          | Assessment Years 2006-07 to 2010-11                                    | 10,66,60,415 # |
| The Central Excise Act, 1944 | Assistant Commissioner of Central Excise           | Excise duty                      | Financial Years 1980-81, 1993-94, 1995-96, 1996-97 to 2000-01, 2001-02 | 18,52,964      |
|                              | Commissioner of Central Excise                     | Excise duty                      | Financial Years 2001-02 to 2002-03                                     | 3,26,73,717    |
|                              | Customs, Excise and Service Tax Appellate Tribunal | Interest and Penalty             | Financial Year 2001-02 and 2005-06                                     | 20,08,705      |

# Amount deposited or adjusted is ` 2,44,60,160.

- c. According to the information and explanations given to us, the amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 (1 of 1956) and rules under thereunder have been transferred to such fund within time.
- viii. There are no accumulated losses of the Company at the end of the financial year and the Company has not incurred any cash losses during such financial year and in the immediately preceding financial year.
- ix. According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has delayed repayment of dues to banks in respect of instalments and interest on TUF loans and Term Loans. Details of the period and amount of defaults are as follows:

| Name of Bank                                     | The Aggregate of Amount of Principal | The Aggregate Amount of Interest | Period of Delay                        |
|--|--------------------------------------|----------------------------------|--|
| Axis Bank Limited<br>• TUF V Loan<br>• Term Loan | 2,50,00,000<br>84,25,00,000          | 1,28,47,973<br>23,78,49,956      | From 3 to 60 days<br>From 4 to 90 days |
| Allahabad Bank Limited<br>• Term Loan            | 91,95,093                            | 93,04,907                        | 1 day                                  |
| UCO Bank Limited<br>• TUF Loan                   | 1,25,00,000                          | 6,03,322                         | From 13 to 31 days                     |
| IDBI Bank Limited<br>• TUF Loan                  | 1,14,79,590                          | 1,14,73,835                      | From 4 to 55 days                      |

The Company has neither taken any loan from financial institution nor has issued any debenture.



- x. According to the information and explanations given to us, as the Company has not given any guarantee for loans taken by others from banks or financial institutions, the requirement of Clause 3(x) of the Order to comment on whether the terms and conditions whereof are prejudicial to the interest of the Company is not applicable.
- xi. According to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
- xii. Based on the audit procedures performed and to the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **B. S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 106190W

PLACE : MUMBAI  
DATED: 15<sup>th</sup> May, 2015

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015**

|                                | Note | As At<br>31 <sup>st</sup> March, 2015 | As At<br>31 <sup>st</sup> March, 2014 |
|--------------------------------|------|---------------------------------------|---------------------------------------|
| <b>EQUITY AND LIABILITIES</b>  |      |                                       |                                       |
| <b>Shareholders' Funds</b>     |      |                                       |                                       |
| Share Capital                  | 2    | 4,18,00,000                           | 4,18,00,000                           |
| Reserves and Surplus           | 3    | 325,59,99,598                         | 275,42,02,561                         |
|                                |      | <b>329,77,99,598</b>                  | 279,60,02,561                         |
| <b>Non-Current Liabilities</b> |      |                                       |                                       |
| Long-term Borrowings           | 4    | 292,64,97,919                         | 333,56,13,871                         |
| Deferred Tax Liabilities (Net) | 5    | 5,96,61,000                           | 7,65,32,000                           |
| Other Long-term Liabilities    | 6    | 23,19,11,911                          | 20,79,69,677                          |
| Long-term Provisions           | 7    | 23,25,051                             | 19,98,917                             |
|                                |      | <b>322,03,95,881</b>                  | 362,21,14,465                         |
| <b>Current Liabilities</b>     |      |                                       |                                       |
| Short-term Borrowings          | 8    | 66,48,34,952                          | 26,42,77,335                          |
| Trade Payables                 | 9    | 19,88,59,466                          | 19,25,14,189                          |
| Other Current Liabilities      | 10   | 276,60,44,906                         | 335,82,04,421                         |
| Short-term Provisions          | 11   | 8,55,15,771                           | 5,19,39,218                           |
|                                |      | <b>371,52,55,095</b>                  | 386,69,35,163                         |
| <b>TOTAL</b>                   |      | <b>1023,34,50,574</b>                 | <b>1028,50,52,189</b>                 |
| <b>ASSETS</b>                  |      |                                       |                                       |
| <b>Non-current Assets</b>      |      |                                       |                                       |
| <b>Fixed Assets</b>            |      |                                       |                                       |
| Tangible Assets                | 12   | 151,25,43,573                         | 169,81,93,391                         |
| Capital Work-in-progress       |      | 30,25,57,579                          | 29,26,05,692                          |
|                                |      | <b>181,51,01,152</b>                  | 199,07,99,083                         |
| Non-current Investments        | 13   | 48,962                                | 48,962                                |
| Long-term Loans and Advances   | 14   | 479,49,63,627                         | 471,45,35,604                         |
| Other Non-current Assets       | 15   | 47,209                                | 1,09,291                              |
|                                |      | <b>661,01,60,950</b>                  | 670,54,92,940                         |
| <b>Current Assets</b>          |      |                                       |                                       |
| Inventories                    | 16   | 39,64,80,699                          | 41,62,86,880                          |
| Trade Receivables              | 17   | 16,55,35,105                          | 23,74,31,349                          |
| Cash and Bank Balances         | 18   | 4,76,20,589                           | 3,17,94,781                           |
| Short-term Loans and Advances  | 19   | 276,74,48,973                         | 271,25,19,418                         |
| Other Current Assets           | 20   | 24,62,04,258                          | 18,15,26,821                          |
|                                |      | <b>362,32,89,624</b>                  | 357,95,59,249                         |
| <b>TOTAL</b>                   |      | <b>1023,34,50,574</b>                 | <b>1028,50,52,189</b>                 |

**Notes (including Significant Accounting Policies)  
Forming Part of the Financial Statements**

1-42

As per our Report of even date attached

For and on behalf of the Board of Directors

**For B. S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 106190W

**MANHARLAL C. SHAH**  
Executive Chairman

**HIREN M. SHAH**  
Managing Director

**PARESH H. CLERK**  
Partner  
Membership No.36148

**BHARAT M. SHAH**  
Jt. Managing Director

**PANKAJ J. PARKHIYA**  
Company Secretary

**S. JAYARAMAN**  
Chief Financial Officer

Place : Mumbai  
Dated : 15<sup>th</sup> May, 2015

Place : Mumbai  
Dated : 15<sup>th</sup> May, 2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

|   | Note | For the Year<br>ended<br>31 <sup>st</sup> March, 2015 | For the Year<br>ended<br>31 <sup>st</sup> March, 2014 |
|---|------|---|---|
| Revenue from Operations   | 21   | 197,72,79,732   | 187,62,61,360   |
| Less : Excise Duty on Sales   |      | NIL   | NIL   |
| Revenue from Operations (Net)   |      | <b>197,72,79,732</b>                                  | 187,62,61,360   |
| Other Income  | 22   | <b>41,74,90,502</b>                                   | 39,16,88,365  |
| <b>Total Revenue</b>  |      | <b>239,47,70,234</b>                                  | <b>226,79,49,725</b>                                  |
| <b>Expenses</b>   |      |   |   |
| Cost of Materials Consumed  | 23   | <b>46,44,74,281</b>                                   | 52,52,97,986  |
| Changes in Inventories of Finished<br>Goods and Work-in-Progress                                      | 24   | <b>(3,07,307)</b>                                     | (6,66,56,420)   |
| Employee Benefits Expense   | 25   | <b>17,08,29,962</b>                                   | 15,51,91,007  |
| Finance Costs   | 26   | <b>14,89,56,019</b>                                   | 18,81,65,375  |
| Depreciation and Amortisation Expense   | 12   | <b>18,78,20,900</b>                                   | 22,55,96,087  |
| Other Expenses  | 27   | <b>76,35,23,476</b>                                   | 73,50,09,184  |
| <b>Total Expenses</b>   |      | <b>173,52,97,331</b>                                  | <b>176,26,03,219</b>                                  |
| <b>Profit before Exceptional Items and Tax</b>  |      | <b>65,94,72,903</b>                                   | 50,53,46,506  |
| Less : Exceptional items  |      | NIL   | NIL   |
| <b>Profit Before Tax</b>  |      | <b>65,94,72,903</b>                                   | 50,53,46,506  |
| Tax Expense   |      |   |   |
| Current Tax (Refer Note 11.1)   |      | <b>16,30,00,000</b>                                   | 12,00,00,000  |
| Less- MAT Credit Entitlement (Refer Note 11.1)  |      | <b>2,35,00,000</b>                                    | 1,00,00,000   |
|   |      | <b>13,95,00,000</b>                                   | 11,00,00,000  |
| Deferred Tax (Refer Note 5)   |      | <b>(1,04,41,000)</b>                                  | (2,51,40,000)   |
| Current Tax Adjustments of Earlier Years  |      | <b>(90,25,276)</b>                                    | (285,18,320)  |
|   |      | <b>12,00,33,724</b>                                   | 5,63,41,680   |
| <b>Profit for the Year</b>  |      | <b>53,94,39,179</b>                                   | <b>44,90,04,826</b>                                   |
| Earnings Per Equity Share of `5   | 28   |   |   |
| Basic and Diluted ( ` ) per share   |      | <b>64.53</b>  | 53.71   |
| <b>Notes (including Significant Accounting Policies)<br/>Forming Part of the Financial Statements</b> |      |   |   |
|   | 1-42 |   |   |

As per our Report of even date attached

**For B. S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 106190W

**PARESH H. CLERK**  
Partner  
Membership No.36148

Place : Mumbai  
Dated : 15<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**MANHARLAL C. SHAH**  
Executive Chairman

**BHARAT M. SHAH**  
Jt. Managing Director

**S. JAYARAMAN**  
Chief Financial Officer

**HIREN M. SHAH**  
Managing Director

**PANKAJ J. PARKHIYA**  
Company Secretary

Place : Mumbai  
Dated : 15<sup>th</sup> May, 2015



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

|   | For the Year ended<br>31 <sup>st</sup> March, 2015 | For the Year ended<br>31 <sup>st</sup> March, 2014 |
|---|--|--|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>                     |  |  |
| Net Profit Before Tax   | 65,94,72,903                                       | 50,53,46,506                                       |
| <b>Adjustments for :</b>  |  |  |
| Loss / (Profit) on Sale of Fixed Assets                             | (1,14,92,394)                                      | (58,73,513)  |
| Depreciation  | 18,78,20,900                                       | 22,55,96,087                                       |
| Finance Costs   | 14,89,56,019                                       | 18,81,65,375                                       |
| Dividend  | (9,000)  | (27,000)   |
| Interest Income   | (7,41,06,471)                                      | (6,54,77,026)                                      |
| Unrealised Loss / (Gain) on Foreign Exchange                        | 45,819   | 93,63,823  |
| Amounts written back  | (48,09,033)  | (1,28,18,879)                                      |
| <b>Operating Profit Before Working Capital Changes</b>              | <b>(a) 90,58,78,743</b>                            | <b>84,42,75,373</b>                                |
| <b>Adjustments for :</b>  |  |  |
| Trade Receivables   | 7,18,96,244  | (4,09,43,063)                                      |
| Short-term Loans and Advances                                       | (5,49,29,555)                                      | (4,49,47,034)                                      |
| Inventories   | 1,98,06,181  | (7,15,85,054)                                      |
| Other Current Assets  | (6,46,77,437)                                      | (2,50,27,675)                                      |
| Trade Payables, Other Current Liabilities and Short-term Provisions | (63,25,21,583)                                     | 114,70,25,816                                      |
| Long-term Loans and Advances and Other Non-current Assets           | (8,13,22,878)                                      | (12,59,83,724)                                     |
| Other Long-term Liabilities and Long-term Provisions                | 2,42,68,368  | 8,22,77,852  |
|   | <b>(b) (71,74,80,660)</b>                          | <b>92,08,17,119</b>                                |
| <b>Cash Generated From Operations</b>                               | <b>(a) + (b) 18,83,98,083</b>                      | <b>176,50,92,492</b>                               |
| Income Tax Paid   | (9,49,50,000)                                      | (4,98,00,000)                                      |
| <b>Net Cash From Operating Activities</b>                           | <b>A 9,34,48,083</b>                               | <b>171,52,92,492</b>                               |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>                     |  |  |
| Purchase of Fixed Assets  | (5,51,68,990)                                      | (16,48,73,323)                                     |
| Sale of Fixed Assets  | 5,45,38,413  | 13,49,46,700                                       |
| Long-term Loans and Advances - Capital Advances                     | 9,56,937   | 7,36,285   |
| Dividend Income   | 9,000  | 27,000   |
| Interest Income   | 7,41,06,471  | 6,54,77,026  |
| <b>Net Cash From Investing Activities</b>                           | <b>B 7,44,41,831</b>                               | <b>3,63,13,688</b>                                 |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>                     |  |  |
| Proceeds from Long-term Borrowings                                  | (40,91,15,949)                                     | (151,92,43,488)                                    |
| (Increase) / Decrease in Short-term Borrowings                      | 40,05,57,615                                       | (10,98,21,818)                                     |
| Finance Costs   | (12,39,44,173)                                     | (18,17,15,336)                                     |
| Dividend Paid (Including Dividend Distribution Tax)                 | (1,95,61,600)                                      | (1,95,61,600)                                      |
| <b>Net Cash From Financing Activities</b>                           | <b>C (15,20,64,107)</b>                            | <b>(183,03,42,242)</b>                             |
| <b>Increase in Cash and Cash Equivalents (A+B+C)</b>                | <b>1,58,25,807</b>                                 | <b>(7,87,36,063)</b>                               |
| <b>Cash and Cash Equivalents at the beginning of the Year</b>       | <b>3,17,94,782</b>                                 | <b>11,05,30,845</b>                                |
| <b>Cash and Cash Equivalents at the end of the Year</b>             | <b>4,76,20,589</b>                                 | <b>3,17,94,782</b>                                 |
| <b>Components of Cash and Cash Equivalents :</b>                    |  |  |
| Cash on hand  | 8,79,856   | 7,64,336   |
| Balances with Banks   |  |  |
| On Current Accounts   | 1,17,97,224  | 67,32,120  |
| On Unclaimed Dividend Accounts                                      | 4,24,967   | 3,64,909   |
| Other Bank Balances   | 3,45,18,542  | 2,39,33,416  |
|   | <b>4,76,20,589</b>                                 | <b>3,17,94,781</b>                                 |

Note:

- i. Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3, as notified under the Companies (Accounting Standards Rules, 2006), as the same are applicable in terms of the provisions of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ii. Purchase of Fixed Assets includes addition to Capital Work-in-progress during the year.

As per our Report of even date attached

**For B. S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 106190W

**PARESH H. CLERK**  
Partner  
Membership No.36148

Place : Mumbai  
Dated : 15<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**MANHARLAL C. SHAH**  
Executive Chairman

**BHARAT M. SHAH**  
Jt. Managing Director

**S. JAYARAMAN**  
Chief Financial Officer

**HIREN M. SHAH**  
Managing Director

**PANKAJ J. PARKHIYA**  
Company Secretary

Place : Mumbai  
Dated : 15<sup>th</sup> May, 2015



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

### 1. Significant Accounting Policies

#### 1.1 Basis of Accounting :

These financial statements are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention as also on accrual basis. These financial statements have been prepared to comply with the accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 ('the Accounting Standards') and the relevant provisions of the Act (to the extent notified). In the light of the first proviso to Section 129(1) of the Act and Schedule III to the Act, the items and terms contained in these financial statements are in accordance with the Accounting Standards.

