



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. Papat
Shri Dilip J. Thakkar (Resigned on 14th August, 2014)
Shri Shaunak J. Thacker (Resigned on 14th August, 2014)
Shri Anup P. Shah
Shri Nitin P. Shingala (Appointed as an Additional Director on 14th August, 2014)

Non - Executive Non - Independent Director

Smt. Aruna M. Shah

Chief Financial Officer :

Shri S. Jayaraman

Company Secretary & Compliance Officer :

Shri Pankaj J. Parkhiya

Solicitors :

Federal & Rashmikant

Statutory Auditors :

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

Bankers to the Company :

State Bank of India	Axis Bank
Bank of India	UCO Bank
Bank of Baroda	IDBI Bank
Andhra Bank	Allahabad Bank
HDFC Bank	

Registered Office:

Ruby House,
J. K. Sawant Marg
Dadar, Mumbai-400 028
Email: info@rubymills.com
Phone: +91-22-24387800
www.rubymills.com

Plant Locations:

* Dhamni Complex Village Dhamni Taluka Khalapur Dist. Raigad.	* Kharsundi Complex Village Kharsundi Taluka Khalapur Dist. Raigad.
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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 : 022-2847 5207 Email : investor@bigshareonline.com



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SUMMARISED FINANCIAL DATA

(₹ in Lacs)

Sr.	Particular	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
1.	Total Revenue	15534.26	20492.01	24690.61	20711.53	22679.50
2.	Profit Before Depreciation and Interest	5429.71	10206.41	12348.80	8642.71	9191.08
3.	Finance Costs	106.69	806.02	1742.76	1876.88	1881.65
4.	Depreciation and Amortisation Expense	1591.41	2154.17	2365.82	2440.02	2255.96
5.	Profit before Tax	3731.61	7246.22	8240.22	4325.81	5053.47
6.	Provision for Tax including Current Tax adjustments of Earlier Years.	382.65	1500.00	1565.41	892.51	814.82
7.	Provision for Deferred Tax	(43.23)	(9.28)	(418.59)	384.96	(251.40)
8.	Profit After Tax and Before Prior Period and Exceptional Items	3392.20	5755.50	7093.40	3048.34	4490.05
9.	Prior Period and Exceptional Items	1479.22	-	1269.80	-	-
10.	Profit after Tax , Prior Period and Exceptional Items	1912.98	5755.50	5823.60	3048.34	4490.05
	Add: Surplus Brought Forward	1567.94	3093.95	8029.74	13027.44	15570.17
	Balance Available for Appropriation	3480.92	8849.45	13853.34	16075.78	20060.22
Less: Appropriations						
	-General Reserve	192.00	576.00	583.00	310.00	10000.00
	- Proposed Dividend	167.20	209.00	209.00	167.20	167.20
	- Tax on Dividend	27.77	34.71	33.90	28.41	28.41
	Balance carried forward to next year	3093.95	8029.74	13027.44	15570.17	9864.61



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 Eighth Annual General Meeting (AGM)** of the Members of THE RUBY MILLS LIMITED will be held on Wednesday the 24th September, 2014 at 4.30 p.m. IST at the Registered office of the Company at Ruby House, J.K. Sawant Marg, Dadar (W), Mumbai - 400 028 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, 2014, Profit & Loss Account 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/- per equity share for the Financial Year ended 31st March, 2014.

Item No. 3 –Re-appointment of Shri Hiren M. Shah

To appoint a Director in place of Hiren M. Shah (holding DIN 00071077), who retires by rotation and being eligible, seeks re-appointment.

Item No. 4 –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. 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 Statutory 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.

“RESOLVED THAT M/s.B.S. Mehta & Co., Chartered Accountants, Mumbai, (Firm registration No.106190W) pursuant to the provision of section 139 of the Companies Act, 2013 be and hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this AGM to the conclusion of the next AGM 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 –Appointment of Shri M. C. Shah, Executive Chairman

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

“RESOLVED THAT pursuant to provisions of Section 196, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Article 96 of Article Association of the Company, the consent of the Company be and is hereby accorded to Shri M. C. Shah (holding DIN 00070771) to continue to hold office as Executive Chairman of the Company.”

Item No. 8 –Appointment of Shri J. D. Masani as an Independent Director

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

“RESOLVED THAT pursuant to Section 149, 152 and all other applicable provisions, read with Schedule IV to the Companies Act, 2013 and read with revised Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri J. D. Masani (holding DIN 00112622), Director of the Company in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from the date of passing of the resolution by the shareholders and whose tenure in office, so long as he remains an independent director, shall not be liable to retire by rotation.”