#### 1.2 Use of Estimates :

The preparation of the financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosures relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts/advances, deferred tax etc. Actual results could differ from those estimates. Such difference is recognised in the period/s in which the results are known / materialised.

#### 1.3 Revenue Recognition :

- i. Domestic Sales is recognised on transfer of significant risks and rewards of ownership which is on the despatch of goods. Export Sales are accounted for on the basis of the dates of 'On Board Bill of Lading'.
- ii. Income from processing charges is accounted on the despatch of processed goods to customers.
- iii. Export Benefits are accounted in the year of export.
- iv. License fees are recognised over the period of Leave and License Agreements.
- v. Revenue from the Sale of Development rights is recognised in terms of agreement entered into by the Company with the developer.
- vi. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- vii. Dividend income is recognised when the right to receive dividend is established.

#### 1.4 Fixed Assets :

- i. Fixed Assets are valued at cost less depreciation.
- ii. The Cost of Fixed Asset comprises its purchase price net of capital subsidy receivable, including non-refundable taxes, duties and directly attributable cost of bringing the asset to its working condition for its intended use.
- iii. Borrowing costs, for the assets that necessarily take a substantial period of time to get ready for its intended use are capitalised to the cost of assets.
- iv. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "Capital Work-in-Progress".

#### 1.5 Depreciation :

- i. Depreciation on tangible Fixed Assets is provided over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 as under :
  - a. Plant and Machinery (other than Laboratory Equipments) on the "Straight Line Method".
  - b. All other assets, on the "Written Down Value Method".
- ii. Depreciation for Fixed Assets purchased / sold during the period is charged on a pro-rata basis.

#### 1.6 Investments :

- i. Investments, which are long-term, are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of investments.
- ii. Profit or loss on sale of long-term investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.



### 1.7 Inventory Valuation :

- i. Raw Materials, Materials in Process, Finished Goods, Fuel, Stores and Spares are valued at the lower of Cost and Net Realisable Value.
- ii. Cost comprises all cost of purchases, cost of conversion and cost incurred in bringing the inventory to their present location and condition. The cost is arrived at on the weighted average basis.
- iii. Due allowances are made for obsolete inventory based on technical estimates made by the Company.
- iv. Waste is valued at the net realisable value.

### 1.8 Transactions in Foreign Currency :

- i. Transactions in foreign currency (Monetary or Non-Monetary items) are recorded at the exchange rate prevailing on the date of the transaction.
- ii. Monetary items (i.e. receivables, payables, loans etc.) which are denominated in foreign currency are translated and reported using the exchange rates prevailing on the date of the Balance Sheet.
- iii. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- iv. Exchange differences arising on the settlement of monetary items or on reporting at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

### 1.9 Employee Benefits :

#### i. Defined Contribution Plan

Contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards Provident Fund and Family Pension Fund are provided for and payments in respect thereof are made to the relevant authorities on actual basis.

#### ii. Defined Benefit Plan

- a. **Gratuity** - In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued, based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Actuarial gain or loss is recognised immediately in the Statement of Profit and Loss as income or expense. The Company makes contributions to The Ruby Mills Ltd. Staff Gratuity Trust and The Ruby Mills Workmen's Gratuity Trust.
- b. **Compensated Absences** - The Company provides for the encashment of absence or absence with pay based on policy of the Company in this regard. The employees are entitled to accumulate such absence subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

### 1.10 Government Grants :

Grants, in the nature of interest subsidy and foreign exchange subsidy under the Technology Upgradation Fund Scheme (TUFS), are accounted for when it is reasonably certain that ultimate collection will be made. Government grants specifically related to fixed assets under capital subsidy scheme of TUFS are reduced from the value of the fixed assets and shown as receivable under Other Current Assets in the Balance Sheet.

### 1.11 Borrowing Costs :

- i. Borrowing costs are interest and other costs incurred in connection with the borrowing of funds.
- ii. Borrowing costs, less any income on the temporary investment of those borrowings, that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as a part of the cost of that asset.
- iii. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.12 Leases :

Assets taken on lease, under which all the risks and rewards of ownership are effectively retained by the lessor, are classified as operating lease. Operating lease payments are recognised as expense in the Statement of Profit and Loss on a straight-line basis over the lease term.



**1.13 Taxation :**

- i. **Current Tax** : Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.
- ii. **Minimum Alternate Tax (MAT)** credit is recognised as an asset only when and to the extent there is a convincing evidence that the Company will pay normal tax within the period specified under the Income-tax Act, 1961 to avail such MAT credit.
- iii. **Deferred Tax** : Deferred tax is recognised, subject to consideration of prudence, on timing differences between taxable and accounting income which originates in one period and are capable of reversal in one or more subsequent periods (adjusted for reversals expected during tax holiday period). The tax effect is calculated on accumulated timing differences at the year end based on tax rates and laws enacted or substantially enacted as of the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such deferred tax assets. In other situations, deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available to realise such deferred tax assets.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

**1.14 Impairment of Assets :**

If internal / external indications suggest that an asset of the Company may be impaired, the recoverable amount of asset / cash generating unit is determined on the Balance Sheet date and if it is less than its carrying amount, the carrying amount of the asset / cash generating unit is reduced to the said recoverable amount. Subsequently, if there is a change in the indication, since the last impairment was recognised, so that recoverable amount of an asset exceeds its carrying amount, an impairment recognised for an asset in prior accounting period is reversed. The recoverable amount is measured as the higher of the net selling price and value in use of such assets / cash generating unit, which is determined by the present value of the estimated future cash flows.

**1.15 Provisions, Contingent Liabilities and Contingent Assets :**

- i. The Company recognises a Provision when there is a present obligation as a result of a past event, the settlement of which is probable to result in an outflow of resources and a reliable estimate can be made of the amount of obligation.
- ii. Contingent Liability is disclosed by way of a note to the financial statements after careful evaluation by the management of the facts and legal aspects of the matters involved.
- iii. Contingent Assets are neither recognised nor disclosed.

**1.16 Segment Accounting :**

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting :

- i. Segment revenue includes sales / lease rent and other income directly identifiable with / allocable to the segment.
- ii. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under "Unallocable Corporate Expenditure".
- iii. Income which relates to the Company as a whole and not allocable to segments is included in "Unallocable Corporate Income."
- iv. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities are those that relate to the Company as a whole and not allocable to any segment.



|   | As At<br>31st March, 2015 | As At<br>March 31, 2014 |
|---|---------------------------|-------------------------|
| <b>2. Share Capital :</b>                                       |                           |                         |
| <b>Authorised :</b>   |                           |                         |
| 1,00,00,000 (1,00,00,000) Equity Shares of ₹ 5 par value        | <b>5,00,00,000</b>        | 5,00,00,000             |
|   | <b>5,00,00,000</b>        | 5,00,00,000             |
| <b>Issued, Subscribed and Paid up :</b>                         |                           |                         |
| 83,60,000 (83,60,000) Equity Shares of ₹ 5 par value fully paid | <b>4,18,00,000</b>        | 4,18,00,000             |
|   | <b>4,18,00,000</b>        | 4,18,00,000             |

**2.1 Reconciliation of the number of shares outstanding and amount of share capital :**

|                                | As At<br>31st March, 2015 |                    | As At<br>31st March, 2014 |             |
|--------------------------------|---------------------------|--------------------|---------------------------|-------------|
|                                | No. of Shares             |                    | No. of Shares             |             |
| Equity Shares of ₹ 5 par value |                           |                    |                           |             |
| At the beginning               | <b>83,60,000</b>          | <b>4,18,00,000</b> | 83,60,000                 | 4,18,00,000 |
| Changes during the year        | <b>NIL</b>                | <b>NIL</b>         | NIL                       | NIL         |
| At the end                     | <b>83,60,000</b>          | <b>4,18,00,000</b> | 83,60,000                 | 4,18,00,000 |

**2.2 Rights, preferences and restrictions :**

- i. The Company has only one class of shares referred to as equity shares having par value of ₹ 5. Each holder of equity shares is entitled to one vote per share.
- ii. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Board of Directors, in their meeting on May 15, 2015, proposed a final dividend of ₹ 2.5 per equity share of ₹ 5 each. The proposal is subject to the approval of shareholders at the coming Annual General Meeting. The total dividend appropriation for the year ended March 31, 2015 amounted to ₹ 2,51,54,822 including corporate dividend tax of ₹ 42,54,822.

During the year ended March 31, 2014, the amount of per share dividend recognised as distribution to equity shareholders is ₹ 2. The Dividend appropriation for the year ended March 31, 2014 amounted to ₹ 1,95,61,600 including corporate dividend tax of ₹ 28,41,600.

- iii. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.3 Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company :**

|   | As At<br>31st March, 2015 |              | As At<br>31st March, 2014 |        |
|---|---------------------------|--------------|---------------------------|--------|
|   | No. of Shares             | % held       | No. of Shares             | % held |
| <b>Name of the Shareholder</b>                        |                           |              |                           |        |
| Manubhai and Sons Investment Company Private Limited  | <b>11,94,450</b>          | <b>14.29</b> | 11,94,450                 | 14.29  |
| Hiren Brothers Investment Company Private Limited     | <b>11,94,450</b>          | <b>14.29</b> | 11,94,450                 | 14.29  |
| M.C. Shah and Sons Investment Company Private Limited | <b>11,94,170</b>          | <b>14.28</b> | 11,94,170                 | 14.28  |



|  | As At<br>31st March, 2015   | As At<br>31st March, 2014   |
|--|-----------------------------|-----------------------------|
| <b>3. Reserves and Surplus :</b>   |                             |                             |
| Capital Reserve  |                             |                             |
| As per last Balance Sheet  | 29,81,291                   | 29,81,291                   |
| Securities Premium   |                             |                             |
| As per last Balance Sheet  | 20,83,38,100                | 20,83,38,100                |
| General Reserve  |                             |                             |
| As per last Balance Sheet  | 155,64,22,576               | 55,64,22,576                |
| Less : Adjustment as per schedule II to the<br>Companies Act, 2013 (Refer Note 12.2) | <u>1,24,87,320</u>          | NIL                         |
|  | 154,39,35,256               | 55,64,22,576                |
| Add : Transferred from Surplus   | <u>100,00,00,000</u>        | 100,00,00,000               |
|  | 254,39,35,256               | 155,64,22,576               |
| Surplus  |                             |                             |
| As per last Balance Sheet  | 98,64,60,594                | 155,70,17,368               |
| Add: Net Profit after Tax transferred from the Statement of<br>Profit and Loss       | <u>53,94,39,179</u>         | 44,90,04,826                |
|  | 152,58,99,773               | 200,60,22,194               |
| Less: Appropriations   |                             |                             |
| General Reserve  | 100,00,00,000               | 100,00,00,000               |
| Proposed Dividend  | 2,09,00,000                 | 1,67,20,000                 |
| Tax on Dividend  | <u>42,54,822</u>            | 28,41,600                   |
|  | 50,07,44,951                | 98,64,60,594                |
|  | <u><u>325,59,99,598</u></u> | <u><u>275,42,02,561</u></u> |
| <b>4. Long-term Borrowings :</b>   |                             |                             |
| Term Loans (Refer Notes 4.1 and 4.3)   |                             |                             |
| Secured  |                             |                             |
| From Banks   |                             |                             |
| Under Textile Up gradation Fund Scheme (TUFS) [Refer Note 4.2]                       | 44,42,80,276                | 59,15,35,725                |
| Others (Refer Note 4.2)  | 203,88,05,721               | 213,75,68,012               |
| From Other Parties   | 39,11,922                   | 16,90,65,134                |
| Deposits - Inter Corporate   |                             |                             |
| Unsecured  | 11,00,00,000                | 14,00,00,000                |
| Loans and Advances from Related Parties  |                             |                             |
| Unsecured (Refer Notes 4.4 and 33.1)   | <u>32,95,00,000</u>         | 29,74,45,000                |
|  | <u><u>292,64,97,919</u></u> | <u><u>333,56,13,871</u></u> |

4.1 The above reflect non-current portion of the related borrowings and the current portion (including due to default payment) thereof is reflected under Note 10 on "Other Current Liabilities".



|            |  | As At<br>31st March, 2015 |           | As At<br>31st March, 2014 |
|------------|--|---------------------------|-----------|---------------------------|
| <b>4.2</b> | <b>Period and amount of continuing default in repayment of above loans (reflected in Note 10 on "Other Current Liabilities" being current in nature)</b> |                           |           |                           |
|            |  | Due from                  | Due from  |                           |
|            | Principal amounts  |                           |           |                           |
|            | Term Loan from UCO Bank (Under TUFs)   |                           | 1-Mar-14  | 31,25,000                 |
|            | Term Loan from Axis Bank Limited (Under TUFs)  |                           | 31-Mar-14 | 1,25,00,000               |
|            | Term Loan from Axis Bank Limited (RE Loan)   |                           | 31-Mar-14 | 13,49,32,519              |
|            | Term Loan from Allahabad Bank (LRD)  | 31-Mar-15                 |           | NIL                       |
|            |  | <b>91,95,093</b>          |           | <b>NIL</b>                |
|            |  | <b>91,95,093</b>          |           | <b>15,05,57,519</b>       |
|            | Interest Amounts   |                           |           |                           |
|            | Term Loan from UCO Bank (Under TUF)  |                           | 31-Mar-14 | 5,43,842                  |
|            | Term Loan from IDBI (Under TUFs)   | 1-Mar-15                  |           | NIL                       |
|            | Term Loan from Axis Bank Limited (Under TUFs)  | 1-Mar-15                  |           | NIL                       |
|            | Term Loan from Axis Bank Limited (RE Loan)   | 1-Mar-15                  | 28-Feb-14 | 2,98,728                  |
|            | Term Loan from Axis Term Loan ` 85,00,00,000   | 1-Mar-15                  |           | NIL                       |
|            | Term Loan from Allahabad Bank (LRD)  | 31-Mar-15                 |           | NIL                       |
|            |  | <b>3,90,65,080</b>        |           | <b>8,42,570</b>           |
|            | Principal and interest amounts due and remaining unpaid  | <b>4,82,60,173</b>        |           | <b>15,14,00,089</b>       |

**4.3 Nature of Security and Terms of Repayment of Long-term Borrowings (including of those Current maturities shown in Note 10):**

|     | Nature of Security and Terms of Repayment Secured  | Rate of Interest |                     |              |
|-----|--|------------------|---------------------|--------------|
|     | <b>Term Loan from Banks:</b>   |                  |                     |              |
| i.  | Term Loan from UCO Bank of ` 25,00,00,000 for TUFs repayable in 84 monthly instalments commencing from April 2008 is secured by :                                | 13.00% p.a.      | <b>46,81,041</b>    | 4,53,09,987  |
|     | a. First charge on pari passu basis on the entire Fixed Assets of the Company, present and future, including Plant and Machinery acquired out of this Term Loan. |                  |                     |              |
|     | b. Second pari passu charge on the Current Assets of the Company, present and future, at Mumbai, Dhamni.   |                  |                     |              |
|     | c. Charge on the Properties of the Company at Dadar and Dombivali.   |                  |                     |              |
|     | d. Personal guarantee of two promoter directors of the Company.  |                  |                     |              |
| ii. | Term Loan from IDBI Bank of ` 18,75,00,000 for TUFs repayable in 98 equal monthly instalments commencing from May 2012 is secured by :                           | 14.75% p.a       | <b>12,37,39,456</b> | 14,34,94,905 |
|     | a. First charge on the machinery acquired out of this Term Loan.   |                  |                     |              |
|     | b. First charge on pari passu basis on the Fixed Assets of the Company situated at Dhamni and Kharsundi.   |                  |                     |              |
|     | c. Personal guarantee of two promoter directors of the Company.  |                  |                     |              |





|   | Rate of Interest                        | As At<br>31 <sup>st</sup> March, 2015  | As At<br>31 <sup>st</sup> March, 2014   |
|---|---|--|---|
| <p>iii. Term Loan from Axis Bank of ₹ 46,00,00,000 for TUFs repayable in 33 equal quarterly instalments commencing from September 2009 is secured by:</p> <p>a. First pari passu charge on the Fixed Assets of the Company excluding land at Dadar.</p> <p>b. Second pari passu charge on the Current Assets of the Company, present and future.</p> <p>c. Escrow of lease rent receivables to that extent of ₹ 5,00,00,000.</p> <p>d. Personal guarantee of two promoter directors of the Company.</p>   | Ranging from 14.25% p.a. to 14.50% p.a. | <b>24,75,00,000</b>  | 29,75,00,000  |
| <p>iv. Term Loan from State Bank of India of ₹ 44,00,00,000 for TUFs repayable in 72 equal monthly instalments commencing from October 2011 is secured by:</p> <p>a. First pari passu charge by way of Equitable Mortgage on the land at Dhamni and Kharsundi, along with Factory Building, Plant and Machinery and other Fixed Assets thereat.</p> <p>b. Second pari passu charge on the entire Current Assets of the Company, present and future.</p> <p>c. Personal guarantee of two promoter directors of the Company.</p>  | Ranging from 14.40% p.a. to 16.00% p.a. | <b>23,60,00,000</b>  | 32,00,00,000  |
| <p>v. Term Loan from Axis Bank of ₹ 337,00,00,000 repayable in 8 equal quarterly instalments commencing from January 2014 is secured by:</p> <p>a. First pari passu charge on the Land and Building and other immovable Fixed Assets of 'The Ruby', IT Park, Dadar, Mumbai of the "second mortgaged property" referred to in Schedule II as specified in the mortgage deed.</p> <p>b. First pari passu charge on the Development Rights of "second mortgaged property" referred in (a) above.</p> <p>c. First pari passu charge on the movable properties and movable Fixed Assets, both present and future, in relation to the "second mortgaged property" including but not limited to moveable plant and machinery equipments, appliances, furniture, vehicles, machinery, spares, and stores, tools and accessories and other movables whether or not installed or whether lying loose or in cases or which are lying or stored in or about or may hereafter from time to time during the currency of the indenture be brought into or upon or be stored in or about the "second mortgaged property".</p> <p>d. First pari passu charge on the Current Assets in respect of "second mortgaged property" incurred but not limited to stock of raw materials and semi-finished goods which are lying or stored in or which may from time to time during the continuance of the security be lying or stored in or brought into or be in or about the "second mortgage property".</p> <p>e. Book-debts, cash flows, receivables, lease rentals, sale proceeds, outstanding moneys, claims, demands, contracts, engagements, liquidated damages, guarantees, or performance bonds provided by any Party to the Finance Documents, securities and other amounts belonging to or held by</p> | Ranging from 13.50% p.a. to 13.75% p.a. | <b>"125,86,39,887<br/>(Including<br/>overdraft<br/>facilities of ₹<br/>19,69,77,304 as<br/>a Sub-limit)"</b> | "265,77,25,319<br>(Including<br>overdraft facilities<br>of ₹ 19,73,80,217<br>as a Sub-limit)" |





|  | Rate of Interest  | As At<br>31 <sup>st</sup> March, 2015   | As At<br>31 <sup>st</sup> March, 2014 |              |
|--|---|---|---------------------------------------|--------------|
| <p>the Mortgagor, and which are now due and owing or accruing and which may at anytime hereafter during the continuance of the security become due and owing to the Mortgagor on account of the "second mortgaged property".</p> <p>f. All the rights, title, interest, benefits, claims and demands of whatsoever of the Mortgagor in, to under and / or in respect of the insurance policies, both present and future, and all rights, claims and benefits to all monies receivable there under and all other claims there under, in so far as related to the "second mortgaged property".</p> <p>g. All amounts owing to and received by the Mortgagor in the Escrow Account and other account hereinafter opened for the collection of revenues generated out of the "second mortgaged property".</p> <p>h. Personal guarantee of two promoter directors of the Company and Corporate Guarantee of Mindset Estate Private Limited.</p> |   |   |                                       |              |
| vi.  | Term Loan from Allahabad Bank of ₹ 110,00,00,000 under Lease Rental Discounting Scheme repayable in 101 monthly instalments commencing from October 2011 is secured by :  | Ranging from 12.70% p.a. to 13.25% p.a. | <b>85,84,91,709</b>                   | 95,54,83,416 |
|  | a. Exclusive mortgage charge on the 14th, 15th and 16th floors of the building "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra and Assignment of entire receivables Rent / Lease Rental / License fee and maintenance charges etc., both present and future, through Escrow Mechanism from Lessee / Licensor / occupant of the said premises. |   |                                       |              |
|  | b. Personal guarantee of two promoter directors of the Company.   |   |                                       |              |
| vii.   | "Foreign Currency Term Loan from HDFC Bank of USD 55,66,031 ( ₹ 26,16,00,000) under Lease Rental Discounting Scheme repayable in 34 quarterly instalments commencing from April 2007 is secured by :"   | LIBOR + 500 bps.                        | <b>2,04,64,996</b>                    | 5,88,55,877  |
|  | a. Registered mortgage of premises given on lease situated at 'Ruby House', Dadar, Mumbai.  |   |                                       |              |
|  | b. Assignment of lease rental receivables from the lessees.   |   |                                       |              |
|  | c. Personal guarantee of two promoter directors of the Company.   |   |                                       |              |
| viii.  | Term Loan from IndusInd Bank of ₹ 10,50,00,000 under Lease Rental Discounting Scheme repayable in 91 monthly instalments commencing from February 2014 is secured by :  | 12.25% p.a.                             | <b>9,62,97,479</b>                    | 10,36,98,805 |
|  | a. Assignment of lease rental of the property situated at "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra. from the lessee - Sharekhan Limited.   |   |                                       |              |
|  | b. Registered mortgage of premises on 18th Floor given on leave and Licence basis to Sharekhan Limited of "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra.  |   |                                       |              |
|  | c. Personal guarantee of two promoter directors of the Company.   |   |                                       |              |



|  | Rate of Interest | As At<br>31 <sup>st</sup> March, 2015 | As At<br>31 <sup>st</sup> March, 2014 |
|--|------------------|---------------------------------------|---------------------------------------|
| <p>ix. Term Loan from Axis Bank of ₹ 85,00,00,000 under Loan Against Property repayable in 10 equal quarterly instalments commencing from December 2016 is to be secured by (as the necessary documents for the creation of the charges in favour of the lender are yet to be executed) :</p> <p>a First pari passu Charge EM/RM over land and building of The Ruby except for area for which NOC has been issued by the bank for Term Loan of ₹ 337,00,00,000 as covered in Appendix -I of loan agreement.</p> <p>b First pari passu Charge over development rights of the project sold by Ruby Mills Limited to Mindset Estate Private Limited (Developer).</p> <p>c First pari passu hypothecation charge on entire movable fixed assets and current assets (including cash flows) of Project both present and future except area already leased / sold.</p> <p>d Pari passu Escrow and charge of cash flows from additional sales / Leasing of area LRD Loans against leased area (over and above sales / Leasing / Lease securitisation loans already completed) by way of agreement between Borrower, Escrow Bank (representing Lender) and Developer.</p> <p>e. First pari passu charge on balance open land with Mill structure and FSI there on in the Mill compound from which additional FSI for "The Ruby" is being used for the enhanced scope of the project. The release of charge of the balance open land with Mill structure may be done on receipt of certificate from the Company's Architect that the conditions as specified in the revised IOD/IOA for the project are being complied with. The Company's Architect shall issue further confirmation that the FSI from the vacant plot with Mill structure is utilized in the plan/approval to be issued &amp; such further FSI thus generated has been proposed to be utilized on obtaining revised OC from MCGM for "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra.</p> <p>f First pari passu charge by way of hypothecation/ mortgage/ assignment, as the case may be of all the FSI, rights, title, interest, benefit, claims and demands whatsoever of the Company in respect of the Project.</p> <p>g Personal guarantee of two promoter directors of the Company.</p> | 13.75% p.a.      | <b>85,00,00,000</b>                   | 34,00,00,000                          |
| <p>x. Term Loan from IndusInd Bank of ₹ 19,00,00,000 under Lease Rental Discounting Scheme repayable in 114 monthly instalments commencing from December 2014 is secured by :</p> <p>a. Assignment of lease rentals of the property situated at "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra from lessees - Panoramic Universal Limited and Sannam S4 Consulting Private Limited.</p> <p>b. Registered mortgage of premises on the 9th Floor given on Leave and Licence basis to Sannam S4 Consulting Private Limited and the 6th Floor given on Leave and Licence basis to Panoramic Universal Limited of "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra</p>  | 11.75% p.a.      | <b>17,79,19,290</b>                   | NIL                                   |



|  | Rate of Interest                        | As At<br>31 <sup>st</sup> March, 2015 | As At<br>31 <sup>st</sup> March, 2014 |
|--|---|---------------------------------------|---------------------------------------|
| c. Personal guarantee of two promoter directors of the Company.  |   |                                       |                                       |
| <b>II Term Loan From Other Parties:-</b>   |   |                                       |                                       |
| i. Term Loan from Reliance Capital Limited of ₹ 40,00,00,000 sanctioned under Loan Against Property repayable in 12 equal monthly instalments to be commenced from April 2015 is secured by :  | 17.75% p.a.                             | <b>20,00,00,000</b>                   | 20,00,00,000                          |
| a. First pari passu charge on the 'A' wing Basement, Ground Floor, 'A' wing 7th to 10th Floor and 'B' wing Ground Floor of the 'Ruby House', Dadar, Mumbai.  |   |                                       |                                       |
| ii. Loan from Daimler Financial Services India Private Limited of ₹ 50,11,891 repayable in 48 equal monthly instalments commencing from May 22, 2014, is secured against hypothecation of specified vehicle in the relevant agreement. | 11.39% p.a.                             | <b>44,90,701</b>                      | NIL                                   |
| Total of (I) and (II)  |   | <b>407,82,24,559</b>                  | 512,20,68,309                         |
| Less : Current Maturities of Long-term debt (Refer Note 10)  |   | <b>159,12,26,643</b>                  | 222,38,99,438                         |
|  |   | <b>248,69,97,916</b>                  | <b>289,81,68,871</b>                  |
| <b>4.4 Terms of repayment of unsecured borrowings :</b>  |   |                                       |                                       |
| "Loans and Advances from Related Parties "   | Ranging from 14.00% p.a. to 15.00% p.a. | <b>32,95,00,000</b>                   | 29,74,45,000                          |
| <b>5 Deferred Tax Liabilities (Net) :</b>  |   |                                       |                                       |
| <b>Items of Timing Difference</b>  |   |                                       |                                       |
| <b>Deferred Tax Liabilities</b>  |   |                                       |                                       |
| Related to Fixed Assets  |   |                                       |                                       |
| - Depreciation (Refer Note 5.1)  |   | <b>7,60,26,000</b>                    | 10,00,76,000                          |
| - Foreign Exchange Gain / (Loss) on revaluation of Creditors on Capital Account (Refer Note 5.1)   |   | <b>(41,93,000)</b>                    | (41,18,000)                           |
| Lease Income (Refer Note 5.1)  |   | <b>NIL</b>                            | 4,69,000                              |
|  |   | <b>7,18,33,000</b>                    | <b>9,64,27,000</b>                    |
| <b>Deferred Tax Assets</b>   |   |                                       |                                       |
| Provision for Leave Encashment   |   | <b>(12,00,000)</b>                    | (9,57,000)                            |
| Voluntary Retirement Scheme  |   | <b>(87,89,000)</b>                    | (1,72,64,000)                         |
| Disallowances under section 43B of the Income-tax Act, 1961  |   | <b>(17,12,000)</b>                    | (16,74,000)                           |
| Expenses Disallowable for doubtful debts   |   | <b>(4,71,000)</b>                     | NIL                                   |
|  |   | <b>(1,21,72,000)</b>                  | (1,98,95,000)                         |
| Net Deferred Tax (Assets) / Liabilities  |   | <b>5,96,61,000</b>                    | <b>7,65,32,000</b>                    |



**5.1 Deferred Tax Liabilities (Net) is arrived at after considering the tax effect of Prior Period items of timing differences:**

|   | As At<br>31 <sup>st</sup> March, 2015 | As At<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|---------------------------------------|
| Reversal of Deferred Tax liabilities  |                                       |                                       |
| Foreign Exchange Loss / (Gain) on Revaluation of Creditors on Capital Account   | NIL                                   | 38,09,000                             |
| Depreciation  | 88,45,000                             | NIL                                   |
| Recognising of Deferred Tax Liabilities:  |                                       |                                       |
| Rate difference   | NIL                                   | 48,42,000                             |
| Recognising of Deferred Tax Assets:   |                                       |                                       |
| Expenses Disallowable for doubtful debts  | 4,71,000                              | NIL                                   |
|   | <u>93,16,000</u>                      | <u>86,51,000</u>                      |
| <b>6. Other Long-term Liabilities :</b>   |                                       |                                       |
| Trade and Security Deposits   | 23,19,11,911                          | 20,79,69,677                          |
|   | <u>23,19,11,911</u>                   | <u>20,79,69,677</u>                   |
| <b>7. Long-term Provisions :</b>  |                                       |                                       |
| Provision for Employee Benefits (Refer Note 31)<br>For Leave Encashment   | 23,25,051                             | 19,98,917                             |
|   | <u>23,25,051</u>                      | <u>19,98,917</u>                      |
| <b>8. Short-term Borrowings :</b>   |                                       |                                       |
| Loans repayable on demand (Refer Note 8.1)  |                                       |                                       |
| Secured   |                                       |                                       |
| From Banks  |                                       |                                       |
| Cash Credit and Overdraft Facilities  | 16,21,24,952                          | 18,36,72,335                          |
| Unsecured   |                                       |                                       |
| Deposits - Inter Corporate  | 38,00,00,000                          | NIL                                   |
| Loans and Advances from Related Parties   | 12,27,10,000                          | 8,06,05,000                           |
|   | <u>66,48,34,952</u>                   | <u>26,42,77,335</u>                   |
| <b>8.1 Cash Credit and Overdraft Facilities are secured by :</b>  |                                       |                                       |
| Bank of India - ` 4,07,30,422 (Previous Year ` 3,79,52,401)   |                                       |                                       |
| State Bank of India - ` 8,88,69,737 (Previous year ` 11,97,30,245)  |                                       |                                       |
| Bank of Baroda - ` 3,25,24,793 (Previous Year ` 2,59,89,689 )   |                                       |                                       |
| a. First <u>pari passu</u> charge on entire Current Assets, both present and future, of the Company.                          |                                       |                                       |
| b. Second <u>pari passu</u> charge on Land and Building and Plant and Machinery on Company's Assets at Dhamini and Kharsundi. |                                       |                                       |
| c. Personal guarantee of two promoter directors of the Company.   |                                       |                                       |
| <b>9. Trade Payables :</b>  |                                       |                                       |
| Micro and Small Enterprises (Refer Note 9.1)  | 24,40,179                             | 55,50,910                             |
| Others  | 19,64,19,287                          | 18,69,63,279                          |
|   | <u>19,88,59,466</u>                   | <u>19,25,14,189</u>                   |