Item No. 9 – Appointment of Shri D. M. Papat as an Independent Director

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

"RESOLVED THAT pursuant to Section 149, 152 and all other applicable provisions, read with Schedule IV to the Companies Act, 2013 and read with revised Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri D. M Papat (holding DIN 00057345), Director of the Company in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for one year with effect from the date of passing of the resolution by the shareholders and whose tenure in office, so long as he remains an independent director, shall not be liable to retire by rotation."

Item No. 10 – Appointment of Shri Shardul J. Thacker as an Independent Director

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

"RESOLVED THAT pursuant to Section 149, 152 and all other applicable provisions, read with Schedule IV to the Companies Act, 2013 and read with revised Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Shardul J. Thacker (holding DIN 00153001), Director of the Company in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from the date of passing of the resolution by the shareholders and whose tenure in office, so long as he remains an independent director, shall not be liable to retire by rotation."

Item No. 11 – Appointment of Shri Anup P. Shah as an Independent Director

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

"RESOLVED THAT pursuant to Section 149, 152 and all other applicable provisions, read with Schedule IV to the Companies Act, 2013 and read with revised Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Anup P. Shah (holding DIN 00293207), Director of the Company in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from the date of passing of the resolution by the shareholders 23rd September, 2014, whose tenure in office, so long as he remains an independent director, shall not be liable to retire by rotation."

Item No. 12 – Appointment of Shri Nitin P. Shingala as an Independent Director

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

"RESOLVED THAT pursuant to Section 149, 152 and all other applicable provisions, read with Schedule IV to the Companies Act, 2013 and read with revised Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Nitin P. Shingala (holding DIN.00353710) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14th August, 2014 and who holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from the member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Nitin P. Shingala as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from the date of passing of the resolution by the shareholders and whose tenure in office, so long as he remains an independent director, shall not be liable to retire by rotation."

Item No. 13 – Borrowing Power

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

"RESOLVED THAT supplemental to the Ordinary Resolution adopted under the erstwhile Section 293(1)(d) of the Companies Act, 1956 at the 195th Annual General Meeting held on 29th September, 2011, to the effect, consent of the Company be and is hereby accorded to the Board of Directors in terms of to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) for borrowing from time to time for the purposes of the business of the Company from banks, financial institutions, non-banking financial companies, State Financial Corporations/companies, investment institutions, mutual funds and other bodies corporate in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 1000 Crores (Rupees one thousand crores) over and above the aggregate of the paid up share capital and free reserves of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to negotiate with the lending entities and to finalise and execute the documents and deeds as may be applicable for creating the appropriate mortgages and/or charges on such of the immovable and/or movable properties of the Company on such terms and conditions as may be decided by the Board and to perform all such acts, deeds and things as may be necessary in this regard."



Item No. 14 –Creation of Charge on securities of the Company

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

“RESOLVED THAT supplemental to the Ordinary Resolution adopted under the erstwhile Section 293(1)(a) of the Companies Act, 1956 at the 195th Annual General Meeting held on 29th September, 2011, to the effect, consent of the Company be and is hereby accorded to the Board of Directors in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof and any rules thereunder for the time being in force) to sell, lease, mortgage or otherwise dispose of or create charge, mortgage and/or hypothecate, pledge, or otherwise encumber, in addition to the existing mortgages, hypothecations, pledges, charges or encumbrances already created, in such form and manner and on such terms as Board may deem fit, on such of Company’s movable and immovable properties, both present and future wherever situated and/or any other assets or properties, either tangible or intangible, in favour of any of the banks, financial institutions, non-banking financial companies, State Financial Corporations/companies, investment institutions, mutual funds and other bodies corporate (hereinafter referred to as the “Lender”) for securing fund based and/or non fund based facility including term loans and working capital facilities, debt instruments and advanced obtained or that may hereinafter be obtained from any of lenders by the Company from time to time upto limits approved or as may be approved by the shareholders under Section 180(1)(c) of the Act.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to finalise and execute with any of the lenders, the documents and deeds as may be applicable for creating the appropriate mortgages and/or charges on such of the immovable and/or movable properties of the Company on such terms and conditions as may be decided by the Board and to perform all such acts, deeds and things as may be necessary in this regard.”

By Order of the Board of Directors
For **The Ruby Mills Limited**
Sd/-
Pankaj J. Parkhiya
Company Secretary

Place: Mumbai,
Dated: 14th August, 2014

NOTES

- 1. 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. A PERSON CAN ACT 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.**

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. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

- Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- Member/proxies** should bring duly filled Attendance Slip sent herewith to attend the meeting.
- The Register of Members and the Share Transfer Books of the Company will remain closed from 20th September, 2014 to 24th September, 2014 (Both days inclusive).**
- Final dividend of ₹ 2/- per equity share has been recommended by the Board of Directors for the year ended 31st March, 2014 and subject to the approval of the shareholders at the ensuing Annual General Meeting, is proposed to be paid on and from 24th September, 2014 to those members whose names appear on the Register of Members of the Company at the closing hours of 19th September, 2014. 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 19th September, 2014 as per details to be furnished by the Depositories for this purpose.
- 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.