9.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 :

|   | As At<br>31 <sup>st</sup> March, 2015 | As At<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|---------------------------------------|
| Principal amount remaining unpaid and interest due thereon  |                                       |                                       |
| Principal Amount  | 24,40,179                             | 55,50,910                             |
| Interest  | NIL                                   | NIL                                   |
| Interest paid in term of Section 16                         | NIL                                   | NIL                                   |
| Interest due and payable for the period of delay in payment | NIL                                   | NIL                                   |
| Interest accrued and remaining unpaid                       | NIL                                   | NIL                                   |
| Interest due and payable even in succeeding years           | NIL                                   | NIL                                   |

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

10. Other Current Liabilities :

|  |                             |                             |
|--|-----------------------------|-----------------------------|
| Current maturities of Long-term Borrowings                 |                             |                             |
| Term Loans   |                             |                             |
| Secured  |                             |                             |
| From Banks   |                             |                             |
| Under Textile Up gradation Fund Scheme<br>(Refer Note 4.2) | 16,76,40,221                | 21,47,69,167                |
| Others (Refer Note 4.2)                                    | 122,30,07,643               | 197,81,95,405               |
| From Other Parties   | 20,05,78,779                | 3,09,34,866                 |
|  | <b>159,12,26,643</b>        | <b>222,38,99,438</b>        |
| Interest accrued and due on Borrowings (Refer Note 4.2)    | 3,90,65,080                 | 50,70,105                   |
| Interest accrued but not due on Borrowings                 | 3,63,21,046                 | 4,53,04,175                 |
| Unclaimed Dividends  | 4,24,967                    | 3,64,909                    |
| Trade and Security Deposits                                | 1,91,02,900                 | 3,37,08,805                 |
| Advance against Sale of Property (Refer Note 10.1)         | 101,63,83,100               | 101,11,72,000               |
| Other Payables   |                             |                             |
| For Capital Expenses                                       | 26,13,430                   | 29,01,205                   |
| Others (Refer Note 10.2)                                   | 6,09,07,740                 | 3,57,83,784                 |
|  | <b>6,35,21,170</b>          | <b>3,86,84,989</b>          |
|  | <b><u>276,60,44,906</u></b> | <b><u>335,82,04,421</u></b> |

10.1 Advance against Sale of Buildings on Freehold Land includes ` 101,00,00,000 received from a party on draft agreement exchanged, which is still under negotiation.

10.2 Others include Statutory Dues, Advances from Customers and other year-end provisions.



|   | As At<br>31st March, 2015 | As At<br>31st March, 2014 |
|---|---------------------------|---------------------------|
| <b>11. Short-term Provisions :</b>              |                           |                           |
| Provision for Employee Benefits (Refer Note 31) |                           |                           |
| For Gratuity                                    | <b>43,14,794</b>          | 26,62,908                 |
| For Leave Encashment                            | <b>11,42,267</b>          | 8,17,599                  |
|   | <b>54,57,061</b>          | 34,80,507                 |
| Others  |                           |                           |
| For Proposed Dividend                           | <b>2,09,00,000</b>        | 1,67,20,000               |
| For Tax on Dividend                             | <b>42,54,822</b>          | 28,41,600                 |
| Provision for Income Tax (Refer Note 11.1)      | <b>33,20,07,956</b>       | 11,03,34,329              |
| Less : Income Tax paid                          | <b>27,71,04,068</b>       | 8,14,37,218               |
|   | <b>5,49,03,888</b>        | 2,88,97,111               |
|   | <b>8,55,15,771</b>        | 5,19,39,218               |

- 11.1 During the year, the Company has recognised MAT Credit Entitlement of ` 2,35,00,000 (Previous Year ` 1,00,00,000) in respect of earlier years to the extent it is entitled to utilise such credit against the normal tax as per the provisions of Income-tax Act, 1961. The MAT Credit Entitlement so recognised has also been utilised at the same time and accordingly, Provision for Tax is net of the utilisation of MAT Credit Entitlement of ` 2,35,00,000 (Previous Year ` 1,00,00,000).



| 12. Fixed Assets : | DESCRIPTION                                   | GROSS BLOCK                                       |                     |                               |                      | DEPRECIATION AND AMORTISATION      |                                   |  |                              | NET BLOCK            |                                    |                                    |
|--------------------|---|---|---------------------|-------------------------------|----------------------|------------------------------------|-----------------------------------|--|------------------------------|----------------------|------------------------------------|------------------------------------|
|                    |   | During the year As At 1 <sup>st</sup> April, 2014 | Additions           | Deductions/ Other Adjustments | Sale                 | As At 31 <sup>st</sup> March, 2015 | Upto 31 <sup>st</sup> March, 2014 | Adjustments against the Retained (Refer Note No12.2) | Deduction/ Other or the Year | Upto Adjustments     | As At 31 <sup>st</sup> March, 2015 | As at 31 <sup>st</sup> March, 2014 |
|                    | <b>Current Year Tangible assets</b>           |   |                     |                               |                      |                                    |                                   |  |                              |                      |                                    |                                    |
|                    | Land  | 10,44,99,654                                      | -                   | -                             | -                    | 10,44,99,654                       | -                                 | -  | -                            | -                    | -                                  | 10,44,99,654                       |
|                    | Freehold Land - under Development (Note 14.2) | 92,912  | -                   | -                             | -                    | 92,912                             | -                                 | -  | -                            | -                    | -                                  | 92,912                             |
|                    | Leasehold Land                                | 6,96,419  | 11,33,192           | -                             | -                    | 18,29,611                          | -                                 | -  | -                            | -                    | -                                  | 6,96,419                           |
|                    | Buildings                                     | 73,17,17,449                                      | 77,30,651           | 77,98,320                     | -                    | 73,16,49,780                       | -                                 | -  | 10,23,754                    | 31,55,66,355         | 45,45,58,700                       | 45,45,58,700                       |
|                    | On Freehold Land                              | 1,35,08,387                                       | -                   | -                             | -                    | 1,35,08,387                        | -                                 | -  | -                            | 97,98,704            | 50,32,594                          | 50,32,594                          |
|                    | Given on Lease                                | 44,05,60,114                                      | -                   | -                             | -                    | 44,05,60,114                       | -                                 | -  | -                            | 8,88,60,448          | 36,85,66,328                       | 36,85,66,328                       |
|                    | Plant and Equipments                          | 196,29,23,665                                     | 66,62,865           | -                             | -                    | 196,39,07,952                      | -                                 | -  | 54,34,051                    | 136,50,13,546        | 71,80,44,991                       | 71,80,44,991                       |
|                    | Owned   | 33,90,790   | -                   | -                             | -                    | 33,90,790                          | -                                 | -  | -                            | 30,17,304            | 3,73,486                           | 3,73,486                           |
|                    | Given on lease                                | 8,74,52,224                                       | 17,46,261           | -                             | -                    | 8,91,98,485                        | -                                 | -  | 28,011                       | 33,20,590            | 2,03,76,033                        | 2,03,76,033                        |
|                    | Furniture and Fixtures                        | 9,72,314  | 67,56,568           | -                             | -                    | 9,72,314                           | -                                 | -  | 8,327                        | 3,10,587             | 3,18,914                           | 3,18,914                           |
|                    | Owned   | 1,39,19,044                                       | 42,40,058           | -                             | -                    | 1,98,11,569                        | -                                 | -  | 7,01,939                     | 1,10,39,004          | 87,72,565                          | 87,72,565                          |
|                    | Vehicles                                      | 4,12,25,947                                       | -                   | -                             | -                    | 4,12,25,947                        | -                                 | -  | 54,79,485                    | 4,00,17,985          | 54,48,020                          | 54,48,020                          |
|                    | Office Equipments-Computers                   | 4,53,528  | -                   | -                             | -                    | 4,53,528                           | -                                 | -  | -                            | -                    | 4,53,528                           | 4,53,528                           |
|                    | Live stock                                    |   |                     |                               |                      |                                    |                                   |  |                              |                      |                                    |                                    |
|                    | <b>Total</b>                                  | <b>340,14,12,447</b>                              | <b>2,82,69,595</b>  | <b>1,43,40,940</b>            | <b>341,53,41,102</b> | <b>341,53,41,102</b>               | <b>1,89,17,315</b>                | <b>18,78,20,899</b>                                  | <b>71,59,743</b>             | <b>190,27,97,526</b> | <b>151,25,43,573</b>               | <b>169,81,93,391</b>               |
|                    | <b>Intangible assets</b>                      |   |                     |                               |                      |                                    |                                   |  |                              |                      |                                    |                                    |
|                    | Technical know how fees                       | 33,11,201   | -                   | -                             | -                    | 33,11,201                          | -                                 | -  | -                            | -                    | -                                  | -                                  |
|                    | <b>Total</b>                                  | <b>33,11,201</b>                                  | <b>-</b>            | <b>-</b>                      | <b>33,11,201</b>     | <b>33,11,201</b>                   | <b>-</b>                          | <b>-</b>   | <b>-</b>                     | <b>33,11,201</b>     | <b>-</b>                           | <b>-</b>                           |
|                    | Capital Work-in-Progress (Refer Note 12.1)    | 29,26,05,692                                      | 4,58,16,710         | 3,58,64,823                   | -                    | 30,25,57,579                       | -                                 | -  | -                            | -                    | 29,26,05,692                       | 29,26,05,692                       |
|                    | <b>Total</b>                                  | <b>29,26,05,692</b>                               | <b>4,58,16,710</b>  | <b>3,58,64,823</b>            | <b>-</b>             | <b>30,25,57,579</b>                | <b>-</b>                          | <b>-</b>   | <b>-</b>                     | <b>-</b>             | <b>30,25,57,579</b>                | <b>36,42,70,979</b>                |
|                    | <b>Previous Year Tangible assets</b>          |   |                     |                               |                      |                                    |                                   |  |                              |                      |                                    |                                    |
|                    | Land  | 10,44,99,654                                      | -                   | -                             | -                    | 10,44,99,654                       | -                                 | -  | -                            | -                    | -                                  | 10,44,99,654                       |
|                    | Freehold Land - under Development (Note 14.2) | 92,912  | -                   | -                             | -                    | 92,912                             | -                                 | -  | -                            | -                    | -                                  | 92,912                             |
|                    | Leasehold Land                                | 6,96,419  | -                   | -                             | -                    | 6,96,419                           | -                                 | -  | -                            | -                    | -                                  | 6,96,419                           |
|                    | Buildings                                     | 63,39,93,220                                      | 10,14,32,913        | 37,08,684                     | -                    | 73,17,17,449                       | 23,72,43,447                      | 4,03,12,331  | 3,97,029                     | 27,71,58,749         | 39,67,49,772                       | 39,67,49,772                       |
|                    | On Freehold Land                              | 1,35,08,387                                       | -                   | -                             | -                    | 1,35,08,387                        | 83,25,379                         | 1,50,414   | -                            | 84,75,793            | 51,83,008                          | 51,83,008                          |
|                    | Given on Lease                                | 44,05,60,114                                      | -                   | -                             | -                    | 44,05,60,114                       | 5,25,95,558                       | 1,93,98,228  | -                            | 7,19,93,786          | 36,85,66,328                       | 36,85,66,328                       |
|                    | Plant and Equipments                          | 199,92,32,004                                     | 1,00,76,656         | 4,63,84,995                   | -                    | 196,29,23,665                      | 113,18,29,848                     | 15,52,75,944   | 4,22,27,118                  | 124,48,78,674        | 86,74,02,156                       | 86,74,02,156                       |
|                    | Owned   | 33,90,790   | -                   | -                             | -                    | 33,90,790                          | 26,38,685                         | 3,50,608   | -                            | 29,89,293            | 4,01,497                           | 4,01,497                           |
|                    | Given on lease                                | 8,76,72,590                                       | 1,27,577            | 3,47,943                      | -                    | 8,74,52,224                        | 5,31,06,632                       | 36,07,086  | 2,18,439                     | 5,64,95,279          | 3,08,56,945                        | 3,08,56,945                        |
|                    | Furniture and Fixtures                        | 9,72,314  | 67,56,568           | -                             | -                    | 9,72,314                           | 6,01,871                          | 51,529   | -                            | 6,53,400             | 3,18,914                           | 3,18,914                           |
|                    | Owned   | 2,07,83,441                                       | 31,15,757           | 99,80,154                     | -                    | 1,39,19,044                        | 1,35,72,911                       | 21,25,549  | 87,76,098                    | 69,22,362            | 72,10,530                          | 72,10,530                          |
|                    | Vehicles                                      | 3,98,97,332                                       | 13,28,615           | -                             | -                    | 4,12,25,947                        | 2,93,27,322                       | 43,24,398  | -                            | 3,36,51,720          | 75,74,227                          | 75,74,227                          |
|                    | Office Equipments-Computers                   | 2,66,528  | 1,87,000            | -                             | -                    | 4,53,528                           | -                                 | -  | -                            | -                    | 4,53,528                           | 4,53,528                           |
|                    | Live stock                                    |   |                     |                               |                      |                                    |                                   |  |                              |                      |                                    |                                    |
|                    | <b>Total</b>                                  | <b>334,55,65,705</b>                              | <b>11,62,68,518</b> | <b>6,04,21,776</b>            | <b>340,14,12,447</b> | <b>340,14,12,447</b>               | <b>152,92,41,653</b>              | <b>22,55,96,087</b>                                  | <b>5,16,18,684</b>           | <b>170,32,19,056</b> | <b>169,81,93,391</b>               | <b>181,63,24,051</b>               |
|                    | <b>Intangible assets</b>                      |   |                     |                               |                      |                                    |                                   |  |                              |                      |                                    |                                    |
|                    | Technical know how fees                       | 33,11,201   | -                   | -                             | -                    | 33,11,201                          | -                                 | -  | -                            | -                    | -                                  | -                                  |
|                    | <b>Total</b>                                  | <b>33,11,201</b>                                  | <b>-</b>            | <b>-</b>                      | <b>33,11,201</b>     | <b>33,11,201</b>                   | <b>-</b>                          | <b>-</b>   | <b>-</b>                     | <b>33,11,201</b>     | <b>-</b>                           | <b>-</b>                           |
|                    | Capital Work-in-Progress (Refer Note 12.1)    | 36,42,70,979                                      | 4,86,04,805         | 12,02,70,092                  | -                    | 29,26,05,692                       | -                                 | -  | -                            | -                    | 29,26,05,692                       | 36,42,70,979                       |
|                    | <b>Total</b>                                  | <b>36,42,70,979</b>                               | <b>4,86,04,805</b>  | <b>12,02,70,092</b>           | <b>-</b>             | <b>29,26,05,692</b>                | <b>-</b>                          | <b>-</b>   | <b>-</b>                     | <b>-</b>             | <b>29,26,05,692</b>                | <b>36,42,70,979</b>                |

12.1 Borrowing cost capitalised during the year NIL (Previous Year - 1,62,98,878).

12.2 Effective from April 1, 2014, the Company has provided depreciation on its tangible fixed assets as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013. Accordingly, in respect of the tangible fixed assets as on April 1, 2014, the carrying amount, net of residual value, has been depreciated over the revised remaining useful life as on date. As a result, the charge for depreciation for the year ended March 31, 2015 is lower by - 3,81,74,185. In cases where the remaining useful life has been completed as on April 1, 2014, the carrying amount of assets, after retaining residual value, amounting to - 1,24,87,320 (net deferred tax credit of - 64,23,995) has been recognised in the opening balance of Retained Earnings.



|  | As At<br>31 <sup>st</sup> March, 2015 | As At<br>31 <sup>st</sup> March, 2014 |
|--|---------------------------------------|---------------------------------------|
| <b>13. Non-current Investments :</b>   |                                       |                                       |
| Long-term Investments - valued at cost less provision for other than temporary diminution  |                                       |                                       |
| Other than Trade   |                                       |                                       |
| In equity instruments of Other Companies   |                                       |                                       |
| Unquoted   |                                       |                                       |
| Fully paid Equity shares   |                                       |                                       |
| Quantity Investee Company  |                                       |                                       |
| 90 The New Piece Goods Bazar Company Limited<br>(90) ( ` 100 par value)                    | <b>27,750</b>                         | 27,750                                |
| In Government Securities   |                                       |                                       |
| Unquoted   |                                       |                                       |
| 3% Government of India Conversion Loan 1986<br>(Deposited with Central Excise Authorities) | <b>19,212</b>                         | 19,212                                |
| 7 Years National Savings Certificates<br>(Deposited with government authorities)           | <b>2,000</b>                          | 2,000                                 |
|  | <b>48,962</b>                         | 48,962                                |

|   | Cost ( ` ) | Market Value   | Cost ( ` ) | Market Value   |
|---|------------|----------------|------------|----------------|
| Aggregated amount of Unquoted Investments | 48,962     | Not Applicable | 48,962     | Not Applicable |

**14. Long-term Loans and Advances :**

|  |                      |  |               |
|--|----------------------|--|---------------|
| Unsecured, Considered Good   |                      |  |               |
| Capital Advances   | <b>4,21,53,620</b>   |  | 4,03,48,837   |
| Deposits   | <b>1,18,69,072</b>   |  | 1,29,46,415   |
| Balance with Central Excise Authorities (Refer Note 14.1)              | <b>1,06,41,044</b>   |  | 1,06,41,044   |
| Due from a Developer (Refer Note 14.2)                                 | <b>461,92,99,493</b> |  | 459,04,42,120 |
| Advance to Gratuity Trust  | <b>46,33,138</b>     |  | 45,94,906     |
| Other Loans and Advances (Refer Note 14.3)                             |                      |  |               |
| Advances recoverable in cash or in kind or<br>for value to be received | <b>57,08,299</b>     |  | 55,89,503     |
| Income Tax Paid  | <b>10,08,25,198</b>  |  | 13,99,72,779  |
| Less : Provision for Income Tax  | <b>1,66,237</b>      |  | 9,00,00,000   |
|  | <b>10,06,58,961</b>  |  | 4,99,72,779   |
|  | <b>10,63,67,260</b>  |  | 5,55,62,282   |
|  | <b>479,49,63,627</b> |  | 471,45,35,604 |

**14.1** Balance with Central Excise Authorities represents the amount of unutilised credit of additional duty of Central Excise claimed as refund by the Company. The Central Excise Department rejected the refund of this amount against which the Company filed an appeal before the High Court of Bombay on March 29, 2007 which was subsequently admitted by the Honorable High Court on March 25, 2008.

**14.2a.** In an earlier year, the Company entered into a Development Agreement ("the DA") with a Developer whereby the Company granted the development rights to develop approximately 36,000 square metres of constructed area ("the Development Rights") on 12,204 square metres out of its Freehold Land at Dadar ("the said property").

b. In terms of the DA and further agreements / understandings between the Company and the Developer, any cost of construction incurred by the Company and such further costs (including interest on borrowings for the said construction) that may be incurred by the Company for the development of the above referred to area is to be reimbursed by the Developer. Accordingly, the cost incurred by the Company upto March 31, 2015 for the construction (net of amounts received from the developer in terms of the DA) amounting to ` 461,92,99,493 (Previous Year ` 459,04,42,120) is shown as "Due from developer" under Note 14 and ` 225,00,00,000 (Previous Year ` 220,00,00,000) is shown as "Advances recoverable in cash or in kind or for value to be received" under Note 19.





- c. Subsequently, the Company has received from the Government of Maharashtra, the approval for the development of additional constructed area of approximately 5,000 square metres over and above the area covered under the DA ; the Developer and the Company have agreed that such additional area is to be owned by the Company. The related cost of such area to be owned by the Company is mutually agreed upon with the Developer on an appropriate basis. As on March 31, 2015, the Company has capitalised the cost (which includes the cost of common area facilities) of ` NIL (Previous Year ` NIL), under the head "Buildings" based on receipt of the Occupation Certificate for such additional area and has entered into a Leave and License Agreement with a party in respect of the said constructed area. The Company has also carried forward the amount of ` 23,24,88,599 (Previous Year ` 23,18,47,025) in Capital Work-in-progress. The said cost may be adjusted / increased when the Developer completes the construction of the total area including the construction of the common areas.
- d. The proportionate carrying cost of 12,204 square meters of land of ` 92,912 (Previous Year ` 92,912), in respect of which the Development Rights are granted, is shown as "Freehold Land (under development)" under "Fixed Assets" in Note 12.
- e. Further, the consideration for the Grant of the Development Rights is based on the specified percentage of the revenue received by the Developer (in terms of the DA in force), irrespective of the completion of construction / handing over the possession of the said constructed area to the Purchasers / Licensees and reflected as "Grant of Development Rights" in the Statement of Profit and Loss. The DA does not contemplate a transfer or an intention to transfer the ownership or possession of the said property at present and the same continues to remain with the Company.
- 14.3 Other Loans and Advances are in the nature of Advances recoverable in cash or in kind or for the value to be received which include Sales tax set off receivable, PF paid under protest and Prepaid expenses.

|   | As At<br>31 <sup>st</sup> March, 2015 | As At<br>31 <sup>st</sup> March, 2014 |
|---|---------------------------------------|---------------------------------------|
| <b>15. Other Non-current Assets :</b>   |                                       |                                       |
| Cash and Bank Balances  |                                       |                                       |
| Other Bank Balances   |                                       |                                       |
| On Fixed Deposit Accounts   | 47,209                                | 1,09,291                              |
| With maturity beyond 12 months from Balance Sheet date<br>(Held as margin money)          |                                       |                                       |
|   | <u>47,209</u>                         | <u>1,09,291</u>                       |
| <b>16. Inventories :</b>  |                                       |                                       |
| Raw Materials   | 4,12,86,118                           | 5,03,58,278                           |
| Work-in-Progress  | 27,01,32,314                          | 30,33,73,074                          |
| Finished Goods  | 5,90,03,717                           | 2,53,13,616                           |
| Fuel  | 46,31,148                             | 1,20,34,824                           |
| Stores and Spares   | 2,08,11,935                           | 2,44,49,587                           |
| Waste   | 6,15,467                              | 7,57,501                              |
|   | <u>39,64,80,699</u>                   | <u>41,62,86,880</u>                   |
| 16.1 Details of Inventories :   |                                       |                                       |
| a. Work-in-Progress   |                                       |                                       |
| Fabric  | 22,23,05,416                          | 21,20,35,454                          |
| Yarn  | 4,78,26,898                           | 9,13,37,620                           |
|   | <u>27,01,32,314</u>                   | <u>30,33,73,074</u>                   |
| b. Finished Goods   |                                       |                                       |
| Fabric (packed)   | 5,90,03,717                           | 2,53,13,616                           |
|   | <u>5,90,03,717</u>                    | <u>2,53,13,616</u>                    |
| <b>17. Trade Receivables :</b>  |                                       |                                       |
| Unsecured, Considered doubtful  |                                       |                                       |
| - Outstanding for a period exceeding six months from the<br>date they are due for payment | 13,61,435                             | 13,61,435                             |
| Less: Provision for doubtful debts  | <u>(13,61,435)</u>                    | <u>13,61,435</u>                      |
|   | NIL                                   | NIL                                   |
| Unsecured, Considered good  |                                       |                                       |
| - Outstanding for a period exceeding six months from the<br>date they are due for payment | 19,90,514                             | 62,13,575                             |
| - Others  | 16,35,44,591                          | 23,12,17,774                          |
|   | <u>16,55,35,105</u>                   | <u>23,74,31,349</u>                   |
|   | <u>16,55,35,105</u>                   | <u>23,74,31,349</u>                   |



|  | As At<br>31st March, 2015  | As At<br>31st March, 2014   |
|--|--|-----------------------------|
| <b>18. Cash and Bank Balances :</b>  |  |                             |
| Cash and Cash Equivalents  |  |                             |
| Cash on hand   | 8,79,856   | 7,64,336                    |
| Balances with Banks  |  |                             |
| On Current Accounts  | 1,17,97,224  | 67,32,120                   |
| On Unclaimed Dividend Accounts   | 4,24,967   | 3,64,909                    |
|  | <u>1,22,22,191</u>   | <u>70,97,029</u>            |
| Other Bank Balances  |  |                             |
| On Fixed Deposit Accounts  |  |                             |
| With maturity within 12 months from<br>Balance Sheet date (Held as margin money) | 3,36,26,517  | 1,71,36,559                 |
| Others   | 8,92,025   | 67,96,857                   |
|  | <u>3,45,18,542</u>   | <u>2,39,33,416</u>          |
|  | <u><u>4,76,20,589</u></u>  | <u><u>3,17,94,781</u></u>   |
| <b>19. Short-term Loans and Advances :</b>                                       |  |                             |
| Unsecured, Considered Good   |  |                             |
| Deposits - Inter Corporate (Refer Note 41)                                       | 50,00,00,000   | 50,00,00,000                |
| Other Loans and Advances (Refer Note 19.1)                                       |  |                             |
| Advances recoverable in cash or in kind or<br>for value to be received           |  |                             |
| Due from a Developer (Refer Note 14.2 .b)  | 225,00,00,000  | 220,00,00,000               |
| Advances to Suppliers  | 1,26,00,946  | 81,82,436                   |
| Others   | 48,48,027  | 43,36,982                   |
|  | <u>226,74,48,973</u>   | <u>221,25,19,418</u>        |
|  | <u><u>276,74,48,973</u></u>  | <u><u>271,25,19,418</u></u> |
| 19.1   | Other Loans and Advances are in the nature of Advances recoverable in cash or in kind or for the value to be received which include Duty Drawback, Export Incentives receivable, Prepaid expenses and Advances to Employees. |                             |
| <b>20. Other Current Assets :</b>  |  |                             |
| Interest Receivable on Security / Fixed / Inter Corporate Deposits               | 18,26,02,928   | 11,74,25,036                |
| Capital Subsidy Receivable under TUFS  | 29,46,997  | 29,46,997                   |
| Interest Subsidy Receivable under TUFS   | 2,95,46,091  | 3,00,46,546                 |
| Foreign Exchange Subsidy Receivable  | 3,11,08,242  | 3,11,08,242                 |
|  | <u>24,62,04,258</u>  | <u>18,15,26,821</u>         |



|   | For the Year ended<br>31 <sup>st</sup> March, 2015 | For the Year ended<br>31 <sup>st</sup> March, 2014 |
|---|--|--|
| <b>21. Revenue From Operations :</b>                    |  |  |
| Sale of Products - Manufactured Goods (Refer Note 21.1) | 163,77,91,993                                      | 153,47,00,847                                      |
| Sale of Services  |  |  |
| Processing Charges                                      | 16,82,872  | 17,15,511  |
| License Fees and Other Amenities                        | 33,03,65,671                                       | 33,09,06,554                                       |
|   | <u>33,20,48,543</u>                                | <u>33,26,22,065</u>                                |
| Other Operating Revenues                                |  |  |
| Sale of Scrap   | 13,96,325  | 24,37,138  |
| Duty Drawback   | 39,81,025  | 26,86,200  |
| Insurance Recovery                                      | 10,21,421  | 10,40,394  |
| Freight Recovery  | 10,40,425  | 27,74,716  |
|   | <u>74,39,196</u>                                   | <u>89,38,448</u>                                   |
|   | <u>197,72,79,732</u>                               | <u>187,62,61,360</u>                               |
| Less : Excise Duty on Sales                             | NIL  | NIL  |
|   | <u>197,72,79,732</u>                               | <u>187,62,61,360</u>                               |
| <b>21.1 Details of Sale of Products :</b>               |  |  |
| Fabric  | 161,67,32,696                                      | 149,48,76,274                                      |
| Yarn  | NIL  | 80,81,640  |
| Waste   | 83,83,817  | 79,36,582  |
| Others  | 1,26,75,480  | 2,38,06,351  |
|   | <u>163,77,91,993</u>                               | <u>153,47,00,847</u>                               |
| <b>22. Other Income :</b>                               |  |  |
| Interest Income   |  |  |
| On Deposits   | 6,30,92,352  | 6,28,86,737  |
| From Customers on Amounts Overdue                       | 1,10,14,119  | 25,90,289  |
|   | <u>7,41,06,471</u>                                 | <u>6,54,77,026</u>                                 |
| Dividend on Long-term Investments                       | 9,000  | 27,000   |
| Grant of Development Rights (Refer Note 14.2)           | 32,27,53,451                                       | 29,25,35,593                                       |
| Amounts / Excess Provisions written back                | 48,09,033  | 1,28,18,879  |
| Foreign Exchange Subsidy                                | NIL  | 34,19,936  |
| Profit on sale of asset                                 | 1,14,92,394  | 58,73,513  |
| Miscellaneous Income (Refer Note 27.2)                  | 43,20,153  | 1,15,36,418  |
|   | <u>41,74,90,502</u>                                | <u>39,16,88,365</u>                                |
| <b>23. Cost of Materials Consumed :</b>                 |  |  |
| Raw Materials   |  |  |
| Opening Stock   | 5,03,58,278  | 5,52,48,174  |
| Add : Purchases   | 45,54,02,121                                       | 52,04,08,090                                       |
|   | <u>50,57,60,399</u>                                | <u>57,56,56,264</u>                                |
| Less : Closing Stock                                    | 4,12,86,118  | 5,03,58,278  |
|   | <u>46,44,74,281</u>                                | <u>52,52,97,986</u>                                |
| <b>23.1 Details of Raw Materials Consumed :</b>         |  |  |
| Cotton  | 11,27,02,183                                       | 12,46,59,129                                       |
| Man-made Fibres   | 17,14,07,064                                       | 16,35,14,688                                       |
| Yarn (Excludes Yarn captively consumed)                 | 10,07,08,823                                       | 13,68,71,506                                       |
| Fabric  | 7,96,56,211  | 10,02,52,663                                       |
|   | <u>46,44,74,281</u>                                | <u>52,52,97,986</u>                                |