8. Pursuant to Section 124 of the Companies Act, 2013 dividend for the financial year ended 31st March, 2007 and thereafter which remain unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the Financial Year ended 31st March, 2007 or any subsequent Financial Years, are requested to make their claim to the Company. The details of which are given below:-

Financial Year	Date of declaration of dividend	Dividend Per Share in ₹*	Due date for transfer to IEPF	Amount (₹)
2006-07	27 th September, 2007	3	1 st December, 2014	20,364
2007-08	25 th September, 2008	3	29 th November, 2015	94,446
2008-09	18 th September, 2009	3	22 nd November, 2016	42,903
2009-10	25 th September, 2010	4	29 th November, 2017	53,668
2010-11	29 th September, 2011	5	2 nd December, 2018	66,150
2011-12	24 th September, 2012	5	22 nd November, 2019	47,170
2012-13	23 rd September, 2013	2	21 st November, 2020	40,208

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.

9. 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.
10. Member who is 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.
11. The Annual Report duly circulated to the members of the Company, is available on the Company's Website at www.rubymills.com.
12. 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.
13. BIG SHARE 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 21st March, 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 with 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 A/c., A/c 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 concern 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 98th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(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 98th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is 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 participation 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 through electronic means

In compliance with provisions of Clause 35B of Listing Agreement with National Stock Exchange of India Ltd. and BSE Ltd. and pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 98th Annual General Meeting of the Company to held on 24th September, 2014. The Company has appointed M/s. Dholakia & Associates, Practicing Company Secretaries (Address: Mhb-11, A-302, Sarvodaya Co Operative Hsg Soc Ltd. Near Bhavishya Nidhi Building, Service Road, Khernagar, 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 22nd August, 2014.

The instructions for e-voting are as under:

Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the record date, i.e. 22nd August, 2014 (End of Day) may cast their vote electronically.

- (i) The Voting period starts from 10.00 a.m. on Thursday, 18th September, 2014 and ends at 5.00 p.m. on Saturday, 20th September, 2014. 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 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:

Table with 2 columns: Field Name and Instructions. Fields include PAN, DOB, and Dividend Bank Details.

(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 are advised to cast your vote only through one mode (E-voting or through Poll at the AGM). In case you cast your votes through both the modes, votes cast through E-voting shall only be considered and votes cast at the meeting through Poll would be rejected.
- (xix) Note for Institutional Shareholders:
- Institutional members (i.e. other than Individuals, HUF, NRI etc.) are requested to log on to <https://www.evotingindia.co.in> and registered themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity send to 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 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 under help section or write an email to 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 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**

Sd/-

Pankaj J. Parkhiya
Company Secretary

Place : Mumbai,
Dated : 14th August, 2014



EXPLANATORY STATEMENT

I. 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

Appointment of Shri M. C. Shah, Executive Chairman (Date of Birth 22nd May, 1934)

Presently, Shri M. C. Shah is an Executive Chairman of the Company who has completed 80 years.

Pursuant to provisions of Section 196(3)(a) and Section 203(1)(iii) of the Companies Act, 2013 and rules thereunder, the Company shall not appoint and continue to employ any person as Managing Director or whole time director who has completed age of 70 years unless and otherwise shareholders consent the same by passing Special Resolution and further the managing director of the company can't act as a Chairman of the Company unless and otherwise Article of Association of Company provides.

The Article 96 of the Article Association of the Company permitted Shri M. C. Shah to act as an Executive Chairman of the Company.

Shri M. C. Shah has rich and extensive experience of management and running of Textile Mill for more than six decades. His vision and commitment has enabled the Company steer through the most difficult times in the history of Textile Industry in India. He was Chairman of Mill Owners Association for a period of three years and Chairman of BTRA for a period of two years and he supervises and gives guidance to other three working directors who have been handling day to day activity of production, marketing, finance and administration of the Company. He has a rich and varied background as a self made Textile Industrialist. He imparts solutions to problems in production quality, foresight and vision in Marketing and Planning. This insight experience has largely contributed to the Company's progress in difficult times.

Directorship in other companies of Shri M. C. Shah are as follows:-

Sr. No.	Directorship
1.	Ruby Travels Pvt. Ltd.
2.	Ruby Sales and Services Pvt. Ltd.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri M.C. Shah as an Executive Chairman. Accordingly, the Board recommends the resolution in relation to continue to hold office of the Executive Chairman of Shri M. C. Shah, for the approval by the shareholders of the Company.