|   | For the Year ended<br>31 <sup>st</sup> March, 2015   | For the Year ended<br>31 <sup>st</sup> March, 2014 |
|---|--|--|
| <b>24. Changes in Inventories of Finished Goods and</b> |  |  |
| <b>Finished Goods</b>                                   |  |  |
| Closing Stock   | 5,90,03,717  | 2,53,13,616  |
| Less : Opening Stock                                    | <u>2,53,13,616</u>   | <u>2,95,71,737</u>                                 |
|   | (3,36,90,101)  | 42,58,121  |
| <b>Work-in-progress</b>                                 |  |  |
| Closing Stock   | 27,01,32,314   | 30,33,73,074                                       |
| Less : Opening Stock                                    | <u>30,33,73,074</u>  | <u>23,27,11,799</u>                                |
|   | 3,32,40,760  | (7,06,61,275)                                      |
| <b>Waste</b>  |  |  |
| Closing Stock   | 6,15,467   | 7,57,501   |
| Less : Opening Stock                                    | <u>7,57,501</u>  | <u>5,04,235</u>                                    |
|   | 1,42,034   | (2,53,266)   |
|   | <u>(3,07,307)</u>  | <u>(666,56,420)</u>                                |
| <b>25. Employee Benefits Expense :</b>                  |  |  |
| Salaries, Wages and Benefits                            | 15,78,32,087   | 14,83,82,813                                       |
| Contribution to Provident Fund and Other Funds          | 49,34,828  | 38,19,635  |
| Staff Welfare Expenses                                  | <u>80,63,047</u>   | <u>29,88,559</u>                                   |
|   | <u>17,08,29,962</u>  | <u>15,51,91,007</u>                                |
| <b>25.1</b>   | During the year, the Company has paid in aggregate ` 4,74,00,000 as Managerial Remuneration to its executive Chairman, Managing Director, Joint Managing Director and Executive Director. The Company has been legally advised that the said payment is within the limit prescribed under the provisions of section 197 and 198 read with Schedule V to the Companies Act, 2013. However, out of abundant caution, the Company has applied for the approval of the Central Government, which is pending. |  |
| <b>26. Finance Costs :</b>                              |  |  |
| Interest Expense  |  |  |
| On Cash Credit Facilities / Buyers' Credit              | 1,39,95,447  | 1,69,44,994  |
| On Term Loans - Under TUFS (Refer Note 26.1)            | 11,47,74,557   | 14,19,06,536                                       |
| On Interest on Income Tax                               | NIL  | 1,08,26,037  |
| On Others   | <u>1,50,73,323</u>   | <u>84,39,261</u>                                   |
|   | 14,38,43,327   | 17,81,16,828                                       |
| Other Borrowing Costs                                   |  |  |
| Bank Charges  | 20,84,538  | 62,50,567  |
| Other Finance Charges                                   | <u>30,28,154</u>   | <u>37,97,980</u>                                   |
|   | <u>14,89,56,019</u>  | <u>18,81,65,375</u>                                |
| <b>26.1</b>   | Interest on Term Loans - Under TUFS is after reducing Interest Subsidy   |  |
|   | <u>2,37,74,604</u>   | 3,25,52,019  |
|   | <u>2,37,74,604</u>   | <u>3,25,52,019</u>                                 |



|  | For the Year ended<br>31 <sup>st</sup> March, 2015 | For the Year ended<br>31 <sup>st</sup> March, 2014 |
|--|--|--|
| <b>27. Other Expenses :</b>  |  |  |
| Stores and Spares Consumed   | 20,52,25,515                                       | 20,96,30,853                                       |
| Weaving and Processing Charges   | 1,78,97,289  | 65,24,760  |
| Hydraulic Charges  | 6,34,157   | 10,80,149  |
| Power and Fuel   | 29,06,19,659                                       | 27,72,49,575                                       |
| Rent   | 31,85,417  | 73,99,950  |
| Repairs and Maintenance (Refer Note 27.2)  |  |  |
| Building   | 2,85,31,320  | 3,01,36,214  |
| Machinery  | 65,85,695  | 76,93,773  |
| Others   | 1,60,03,044  | 1,45,91,615  |
|  | <b>5,11,20,059</b>                                 | 5,24,21,602  |
| Insurance  | 26,52,460  | 39,19,130  |
| Rates and Taxes (Refer Note 27.2)  | 1,55,20,313  | 67,22,367  |
| Brokerage and Commission   | 7,06,04,271  | 5,51,16,022  |
| Directors' Fees  | 6,40,452   | 5,64,609   |
| Foreign Exchange Loss (Net)  | 2,87,589   | 94,29,998  |
| Auditors' Remuneration   |  |  |
| Audit fees   | 10,11,240  | 10,11,240  |
| Tax Audit Fees   | 1,62,922   | 1,57,304   |
| Other Services   | 3,37,080   | 2,92,136   |
|  | <b>15,11,242</b>                                   | 14,60,680  |
| Corporate Social Responsibility Expense (Refer Note 27.1)  | 10,52,345  | NIL  |
| Cost Audit Fees  | 1,24,720   | 91,270   |
| Labour Contractor Charges  | 3,51,81,434  | 3,28,21,907  |
| Waste Water Treatment Charges  | 7,45,940   | 31,95,855  |
| Discount on Sales  | 1,07,69,694  | 96,50,203  |
| Freight and Forwarding   | 1,02,39,748  | 70,99,098  |
| Travelling, Conveyance and Vehicle Expenses (Refer Note 27.2)  | 1,25,31,603  | 1,11,00,758  |
| Legal and Professional Fees  | 1,46,64,951  | 1,21,34,130  |
| Donations  | 49,832   | 1,513  |
| Miscellaneous Expenses (Refer Notes 27.2)  | 1,82,64,786  | 2,73,94,755  |
|  | <b>76,35,23,476</b>                                | <b>73,50,09,184</b>                                |
| <b>27.1 Expenditure towards Corporate Social Responsibility (CSR) activities:</b>                      |  |  |
| a. Gross amount required to be spent by the Company during the year                                    | 18,60,000  | NIL  |
| b. "Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year" |  |  |
| Nature of Expenses   |  |  |
| Preventive Health Care   | 10,52,345  | NIL  |
|  | <b>10,52,345</b>                                   | <b>NIL</b>   |
| <b>27.2 Details of (Income) / Expenses for prior period :</b>  |  |  |
| Income   |  |  |
| Other Income   |  |  |
| Miscellaneous Income   | 3,19,851   | 14,366   |
| Total  | 3,19,851   | 14,366   |
| Expenses   |  |  |
| Repairs and Maintenance :  |  |  |
| Building   | NIL  | 5,07,552   |
| Others   | NIL  | 25,646   |
|  | NIL  | 5,33,198   |
| Travelling, Conveyance and Vehicle Expenses  | NIL  | 11,747   |
| Miscellaneous Expenses   | 6,467  | 83,791   |
| Total  | 6,467  | 6,28,736   |
| (Income) / Expenses for prior period   | <b>(3,13,384)</b>                                  | <b>6,14,370</b>                                    |



28. Disclosure in accordance with Accounting Standard (AS 20) on Earnings per Share :

| Particulars   | For the Year ended<br>31 <sup>st</sup> March, 2015 | For the Year ended<br>31 <sup>st</sup> March, 2014 |
|---|--|--|
| <b>Numerator for Basic and Diluted earnings per Share</b>   |  |  |
| Net Profit / (Loss) after tax for the year (a)              | 53,94,39,179                                       | 44,90,04,826                                       |
| <b>Denominator for Basic and Diluted earnings per Share</b> |  |  |
| Weighted average number of Shares (b)                       | 83,60,000  | 83,60,000  |
| <b>Basic and Diluted Earnings per share [(a) / (b)]</b>     | <b>64.53</b>                                       | 53.71  |
| Face Value per share ( ` )                                  | 5  | 5  |
| (Sub-divided from ` 10 per share on November 22, 2012)      |  |  |

29. Contingent Liabilities and Commitments :

29.1 Contingent Liabilities : (to the extent not provided for)

i. Matters under disputes / appeals :

a. Claims against the Company by Ex-employees pending in Labour Court not acknowledged as debts

|  |                                   |                           |
|--|-----------------------------------|---------------------------|
|  | <b>Amount<br/>unascertainable</b> | Amount<br>unascertainable |
|--|-----------------------------------|---------------------------|

b. Income Tax

|  |             |             |
|--|-------------|-------------|
|  | 8,46,51,302 | 8,50,71,817 |
|--|-------------|-------------|

c. Excise Duty / Service Tax

|  |             |             |
|--|-------------|-------------|
|  | 3,65,36,454 | 3,66,86,454 |
|--|-------------|-------------|

d. Amount paid under protest in respect of Employees' PF under section 8F of EPF Act, 1952

|  |           |           |
|--|-----------|-----------|
|  | 15,65,934 | 15,65,934 |
|--|-----------|-----------|

e. Property Tax under dispute

|  |             |             |
|--|-------------|-------------|
|  | 4,34,52,348 | 3,87,72,467 |
|--|-------------|-------------|

ii. Bank Guarantees ( In Lieu of Cash Deposits)

|  |             |             |
|--|-------------|-------------|
|  | 2,22,93,745 | 2,38,86,800 |
|--|-------------|-------------|

29.2 Commitments :

i. Related to contracts :

Estimated amount of contracts remaining to be executed on capital account

|  |              |              |
|--|--------------|--------------|
|  | 12,18,23,417 | 12,49,53,017 |
|--|--------------|--------------|

Less : Advances

|  |             |             |
|--|-------------|-------------|
|  | 3,96,12,552 | 3,96,14,891 |
|--|-------------|-------------|

Net Estimated Amount

|  |             |             |
|--|-------------|-------------|
|  | 8,22,10,865 | 8,53,38,126 |
|--|-------------|-------------|

ii. Other Commitments

|  |            |     |
|--|------------|-----|
|  | <b>NIL</b> | NIL |
|--|------------|-----|

30. While making the Provision for Current Tax, the Company has relied on the opinion of an expert for the tax treatment of gains earned from the Grant of Development Rights and availability of certain tax benefits in respect of the capital expenditure incurred on shifting of the industrial undertaking, as per the provisions of the Income-tax Act, 1961.



31. Disclosure in accordance with Accounting Standard (AS 15) on Employee Benefits :

| Particulars  | For the                                    | For the                                    | For the   | For the                                    |
|--|--|--|---|--|
|  | Year ended<br>31 <sup>st</sup> March, 2015 | Year ended<br>31 <sup>st</sup> March, 2014 | Year ended<br>31 <sup>st</sup> March, 2015  | Year ended<br>31 <sup>st</sup> March, 2014 |
| <b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b> |  |  | <b>For the<br/>Year ended<br/>31<sup>st</sup> March, 2015<br/>Compensated Absences<br/>(Unfunded)</b> |  |
| <b>Change in present value of obligations</b>  |  |  |   |  |
| Present value of obligation at the beginning of the year   | 1,93,06,124                                | 1,66,20,757                                | 28,16,516   | 25,10,592                                  |
| Adjustment to opening balance  | NIL  | NIL  | NIL   | NIL  |
| Current Service Cost   | 28,44,736                                  | 24,30,575                                  | 66,44,243   | 63,44,198                                  |
| Interest Cost  | 14,08,880                                  | 13,97,268                                  | 1,96,234  | 1,85,337                                   |
| Past service cost - (Vested benefits)  | NIL  | NIL  | NIL   | NIL  |
| Actuarial (Gain) / Loss  | 8,32,388                                   | 12,17,612                                  | (54,62,503)   | (56,14,779)                                |
| Benefits Paid  | (33,90,243)                                | (23,60,088)                                | (7,27,172)  | (6,08,832)                                 |
| <b>Present value of obligation at the end of the year</b>  | <b>2,10,01,885</b>                         | <b>1,93,06,124</b>                         | <b>34,67,318</b>  | <b>28,16,516</b>                           |
| <b>Change in plan assets</b>   |  |  |   |  |
| Fair value of plan assets as at the beginning of the year  | 2,12,38,122                                | 2,14,04,659                                | NIL   | NIL  |
| Adjustment to opening balance  | NIL  | NIL  | NIL   | NIL  |
| Expected return on plan assets   | 11,72,580                                  | 12,53,338                                  | NIL   | NIL  |
| Actuarial Gain / (Loss)  | 22,99,770                                  | 9,40,213                                   | NIL   | NIL  |
| Contributions  | NIL  | NIL  | 7,27,172  | 6,08,832                                   |
| Benefits paid  | (33,90,243)                                | (23,60,088)                                | (7,27,172)  | (6,08,832)                                 |
| <b>Fair value of plan assets as at the end of the year</b>   | <b>2,13,20,229</b>                         | <b>2,12,38,122</b>                         | <b>NIL</b>  | <b>NIL</b>                                 |
| <b>Reconciliations of present value of the obligation and the fair value of plan assets</b>                  |  |  |   |  |
| Fair value of plan assets at the end of the year   | 2,13,20,229                                | 2,12,38,122                                | NIL   | NIL  |
| Present value of the defined benefit obligations at the end of the year                                      | 2,10,01,885                                | 1,93,06,124                                | 34,67,318   | 28,16,516                                  |
| <b>Liability / (Asset) recognised in the Balance Sheet*</b>  | <b>(3,18,344)</b>                          | <b>(19,31,998)</b>                         | <b>34,67,318</b>  | <b>28,16,516</b>                           |

\* The above is reflected as Advance to Gratuity Trust for Staff - ` 46,33,138 (Previous Year ` 45,94,906) under Note 14 "Long-term Loans and Advances" and as Provision for Gratuity for Workers - ` 43,14,794 (Previous Year ` 26,62,908) under Note 11 "Short-term Provision".

|  |                  |                  |                  |                 |
|--|------------------|------------------|------------------|-----------------|
| <b>Cost for the year</b>                                       |                  |                  |                  |                 |
| Current service cost   | 28,44,736        | 24,30,575        | 66,44,243        | 63,44,198       |
| Interest cost  | 14,08,880        | 13,97,268        | 1,96,234         | 1,85,337        |
| Expected return on plan assets                                 | (11,72,580)      | (12,53,338)      | NIL              | NIL             |
| Actuarial (Gain) / Loss  | (14,67,382)      | 2,77,399         | (54,62,503)      | (56,14,779)     |
| Past service cost - (Vested benefits)                          | NIL              | NIL              | NIL              | NIL             |
| <b>Net Cost recognised in the Statement of Profit and Loss</b> | <b>16,13,654</b> | <b>28,51,904</b> | <b>13,77,974</b> | <b>9,14,756</b> |

31.1 Category of Assets

|                         |             |             |     |     |
|-------------------------|-------------|-------------|-----|-----|
| Insurer Managed Funds   | 2,10,88,303 | 2,11,83,122 | N.A | N.A |
| Government Traded Bonds | NIL         | NIL         | N.A | N.A |
| Cash and bank balances  | 2,31,926    | 55,000      | N.A | N.A |

Assumptions used to determine the benefit obligations :

|   | IALM (2006-08) Ult. |       | IALM (2006-08) Ult. |       |
|---|---------------------|-------|---------------------|-------|
| Mortality                                 |                     |       |                     |       |
| Interest / discount rate                  | 7.77%               | 8.00% | 7.77%               | 8.00% |
| Estimated rate of return on plan assets   | 6.00%               | 6.00% | NIL                 | NIL   |
| Expected rate of increase in compensation | 5.00%               | 5.00% | 5.00%               | 5.00% |

31.2 The estimate of future compensation increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

|   | 2015        | 2014        | 2013        | 2012        |
|---|-------------|-------------|-------------|-------------|
| Experience Adjustments                      |             |             |             |             |
| On Plan Liability (gain) / loss             | 8,32,388    | 14,06,483   | 21,58,298   | (6,63,958)  |
| On Plan asset gain / (loss)                 | 22,99,770   | 9,40,213    | 8,91,589    | (11,48,724) |
| Present value of Obligation                 | 2,10,01,885 | 1,93,06,124 | 1,66,20,767 | 1,82,71,777 |
| Fair value of Plan assets                   | 2,13,20,229 | 2,12,38,122 | 2,14,04,659 | 2,26,44,535 |
| Excess of obligation over plan assets (Net) | (3,18,344)  | (19,31,998) | (47,83,892) | (43,72,758) |

\* To the Extent Information available from reports of Actuary.