Except Shri M. C. Shah, being an appointee, Shri Hiren M. Shah-Managing Director, Shri Bharat M. Shah- Jt. Managing Director, Shri Viraj M. Shah-Executive Director and Smt. A. M. Shah-Non Executive Director, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 8 of Notice of Annual General Meeting

Appointment of Shri J. D. Masani as an Independent Director (Date of Birth 27th June, 1937)

Shri J. D. Masani is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in March, 1977. Shri J. D. Masani is Member of the Audit Committee and Nomination and Remuneration Committee, of the Board of Directors of the Company and he is holding NIL equity shares in the Company.

Shri J.D. Masani is a Solicitor by profession having more than forty (40) years of experience in allied fields of Law. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company and he is also director in Masani Engineering Company Private Limited.

A notice has been received from a member proposing Shri J. D. Masani as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri J. D. Masani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri J. D. Masani as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri J. D. Masani as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri J. D. Masani as an Independent Director, for the approval by the shareholders of the Company.



Except Shri J. D. Masani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 9 of Notice of Annual General Meeting

Appointment of Shri D. M. Popat as an Independent Director (Date of Birth 18th December, 1933)

Shri D. M. Popat is a Non-Executive Independent Director of the Company. He joined the Board of the Company in March' 2000. Shri D.M. Popat is the member of Nomination and Remuneration Committee of the Board of Directors of the Company and he is holding NIL equity shares in the Company.

Shri D.M. Popat is a graduate in Commerce and in Law from the University of Bombay. Besides, he is BA also. He is a Senior Partner of Mulla & Mulla & Craigie Blunt & Caroe and he has been in practice for over 43 years and has vast experience in legal field.

Directorship and Chairmanship/Membership in other companies of Shri D.M. Popat are as follows:-

Sr. No.	Directorship	Chairman of Committee	Member of Committee
1	Peninsula Land Ltd.(formerly Morarji Realities Ltd.)	Remuneration Committee	-
2	Hindustan Construction Co. Ltd.		
3	Continental Air Services Pvt. Ltd.		

A notice has been received from a member proposing Shri D. M. Popat as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri D. M. Popat fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri D. M. Popat as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri D. M. Popat as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri D. M. Popat as an Independent Director, for the approval by the shareholders of the Company.

Except Shri D. M. Popat, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 10 of Notice of Annual General Meeting

Appointment of Shri Shardul J. Thacker as an Independent Director (Date of Birth 11th November, 1947)

Shri Shardul J. Thacker is a Non-Executive Independent Director of the Company. He joined the Board of the Company in December' 1984. Shri Shardul J. Thacker is the member of Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company and he is holding NIL equity shares in the Company.

Shri Shardul J. Thacker is a graduate in Commerce and in Law from the University of Bombay. Besides, he is a Solicitor of Bombay High Court, Supreme Court of England and Supreme Court of Hong Kong. He is a partner of the leading Indian law firm, Mulla & Mulla & Craigie Blunt & Caroe and heads the firm's banking, maritime and arbitration practice group.

With an illustrious practice of over 40 years, he is the Indian counsel to leading Indian and international banks.He has extensively advised banks and international lenders in respect of various term loan facilities, acquisitions and banking frauds, and is reputed in the international finance and legal circles for having structured some of the most interesting and highly-geared finance deals in relation to infrastructure projects, energy, ports and ships.

Directorship and Chairmanship/Membership in other companies of Shri Shardul J. Thacker are as follows:-

Sr. No.	Directorship	Chairman of Committee	Member of Committee
1	SEAMEC Ltd.	Shareholders/Investors Grievances and Transfer Committee	Audit Committee
2.	Fomento Resorts & Hotels Ltd.		
3.	RPG Enterprises Ltd.		
4.	Steam International Services Pvt. Ltd.		
5.	Infowavz International Pvt. Ltd.		



In the opinion of the Board, Shri Shardul J. Thacker fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Shardul J. Thacker as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Shardul J. Thacker as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Shardul J. Thacker as an Independent Director, for the approval by the shareholders of the Company.

Except Shri Shardul J. Thacker, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.10 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 11 of Notice of Annual General Meeting

Appointment of Shri Anup P. Shah as an Independent Director (Date of Birth 2nd October, 1976)

Shri Anup P. Shah is a Non-Executive Independent Director of the Company. He joined the Board of the Company in November' 2012. Shri Anup P. Shah is the Chairman of Audit Committee, Stakeholders Relationship/Shareholders/Investors Grievance Committee and Share Transfer Committee of the Board of Directors of the Company and he is holding 800 equity shares in the Company.

Shri Anup P. Shah is a graduate in Commerce and in Law from the University of Mumbai. Besides, he is a Fellow Member of Institute of Chartered Accountants of India and has done Business Consultancy Studies Course from Jamnalal Bajaj Institute, Mumbai University.

He is a Partner of Pravin P. Shah & Co. He has over 14 years of Hands-on experience in Legal, Tax and Financial Advisory and has authored several books like:

“HANDBOOK ON CAPITAL MARKET REGULATIONS-edition 1 & 2-published by ICAI”

“WILLS, SUCCESSIONS & FAMILY SETTLEMENT-1, 2 & 3 edition –published by BCAS” He has been awarded a Prize for the “Best Feature in the BCA Journal” and convener of the Editorial Board/Journal Committee of the BCAJ.

Directorship and Chairmanship/Membership in other companies of Shri Anup P. Shah are as follows:-

Sr. No.	Directorship	Chairman of Committee	Member of Committee
1	Claries Lifesciences Ltd.	Audit Committee	Shareholder’s Grievance Committee, Remuneration / Compensation Committee and Corporate Social Responsibility Committee.
2.	Jai Corp Limited	-	Audit Committee and Corporate Social Responsibility Committee.

In the opinion of the Board, Shri Anup P. Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Anup P. Shah as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Anup P. Shah as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Anup P. Shah as an Independent Director, for the approval by the shareholders of the Company.

Except Shri Anup P. Shah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.11 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 12 of Notice of Annual General Meeting

Appointment of Shri Nitin P. Shingala as an Independent Director (Date of Birth 9th May, 1963)

The Board, at its meeting held on 14th August, 2014, appointed Shri Nitin P. Shingala as an Additional Director of the Company with effect from 14th August, 2014, pursuant to section 161 of the Companies Act, 2013, read with Article 138 of the Article of Association of the Company and he is holding NIL equity shares in the Company.



Pursuant to provision of Section 161 of the Companies Act, 2013, Shri Nitin P. Shingala will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provision of Section 160 of the Companies Act, 2013, from a member along with deposit of Rs.1,00,000/- proposing the candidature of Shri Nitin P. Shingala for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from the Shri Nitin P. Shingala (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in term of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he meets the criteria of Independent Director as provided in the sub-section (6) of Section 149 of the Companies Act, 2013.

Shri Nitin P. Shingala is an all-India merit rank holder chartered Accountant with nearly 30 years of experience. He has vast experience in tax, corporate laws & accounting, cross border transactions and management advisory. He has been Managing Director of TMF Group in India since January 2008. He has been frequent speaker at seminars and has written articles on professional topics in leading publications and he was also President of the Bombay Chartered Accountants' Society.

Directorship and Chairmanship/Membership in other companies of Shri Nitin P. Shingala are as follows:-

Sr. No.	Directorship	Chairman of Committee	Member of Committee
1	Copal Research India Pvt. Ltd.	NIL	NIL
2.	TMF India Pvt. Ltd.		
3.	Hindoostan Mills Ltd.		
4.	Exevo India Pvt. Ltd.		
5.	A and E India Pvt. Ltd.		
6.	Tenaris Engineering India Pvt. Ltd.		
7.	TMF Services India Pvt. Ltd.		

The resolution seeks the approval of members for appointment of Shri Nitin P. Shingala as an Independent Director of the Company pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Shri Nitin P. Shingala, the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is Independent of the Management. A copy of the draft letter for the appointment of Shri Nitin P. Shingala as an Independent Director setting on the terms and conditions is available for inspection without any fee by the members at the Company's registered office during the normal business hours on working days up to the date of the AGM.

No director, key managerial personnel or their relatives, except Shri Nitin P. Shingala, to whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth in item no. 12 for the approval of the members.

Item No. 13 and 14 of Notice of Annual General Meeting

Borrowing powers and creation of charge on properties of the Company

The members of the Company at their 95th Annual General Meeting held on 29th September, 2011 approved by way of an Ordinary Resolutions under Section 293(1)(a) and 293 (1)(d) of the Companies Act, 1956 to create charge on properties of the Company and to borrow the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 1,000 Crores (Rupees one thousand crores).

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolutions under Section 180(1)(a) and 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 13 and 14 of the Notice, to enable to the Board of Directors to create charge and borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto ₹1000 Crores (Rupees one thousand crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolutions set out at Item No. 13 and 14.