32. Disclosure in accordance with Accounting Standard (AS 17) on Segment Reporting :

| Particulars   | Textiles  |   | Real Estate                                     |   | Total                |
|---|---|---|---|---|----------------------|
|   | For the Year ended 31 <sup>st</sup> March, 2015 | For the Year ended 31 <sup>st</sup> March, 2014 | For the Year ended 31 <sup>st</sup> March, 2015 | For the Year ended 31 <sup>st</sup> March, 2014 |                      |
| <b>32.1</b><br>Sement Information<br>External Revenue<br>Inter Segment Revenue  | 164,69,14,061<br>NIL                            | 154,53,54,806<br>NIL                            | 33,03,65,671<br>NIL                             | 33,09,06,554<br>NIL                             | 197,72,79,732<br>NIL |
| Total Revenue   | 164,69,14,061                                   | 154,53,54,806                                   | 33,03,65,671                                    | 33,09,06,554                                    | 197,72,79,732        |
| <b>32.2</b><br><b>Segment Results</b>   | 13,03,53,118                                    | 1,80,50,186                                     | 27,63,79,849                                    | 28,37,73,330                                    | 40,67,32,967         |
| Unallocated Corporate Income / (Corporate Expenses) Net   | 13,03,53,118                                    | 1,80,50,186                                     | 27,63,79,849                                    | 28,37,73,330                                    | 40,67,32,967         |
| Finance Charges   |   |   |   |   | 40,16,95,955         |
| Current Tax Adjustments of Earlier Years  |   |   |   |   | (14,89,56,019)       |
| Provision for taxes   |   |   |   |   | 90,25,276            |
| <b>Net Profit</b>   |   |   |   |   | (12,90,59,000)       |
| <b>32.3</b><br><b>Other Information</b><br>Segment Assets<br>Unallocated Assets   | 164,71,78,755                                   | 188,64,92,823                                   | 41,35,88,503                                    | 55,82,10,935                                    | 206,07,67,258        |
| Total Assets  | 164,71,78,755                                   | 188,64,92,823                                   | 41,35,88,503                                    | 55,82,10,935                                    | 1048,56,21,647       |
| Segment Liabilities<br>Unallocated Liabilities  | 22,08,76,279                                    | 20,79,78,155                                    | 21,71,49,024                                    | 29,47,18,322                                    | 43,80,25,303         |
| Total Liabilities   | 22,08,76,279                                    | 20,79,78,155                                    | 21,71,49,024                                    | 29,47,18,322                                    | 674,97,96,703        |
| <b>32.4</b><br><b>Capital Expenditure</b><br>Segment Capital Expenditure<br>Unallocated Capital Expenditure                               | 5,94,44,729<br>NIL                              | 14,63,80,867<br>NIL                             | 1,46,41,576<br>NIL                              | 1,84,92,456<br>NIL                              | 7,40,86,305<br>NIL   |
| Total Capital Expenditure   | 5,94,44,729                                     | 14,63,80,867                                    | 1,46,41,576                                     | 1,84,92,456                                     | 7,40,86,305          |
| <b>32.5</b><br><b>Depreciation and Amortisation</b><br>Segment Depreciation and Amortisation<br>Unallocated Depreciation and Amortisation | 17,09,17,900<br>NIL                             | 20,57,95,723<br>NIL                             | 1,69,03,000<br>NIL                              | 1,98,00,364<br>NIL                              | 18,78,20,900<br>NIL  |
| Total Depreciation and Amortisation   | 17,09,17,900                                    | 20,57,95,723                                    | 1,69,03,000                                     | 1,98,00,364                                     | 18,78,20,900         |





**33. Disclosure in accordance with Accounting Standard (AS 18) on Related Party Disclosures :**

33.1 Following transactions were carried out in the ordinary course of business with the parties referred to in 33.2 below. There were no amounts written off or written back from such parties during the year.

| Particulars                                   | For the<br>Year ended<br>31 <sup>st</sup> March, 2015   | For the<br>Year ended<br>31 <sup>st</sup> March, 2014 | For the<br>Year ended<br>31 <sup>st</sup> March, 2015   | For the<br>Year ended<br>31 <sup>st</sup> March, 2014 |
|---|---|---|---|---|
|   | <b>Key Managerial Personnel and<br/>their relatives<br/>[with 33.2 (I) and 33.2 (II) below]</b> |   | <b>Enterprise on which Key Managerial<br/>Personnel has Control<br/>[with 33.2 (III) below]</b> |   |
| <b>Loans and Advances (Unsecured)</b>         |   |   |   |   |
| <b>Loans received</b>                         |   |   |   |   |
| Loans received                                |   |   |   |   |
| Shri Manaharlal C. Shah ( Executive Chairman) | <b>1,63,75,000</b>  | 1,26,50,000   | <b>NIL</b>  | NIL   |
| Smt Aruna M Shah (Director)                   | <b>58,50,000</b>  | 29,50,000   | <b>NIL</b>  | NIL   |
| Shri Hiren M. Shah ( Managing Director)       | <b>3,39,00,000</b>  | 1,07,25,000   | <b>NIL</b>  | NIL   |
| Shri Bharat M. Shah (Jt. Managing Director)   | <b>98,00,000</b>  | 57,00,000   | <b>NIL</b>  | NIL   |
| Shri Viraj M. Shah ( Executive Director)      | <b>63,00,000</b>  | 26,00,000   | <b>NIL</b>  | NIL   |
| Manubhai & Sons Investment Co. Pvt. Ltd.      | <b>NIL</b>  | NIL   | <b>56,50,000</b>  | 1,75,25,000   |
| Hiren Bros. Investment Co. Pvt. Ltd.          | <b>NIL</b>  | NIL   | <b>46,00,000</b>  | 1,50,00,000   |
| M C Shah & Sons Investment Co. Pvt. Ltd.      | <b>NIL</b>  | NIL   | <b>16,50,000</b>  | 1,91,50,000   |
| Risha Dying & Printing Pvt. Ltd               | <b>NIL</b>  | NIL   | <b>37,50,000</b>  | 33,00,000   |
| Ruby Sales & Services Pvt. Ltd.               | <b>NIL</b>  | NIL   | <b>5,85,000</b>   | 4,30,000  |
|   | <b>7,22,25,000</b>  | 3,46,25,000   | <b>1,62,35,000</b>  | 5,54,05,000   |
| <b>Loans repaid</b>                           |   |   |   |   |
| Shri Manaharlal C. Shah ( Executive Chairman) | <b>50,000</b>   | NIL   | <b>NIL</b>  | NIL   |
| Smt Aruna M Shah (Director)                   | <b>4,50,000</b>   | 4,50,000  | <b>NIL</b>  | NIL   |
| Shri Hiren M. Shah ( Managing Director)       | <b>84,00,000</b>  | 15,000  | <b>NIL</b>  | NIL   |
| Shri Bharat M. Shah (Jt. Managing Director)   | <b>NIL</b>  | NIL   | <b>NIL</b>  | NIL   |
| Shri Viraj M. Shah ( Executive Director)      | <b>NIL</b>  | NIL   | <b>NIL</b>  | NIL   |
| Manubhai & Sons Investment Co. Pvt. Ltd.      | <b>NIL</b>  | NIL   | <b>14,50,000</b>  | 1,00,000  |
| Hiren Bros. Investment Co. Pvt. Ltd.          | <b>NIL</b>  | NIL   | <b>1,50,000</b>   | 29,75,000   |
| M C Shah & Sons Investment Co. Pvt. Ltd.      | <b>NIL</b>  | NIL   | <b>22,50,000</b>  | 26,00,000   |
| Risha Dying & Printing Pvt. Ltd               | <b>NIL</b>  | NIL   | <b>15,00,000</b>  | 32,35,000   |
| Ruby Sales & Services Pvt. Ltd.               | <b>NIL</b>  | NIL   | <b>50,000</b>   | 50,000  |
|   | <b>89,00,000</b>  | 4,65,000  | <b>54,00,000</b>  | 89,60,000   |
| <b>Expenses</b>                               |   |   |   |   |
| <b>Rent</b>                                   |   |   |   |   |
| Shri Bharat M. Shah (Jt. Managing Director)   | <b>9,00,000</b>   | 9,00,000  | <b>NIL</b>  | NIL   |
| Shri Viraj M. Shah ( Executive Director)      | <b>9,00,000</b>   | 9,00,000  | <b>NIL</b>  | NIL   |
|   | <b>18,00,000</b>  | 18,00,000   | <b>NIL</b>  | NIL   |
| <b>Interest</b>                               |   |   |   |   |
| Shri Manaharlal C. Shah ( Executive Chairman) | <b>1,03,90,790</b>  | 85,59,408   | <b>NIL</b>  | NIL   |
| Smt Aruna M Shah (Director)                   | <b>40,34,378</b>  | 35,74,929   | <b>NIL</b>  | NIL   |
| Shri Hiren M. Shah ( Managing Director)       | <b>73,02,496</b>  | 45,77,105   | <b>NIL</b>  | NIL   |
| Shri Bharat M. Shah (Jt. Managing Director)   | <b>40,17,732</b>  | 29,70,810   | <b>NIL</b>  | NIL   |
| Shri Viraj M. Shah ( Executive Director)      | <b>10,19,929</b>  | 4,54,213  | <b>NIL</b>  | NIL   |
| Manubhai & Sons Investment Co. Pvt. Ltd.      | <b>NIL</b>  | NIL   | <b>80,39,251</b>  | 65,39,840   |
| Hiren Bros. Investment Co. Pvt. Ltd.          | <b>NIL</b>  | NIL   | <b>90,79,240</b>  | 80,01,835   |
| M C Shah & Sons Investment Co. Pvt. Ltd.      | <b>NIL</b>  | NIL   | <b>1,17,07,740</b>  | 1,07,26,033   |
| Risha Dying & Printing Pvt. Ltd               | <b>NIL</b>  | NIL   | <b>14,44,167</b>  | 13,13,305   |
| Ruby Sales & Services Pvt. Ltd.               | <b>NIL</b>  | NIL   | <b>5,79,579</b>   | 5,26,918  |
|   | <b>2,67,65,325</b>  | 2,01,36,465   | <b>3,08,49,976</b>  | 2,71,07,931   |
| Director's Fees - Smt Aruna M Shah            | <b>62,500</b>   | 37,500  | <b>NIL</b>  | NIL   |
| <b>Remuneration</b>                           |   |   |   |   |
| Shri Manaharlal C. Shah ( Executive Chairman) | <b>1,50,00,000</b>  | 1,50,00,000   | <b>NIL</b>  | NIL   |
| Shri Hiren M. Shah ( Managing Director)       | <b>1,08,00,000</b>  | 1,08,00,000   | <b>NIL</b>  | NIL   |
| Shri Bharat M. Shah (Jt. Managing Director)   | <b>1,08,00,000</b>  | 1,08,00,000   | <b>NIL</b>  | NIL   |
| Shri Viraj M. Shah ( Executive Director)      | <b>1,08,00,000</b>  | 1,08,00,000   | <b>NIL</b>  | NIL   |
| Shri Purav H Shah (President)                 | <b>57,04,800</b>  | 55,27,600   | <b>NIL</b>  | NIL   |
| Shri Rishabh V Shah                           | <b>22,22,848</b>  | 4,61,454  | <b>NIL</b>  | NIL   |
| Shri Pranav Karodia                           | <b>2,63,120</b>   | 22,660  | <b>NIL</b>  | NIL   |
|   | <b>5,55,90,769</b>  | 5,34,11,715   | <b>NIL</b>  | NIL   |



| Particulars                                       | For the  | For the                                    | For the  | For the                                    |
|---|--|--|--|--|
|   | Year ended<br>31 <sup>st</sup> March, 2015   | Year ended<br>31 <sup>st</sup> March, 2014 | Year ended<br>31 <sup>st</sup> March, 2015   | Year ended<br>31 <sup>st</sup> March, 2014 |
|   | Key Managerial<br>Personnel and their relatives<br>[with 33.2 (I) and 33.2 (II) below] |  | Enterprise on which Key Managerial<br>Personnel has Control<br>[with 33.2 (III) below] |  |
| <b>Outstanding Balance As At 31st March, 2015</b> |  |  |  |  |
| Shri Manaharlal C. Shah ( Executive Chairman)     | 8,20,25,000  | 6,57,00,000                                | NIL  | NIL  |
| Smt Aruna M Shah (Director)                       | 3,16,00,000  | 2,62,00,000                                | NIL  | NIL  |
| Shri Hiren M. Shah ( Managing Director)           | 6,50,10,000  | 3,95,10,000                                | NIL  | NIL  |
| Shri Bharat M. Shah (Jt. Managing Director)       | 3,37,00,000  | 2,39,00,000                                | NIL  | NIL  |
| Shri Viraj M. Shah ( Executive Director)          | 1,09,00,000  | 46,00,000                                  | NIL  | NIL  |
| Manubhai & Sons Investment Co. Pvt. Ltd.          | NIL  | NIL  | 6,06,35,000  | 5,64,35,000                                |
| Hiren Bros. Investment Co. Pvt. Ltd.              | NIL  | NIL  | 6,70,25,000  | 6,25,75,000                                |
| M C Shah & Sons Investment Co. Pvt. Ltd.          | NIL  | NIL  | 8,41,50,000  | 8,47,50,000                                |
| Risha Dying & Printing Pvt. Ltd.                  | NIL  | NIL  | 1,27,50,000  | 1,05,00,000                                |
| Ruby Sales & Services Pvt. Ltd.                   | NIL  | NIL  | 44,15,000  | 38,80,000                                  |
| <b>Total</b>                                      | <b>22,32,35,000</b>  | <b>15,99,10,000</b>                        | <b>22,89,75,000</b>  | <b>21,81,40,000</b>                        |

**33.2 Relationships :**

- I Key Managerial Personnel :
  - i. Shri Manaharlal C. Shah (Executive Chairman)
  - ii. Shri Hiren M. Shah (Managing Director)
  - iii. Shri Bharat M. Shah (Jt. Managing Director)
  - iv. Shri Viraj M. Shah (Executive Director)
  - v. Shri Purav H. Shah (President)
  - vi. Shri Rishabh V. Shah (Vice President)
- II Relatives of Key Managerial Personnel :
  - i. Smt. Aruna M. Shah
  - ii. Shri Rishabh V. Shah
- III Enterprise on which Key Managerial Personnel has Control :
  - i. Manubhai & Sons Investment Co. Pvt. Ltd.
  - ii. Hiren Bros. Investment Co. Pvt. Ltd.
  - iii. M.C. Shah & Sons Investment Co. Pvt. Ltd.
  - iv. Risha Dying & Printing Pvt. Ltd
  - v. Ruby Sales & Services Pvt. Ltd.