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

Re-appointment of Shri H.M. Shah, Shri Bharat 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, effective from 1st April, 2014, 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 H.M. Shah, Shri B.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 Hiren M. Shah	Shri Bharat M. Shah	Smt. Aruna M. Shah
Date of Birth (DD/MM/YYYY)	12/04/1954	15/08/1959	16/06/1936
Date of Appointment as Director (DD/MM/YYYY)	30/10/1977	28/11/1994	15/09/1987
Qualification	Licenciate in Textile Mfg.	B.Com	Matriculation
Brief resume & Expertise in specific functional areas	He is a qualified Textile Technologist from India's premier Institution VJTI and presently, the Managing Director of the Company, he has rich and varied experience in management of the Textile Mill for more than 38 years. He was the Chairman of the Mill Owners Association for a period of 3 years until year 2001. Under his tenure as Chairman of Mill Owners Association, he had taken an initiative to convince the Government on restructuring of fiscal levies. He has been appointed as a Member of The Textile Institute International, U.K. He was the Chairman of Bombay Textile Research Association (BTRA). He is the Chairman of Confederation of Indian Textile Industry (CITI). He has travelled extensively and is personally responsible for the selection of world class machineries to suit the production of the Company and has been responsible for the wage settlements with the union and has been able to automize and substantially reduced the labour in the last 10 years. He is in control of day to day production and quality output with the highest efficiency for Dhamni and Kharsundi Units and had initiated the shifting of entire Spinning & Weaving operations from Mumbai to Dhamni and Process House to Village Kharsundi.	He has been associated with the Company for more than 32 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.	She is wife of Shri 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. Hiren Brothers Investment Co. Pvt. Ltd. 2. Ruby Travels Pvt. Ltd. 3. Galore International Projects Pvt. Ltd. 4. Ruby Sales & Services Pvt. Ltd	1. Manubhai & Sons Investment Co. Pvt. Ltd. 2. Ruby Travels Pvt. Ltd. 3. Galore International Projects Pvt. Ltd. 4. Ruby Sales & Services Pvt. Ltd.	Nil
*Committee Positions held in other Companies C - Chairman M – Member	Nil	Nil	Nil
No. of shares held in the Company	1,82,150 (2.18%)	3,27,500 (3.92%)	1,15,900 (1.39%)

By Order of the Board of Directors

For The Ruby Mills Limited

Sd/-

Pankaj J. Parkhiya
Company Secretary

Place: Mumbai,
Dated: 14th August, 2014.

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the Ninety Seventh Annual Report together with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2014.

Financial Results

The financial performance of the Company for the year ended 31st March, 2014 is summarised below

Sl. No.	Particulars	For the year ended (₹ In Lakhs)	
		31 st March, 2014	31 st March, 2013
1.	Total Revenue	22679	20711
2.	Finance Costs	1882	1876
4.	Depreciation and Amortisation Expense	2256	2440
5.	Profit before Tax	5054	4326
6.	Provision for Tax including Current Tax adjustments of Earlier Years.	815	893
7.	Provision for Deferred Tax	(251)	385
8.	Profit after Tax, Prior period and Exceptional Items	4490	3049
	Add: Surplus Brought Forward	15570	13027
	Balance Available for Appropriation	20060	16076
	Less: Appropriations		
	-General Reserve	10000	310.00
	- Proposed Dividend	167	167
	- Tax on Dividend	28	28
	Balance carried forward to next year	9865	15570

Operating and Financial Performance:

- During the year under review, total revenue increased by 9% over the previous year, i.e. from ₹ 20711 lacs to ₹ 22679 lacs. Profit before tax has increased by 19% over the previous year. High level of modernization coupled with continuous support of Management, Employees, Banks and customers, the Company has been able to achieve these levels of performance.

Textiles and Real Estate Division

The revenue from the textiles activity was ₹ 15454 lacs as compared to ₹ 12135 lacs in the previous year. The operating profit/(loss) for the year was ₹ 181 lacs against (₹ 2166) lacs in the previous year.

The revenue from real estate activity was ₹ 3309 lacs as compared to ₹ 3767 lacs in the previous year. The operating profit for the year was ₹ 2838 lacs as against ₹ 3293 lacs in the previous year.

Dividend

- Your Directors, after assessing the need for corporate requirements, recommended a dividend at the rate of 40% p.a. of ₹ 2- (Rupees Two) per share on 83,60,000 equity shares of ₹ 5/- each aggregating to ₹ 167 lacs. The dividend will be paid after approval at the ensuing Annual General Meeting. The aggregate outflow on account of the equity dividend for the year would be ₹ 195 lacs including tax on dividend. This represents a payout ratio of 3% (Previous year 5%). The amount of ₹ 10000 lacs (previous year ₹ 310 lacs) has been transferred to General Reserve.

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 to both the Stock Exchanges.

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.



Directors

- Shri Dilip J. Thakkar an Independent Director of the Company has resigned from the Board of the Company with effect from 14th August, 2014 in order to comply with provision of Section 165(1) of Companies Act, 2013 and Clause 49 (II)(B)(2) of Listing Agreement with respect to limitation in maximum number of Directorship in Listed Companies. Further Shri Shaunak J. Thacker an Independent Director of the Company has resigned from the Board of the Company w.e.f. 14th August, 2014 in order to comply with provision of Section 149(6)(b)(ii) of the Companies Act, 2013 and Clause 49 (II)(B)(1)(b)(ii) of the Listing Agreement.
- In accordance with the provisions of the Sections 149, 152(6) of Companies Act, 2013 and rules thereunder, Shri Hiren M. Shah, Shri Bharat M. Shah and Smt. Aruna M. Shah, retire by rotation and being eligible, offer themselves for re-appointment.
- In compliance with the Clause 49 IV (G) of the Listing Agreement, brief resume of the aforesaid directors, their expertise and other details of Directors proposed to be appointed/ re-appointed are provided in the Notice of Ninety Eighth AGM of the Company.
- Shri Nitin P. Shingala was appointed as an Additional Directors on the Board of the Company with effect from 14th August, 2014 as an Independent Director. The said directors ceased to be a Director on the date of the 98th Annual General Meeting. Notice under Section 160 of the Companies Act, 2013 have been received in respect of their appointment as a Director on the Board and accordingly their appointment are proposed as a Director at the ensuing Annual General Meeting.

Auditors

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 (xi) of the Annexure to Auditors' Report, the delay in payments of installments and interest on Loans was mainly due to slow down in the Real Estate Market due to which the expected realisation on account of development income didn't materialize. Further as on date the Company has regularized all the defaults.

Cost Auditors

- Shri Dakshesh H. Zaveri, Cost Auditor has submitted their Cost Audit Report for the financial year 2012-2013, which has also been filed with Central Government on 27th September, 2013.

VAT Auditor

- As required under Maharashtra Sales Tax Act Company has appointed a VAT Auditor to conduct the VAT Audit.

Internal Control Systems

- Your Company has a proper and adequate internal control system commensurate with its nature and size of business to ensure the timely and accurate recordings of financial transactions and adherence, in particular, to applicable Accounting Standards, safety of assets, optimum utilization, applicable laws, rules & regulations and Management policy. The Audit Committee meets periodically with the management and Internal Audit Team to examine and evaluate the adequacy and effectiveness of the internal control systems and takes necessary steps wherever found necessary, to further strengthen the internal control systems and procedures. Significant findings are brought to the notice of the Audit Committee of the Board and corrective measures are recommended for implementation.

Insurance Coverage

- The Company's Building, Machineries, Stores and Stocks in trade etc. are adequately covered against insurance risks.

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.



Business Risk Management

- Your Company has constituted a committee consisting of key executives of your Company to identify and assess business risks and opportunities (Risk Management Committee). The Risk Management Committee identifies the risk and drawn up plan to mitigate the risk.

Segments

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

Directors' Responsibility statement:

- Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 the Board of Directors hereby confirms that:
 - 1) that in the preparation of the annual accounts, the applicable accounting standards has been followed (along with proper explanation relating to material departures) and that there are no material departure;
 - 2) that the proper accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
 - 3) that proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - 4) that the Accounts have been prepared on a going concern basis.

Particulars of Employees

- In term of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particular of the employees are set out in the annexure 'A' to the Director Report.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

- Particulars regarding conservation of Energy, Technology Absorption etc. as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in a separate statement in Annexure 'B' forming part of this report.

Corporate Governance

- The Company is committed to maintaining high standards of Corporate Governance. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement form part of the Annual Report.
The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the Clause 49 is enclosed to this Report.

Corporate Social Responsibility

- The Company believes that it has the duty towards betterment of society and its wellbeing and to achieve this noble objective, the Company has constituted Corporate Social Responsibility Committee pursuant to Section 135 of the Companies Act, 2013, to monitor the Corporate Social Responsibility Policy of the Company from time to time."

Green Initiatives

- The Company has started transmitting Annual Report through electronic mode e-mail to the shareholders and initiated steps to reduce consumption of paper.

Acknowledgment

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**
Sd/-
M. C. SHAH
Executive Chairman

Place : Mumbai
Dated : 14th August, 2014

**ANNEXURE TO THE DIRECTORS' REPORT****ANNEXURE 'A'**

Particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of the Employees) Rules 1975 (as amended by Companies (Particulars of Employees) Amendment Rules, 2011) and forming part of the Directors' Report for the year ended 31st March, 2014.

Sr. No.	Name	Designation & Nature of duties	Remuneration Rupees	Qualification	Age Years	Date of Employment	Experience Years	Last Employment held & Name of the Employer
A. EMPLOYED THROUGHOUT THE FINANCIAL YEAR UNDER REVIEW AND WERE IN RECEIPT OF REMUNERATION AGGREGATING TO ₹ 60,00,000/- P.A. AND MORE.								
1	Shri M. C. Shah	Executive Chairman	₹1,50,00,000/-	Experience in Senior Management	80	18-09-1953	61	None
2	Shri H. M. Shah	Managing Director	₹1,08,00,000/-	Licentiate in Textile Mfg.	60	01-12-1976	38	None
3	Shri B. M. Shah	Jt. Managing Director	₹1,08,00,000/-	B.Com	55	01-02-1982	32	None
4	Shri V.M. Shah	Executive Director	₹1,08,00,000/-	B.Com	57	01-04-1984	30	None
B. EMPLOYED FOR THE PART OF THE FINANCIAL YEAR UNDER REVIEW AND WERE IN RECEIPT OF REMUNERATION AGGREGATING TO ₹ 5,00,000/- P.M. AND MORE.								
NONE								
Note: Remuneration as above includes, Salary, Company's Contribution to Provident Fund and Family Pension Fund, L.T.A., Reimbursement of Medical Expenses, Gratuity etc.								