**34. Disclosure in accordance with Accounting Standard (AS 19) on Accounting for Leases :**

**34.1** Where the company is a Lessee :

- i. The Company has taken motor cars under operating leases. These are generally cancellable and range between three and five years and are renewable by mutual consent on mutually agreeable terms.
- ii. Lease / Rent payments are recognised in the Statement of Profit and Loss as 'Rent' under 'Other Expenses' in Note 27.
- iii. Future minimum lease rental payable is as under :

| Particulars                     | As At<br>31 <sup>st</sup> March, 2015 | As At<br>31 <sup>st</sup> March, 2014 |
|---------------------------------|---------------------------------------|---------------------------------------|
| Within 1 year                   | NIL                                   | 9,96,200                              |
| After 1 year but before 5 years | NIL                                   | NIL                                   |
| After 5 years                   | NIL                                   | NIL                                   |



**34.2** Where the Company is a Lessor :

- i The Company has given premises under leave and licence agreements under operating lease. These are generally cancellable and are for 14 months to 9 years and are renewable by consent on mutually agreeable terms. License Fees are recognised in the Statement of Profit and Loss under Note 21.
- ii Future minimum lease rental receivable is as under :

| Particulars                     | As At<br>31 <sup>st</sup> March, 2015 | As At<br>31 <sup>st</sup> March, 2014 |
|---------------------------------|---------------------------------------|---------------------------------------|
| Within 1 year                   | 32,64,38,110                          | 31,35,21,937                          |
| After 1 year but before 5 years | 120,25,08,265                         | 1,22,38,18,340                        |
| After 5 years                   | 1,25,30,375                           | 30,18,85,183                          |

**35. Disclosure in accordance with Accounting Standard (AS 29) on Provisions, Contingent Liabilities and Contingent Assets:**

| Particulars              | As At<br>1 <sup>st</sup> April, 2014 | Additions during<br>the year | Amount paid<br>/ reversed<br>during the year | As At<br>31 <sup>st</sup> March, 2015 |
|--------------------------|--------------------------------------|------------------------------|--|---------------------------------------|
| Leave encashment         | 28,16,516                            | 66,44,243                    | 59,93,441                                    | 34,67,318                             |
| Gratuity                 | 1,93,06,124                          | 28,44,736                    | 11,48,975                                    | 2,10,01,885                           |
| Proposed Dividend        | 1,67,20,000                          | 2,09,00,000                  | 1,67,20,000                                  | 2,09,00,000                           |
| Tax on Proposed Dividend | 28,41,600                            | 42,54,822                    | 28,41,600                                    | 42,54,822                             |

**36. Consumption of Imported / Indigenous Materials :**

| Particulars              | For the<br>Year ended<br>31 <sup>st</sup> March, 2015 |              | For the<br>Year ended<br>31 <sup>st</sup> March, 2014 |              |
|--------------------------|---|--------------|---|--------------|
|                          | Percentage  |              | Percentage  |              |
| <b>Raw Materials</b>     |   |              |   |              |
| Imported                 | 0.79%   | 36,59,014    | 0.28%   | 14,74,589    |
| Indigenous               | 99.21%  | 46,08,15,267 | 99.72%  | 52,38,23,397 |
| <b>TOTAL</b>             | 100.00%   | 46,44,74,281 | 100.00%   | 52,52,97,986 |
| <b>Stores and Spares</b> |   |              |   |              |
| Imported                 | 4.39%   | 90,03,253    | 8.04%   | 1,68,47,775  |
| Indigenous               | 95.61%  | 19,62,22,262 | 91.96%  | 19,27,83,078 |
| <b>TOTAL</b>             | 100.00%   | 20,52,25,515 | 100.00%   | 20,96,30,853 |

**37. Value of Imports calculated on C.I.F. basis :**

|                   |                    |                    |
|-------------------|--------------------|--------------------|
| Raw Materials     | 30,16,732          | NIL                |
| Stores and Spares | 1,33,34,163        | 1,47,68,685        |
| Capital Goods     | 15,78,215          | NIL                |
| Yarn              | NIL                | 8,93,633           |
| <b>TOTAL</b>      | <u>1,79,29,110</u> | <u>1,56,62,318</u> |

**38. Expenditure in Foreign Currency :**

|                                     |                  |                  |
|-------------------------------------|------------------|------------------|
| Miscellaneous Expenses              |                  |                  |
| Travelling Expenses                 | 22,87,516        | 8,85,715         |
| Subscription, Books and Periodicals | 4,97,110         | 6,34,668         |
| Membership and Subscription         | 11,31,515        | 11,59,860        |
| Consultancy Fees                    | 3,02,224         | 36,14,044        |
| <b>TOTAL</b>                        | <u>42,18,365</u> | <u>62,94,287</u> |



**39. Earnings in Foreign Currency :**

| Particulars                     | For the<br>Year ended<br>31 <sup>st</sup> March, 2015 | For the<br>Year ended<br>31 <sup>st</sup> March, 2014 |
|---------------------------------|---|---|
| Export of Goods at F.O.B. Value | 4,51,47,485   | 2,94,33,950   |
| <b>TOTAL</b>                    | <b>4,51,47,485</b>                                    | <b>2,94,33,950</b>                                    |

**40. Financial and Other Derivative Instruments :**

Foreign Currency exposures which are not hedged by the derivative instruments :

| Particulars                      | Balance As At<br>31 <sup>st</sup> March, 2015 |             | Balance As At<br>31 <sup>st</sup> March, 2014 |             |
|----------------------------------|---|-------------|---|-------------|
|                                  | In Foreign<br>Currency                        |             | In Foreign<br>Currency                        |             |
| Foreign Currency Term Loan - USD | 3,27,414                                      | 2,04,64,995 | 9,82,241                                      | 5,88,55,877 |
| Trade Receivables - USD          | 20,659  | 12,91,394   | 11,971  | 7,17,316    |
| Advance from Customer - USD      | 46,445  | 29,03,277   | 9,975   | 5,97,702    |
| Advances to Supplier - USD       | 23,415  | 14,75,145   | NIL   | NIL         |
| Advances to Supplier - EURO      | 48,498  | 34,79,016   | 9,628   | 7,94,502    |
| Advances to Supplier - CHF       | 4,015   | 2,70,017    | 4,187   | 2,83,468    |
| Advances to Supplier - JYP       | 30,263  | 15,86,386   | NIL   | NIL         |
| Advances to Supplier - GBP       | 723   | 68,772      | NIL   | NIL         |

**41. Details of Inter Corporate Deposit (ICD) given under Section 186 (4) of the Companies Act, 2013 :**

| Name of the Company                                 | Rate of<br>Interest | As At<br>March 31, 2015 | As At<br>March 31, 2014 |
|---|---------------------|-------------------------|-------------------------|
| i. Rohan Developers Private Limited (Refer Note 19) | 12%                 | 50,00,00,000            | 50,00,00,000            |

The ICD was given as at that time, the Company temporarily had surplus funds. The said ICD was repayable within 1 year.

**42. Previous Year's figures, wherever necessary, have been regrouped/reclassified to conform to the current year's presentation.**

As per our Report of even date attached

**For B. S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 106190W

**PARESH H. CLERK**  
Partner  
Membership No.36148

Place : Mumbai  
Dated : 17<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**MANHARLAL C. SHAH**  
Executive Chairman

**BHARAT M. SHAH**  
Jt. Managing Director

**S. JAYARAMAN**  
Chief Financing Officer

**HIREN M. SHAH**  
Managing Director

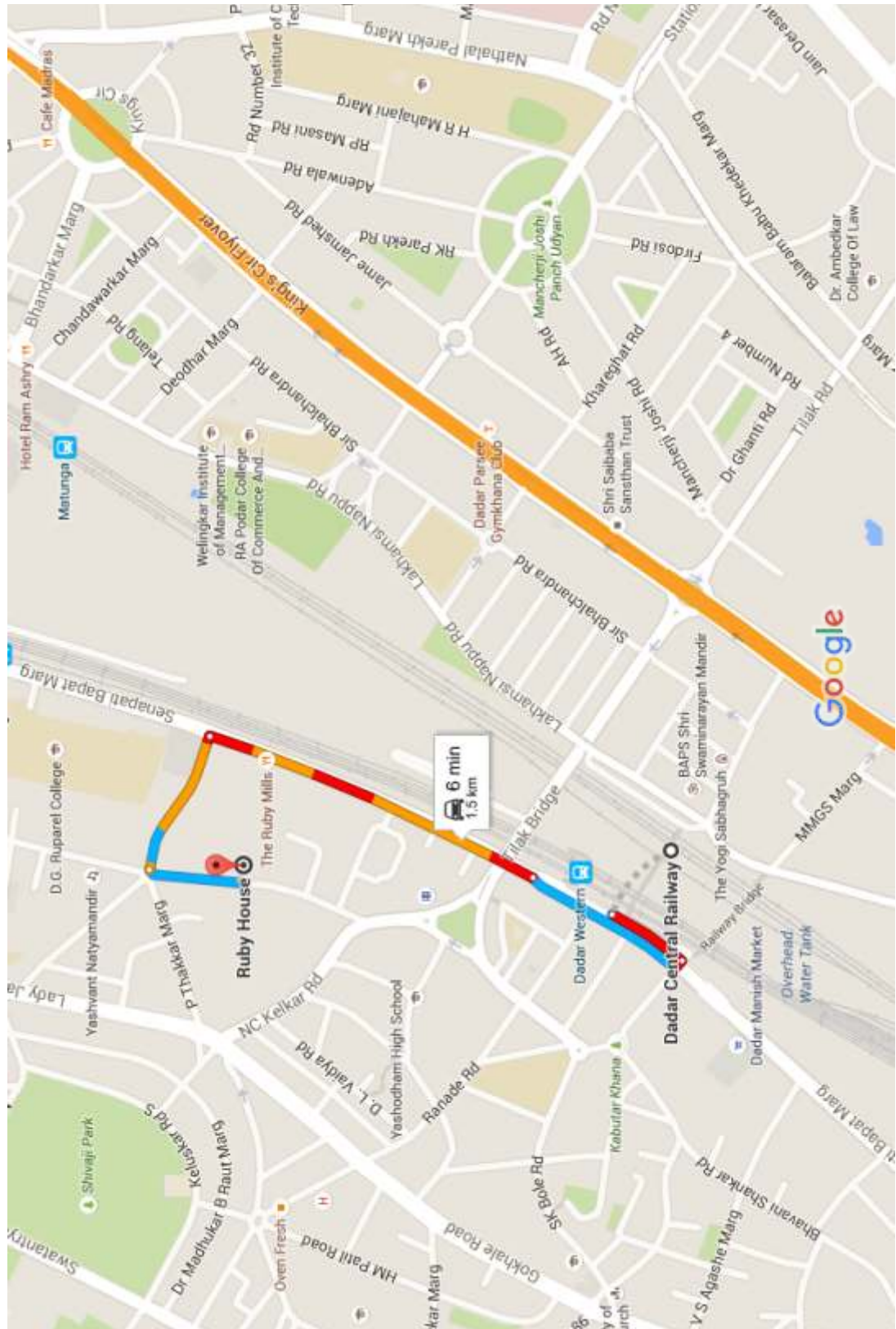
**PANKAJ J. PARKHIYA**  
Company Secretary

Place : Mumbai  
Dated : 17<sup>th</sup> May, 2015



## Dadar Central Railway to Ruby House

ROUTE MAP OF VENUE FOR ANNUAL GENERAL MEETING



**THE RUBY MILLS LIMITED**

CIN: L17120MH1917PLC000447

Regd. Office: Ruby House, J.K.Sawant Marg, Dadar, Mumbai - 400 028.

Email:- info@rubymills.com, Website:- www.rubymills.com

**ATTENDANCE SLIP**

99<sup>th</sup> Annual General Meeting

Reg. Folio/DP & Client No. .... No. of Shares Held: .....

I certify that I am a registered Shareholder/Proxy for the registered shareholders of the Company. I hereby record my presence at the Ninety Ninth Annual General Meeting of the Company at Ruby House, J. K. Sawant Marg, Dadar (W), Mumbai - 400 028 on Wednesday the 30th September, 2015 at 4.30 p.m.

Member's Name : .....

Proxy's Name : .....

Member's/Proxy's Signature

**NOTES:**

- 1. Members attending the meeting in person or by Proxy are requested to complete attendance slip and hand it over at the entrance of the meeting hall.
- 2. The practice of distributing copies of the Annual General Meeting having being discontinued.
- 3. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
- 4. Authorized Representatives of Corporate members shall produce proper authorization issued in their favour.



**THE RUBY MILLS LIMITED**

CIN: L17120MH1917PLC000447

Regd. Office: Ruby House, J.K.Sawant Marg, Dadar, Mumbai-400 028.

Email:- info@rubymills.com, Website:- www.rubymills.com

**PROXY FORM**

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

Name of the Member(s) : ..... Registered Address : .....

E-Mail ID : ..... Folio No. / Client ID: ..... DP ID: .....

I/We, being the member(s) holding ..... shares of the above named Company, hereby appoint

1. Name : .....

Address: .....

E-Mail ID : .....Signature ..... or failing him

2. Name : .....

Address: .....

E-Mail ID : .....Signature ..... or failing him

3. Name : .....

Address: .....

E-Mail ID : .....Signature ..... as my/our

proxy to attend and vote(on a poll) for me/us and my/our behalf at the 99th Annual General Meeting of the Company to be held on 30th September, 2015 at 4.30 P.M., at Ruby House, J.K.Sawant Marg, Dadar(W), Mumbai-400 028 and at any adjournment thereof in respect of such resolutions as are indicated below:



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**ORDINARY BUSINESS**

1. Adoption of Financial Statements and Report of the Board of Directors and Auditors thereon, for the financial year ended 31st March, 2015.
2. Approval of final dividend for the financial year ended 31st March, 2015.
3. Appoint a director in place of Shri Bharat M. Shah, who retires by rotation and being eligible, seeks re-appointment.
4. Appoint a director in place of Shri Viraj M. Shah, who retires by rotation and being eligible, seeks re-appointment.
5. Appoint a director in place of Smt. Aruna M. Shah, who retires by rotation and being eligible, seeks re-appointment.
6. Appoint M/s. B.S. Mehta & Co. as the Statutory Auditors of the Company for F.Y.2015-2016.

**SPECIAL BUSINESS**

7. Ratification of the remuneration of the Cost Auditors as fixed by the Board of Directors in terms of Section 148 of the Companies Act,2013 (Ordinary Resolution).
8. Appointment of Shri Deepak R. Shah as an Independent Director of the Company for a period of five (5) consecutive years effective from 30th September, 2015. (Ordinary Resolution)
9. Appointment of Shri Gunvantrai A. Sanghrajka as an Independent Director of the Company for a period of five (5) consecutive years effective from 30th September, 2015. (Ordinary Resolution)
10. Approval for issue of Bonus Shares under Section 63 of the Companies Act, 2013.(Ordinary Resolution)
11. Approval for increase in Authorised Share Capital of the Company under Section 61 of the Companies Act, 2013. (Ordinary Resolution)
12. Approval for increase in alteration of Memorandum of Association under Section 13 of the Companies Act, 2013. (Special Resolution)
13. Approval for increase in alteration of Articles of Association under Section 14 of the Companies Act, 2013. (Special Resolution)

Affix  
Re.1/-  
revenue  
stamp

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

Signature of Shareholder ..... Signature of Proxy holder(s) .....

**NOTE:**

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.

**ELECTRONIC VOTING PARTICULARS**

|  |          |
|--|----------|
| User ID  | Password |
| Please refer to Note No.5 (Important Communication to Members) of the Notice |          |