Additional information as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

Annexure 'B'**(A) CONSERVATION OF ENERGY:**

This is a continuous process, new energy saving Projects are studied and implemented from time to time. Future plan entails water harvesting and use of Solar power for street lighting.

The Management frequently issues guidelines to the employees, educating them on ways and means to conserve electricity and other natural resources and ensures strict compliance with the same.

(a) Energy Conservation Measures Taken

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

- Fixed Delta-Star energy saver for Twisting Department.
- Fixed energy saver Transformer for lighting.
- Use of steam yarn conditioning machine.
- Use of Inventors for water pumps in processing department.
- Use of Effluent Treatment Plant and R.O. Plant where by 50% to 60% water becomes reusable
- Efficient lighting system for energy conservation by use of CFL fittings in offices of the Company including sites.
- Controlling operation of Chillers as per Weather condition.
- Monitoring instruments have been installed in major energy consuming machines.
- Creating awareness in the employees for energy saving.
- Use of glass as building material to maximize the use of Day-light in offices and projects of the Company and at the same time not increasing the air conditioning load by suitably shading the building.
- Staggered working of electrical lights, fans, air conditioners.
- Running all machines at optimum speed.



(b) Additional investment and Proposals, if any, being implemented for reduction of consumption of energy:

- Installing power saving MVA transformer in spinning.
- Energy saving Delta star controller will be equipped to other machines.
- Full working of R.O and ETP Plant achieved.
- Optimum loading of Transformer and crosswoanl transformer replacement to achieve power supply.

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

- Reduction of Cost of production.
- Increase in productivity and quality.
- Reduction in energy consumption.
- Increase in Efficiency.

(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

- Successful 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 plans:

(₹ in lacs)

		Current Year 2013-2014	Previous Year 2012-2013
(a)	Value of Direct Imports calculated on CIF Basis: (i) Stores, Spare parts and Colour Chemicals (ii) Raw Materials (iii) Yarn	147.68 - 9.84	97.69 184.15 5.02
(b)	Earnings in Foreign Exchange on account of export of goods : Direct Export on FOB Basis	294.34	99.26
(c)	Expenditure in Foreign Currency : Travelling *Others	8.85 54.09	24.05 123.85



FORM 'A'

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

		Current Year 2013-14	Previous Year 2012-13
1.	Power & Fuel Consumption :		
	Electricity :		
	a Purchased Unit :		
	Total Amount (₹)	2,91,72,481 20,78,13,422	2,47,14,276 16,28,36,298
	b Own Generation :		
	i. Through Diesel Generator Units Unit	2,376	2,079
	Units per 1 Ltr. of diesel oil Unit	2.95	2.95
	Cost / Unit. ₹	21.7	16.15
	ii. Through steam turbine / Generator Unit	Nil	Nil
	Units per 1 ltr. Of diesel oil	Nil	Nil
	Cost / Unit	Nil	Nil
2.	Coal (Dhamni & Kharsundi):		
	Quantity (Tonnes)	10,516.13	9,970.69
	Total Cost (₹)	5,83,06,771	4,67,25,775
	Cost / Unit	*	*
3.	Furnace Oil:		
	Quantity (K. Ltrs.)	27.330	29.211
	Total Cost	13,97,336	14,70,661
4.	Gas : Piped Natural Gas (Dadar)		
	Quantity M3	0	275.659
	Total Cost	0	95,05,840
	Cost / Unit	*	*

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



MANAGEMENT'S DISCUSSION AND ANALYSIS

This report covers the operations and financial performance of the Company for the year ended 31st March, 2014 and forms part of the Directors' Report.

1 Overall Review:

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 marginally improved compared to that of the previous year.

The global economic outlook remained uncertain and challenging with a growth of about three per cent in 2013. There were many reasons for this sluggishness including weak recovery in the US and Europe and a general economic slowdown in emerging economies like China and India.

The Company is in the business of manufacturing of textiles. The Company had achieved a turnover of ₹15,454 lacs.

Business Segment – Cotton, Synthetics Yarn and Fabrics.

a) Industry Structure and Development:

Raw material costs have been increasing globally, coupled with a shortage of skilled workers. The industrial climate in India has also become adverse due to regular increases in input costs. The main challenge facing the industry during the last year was the surging and fluctuating price of raw materials, especially cotton. The Indian textile industry is thus passing through an adverse phase although the future would be more optimistic if input costs, including the cost of raw material and interest, remains generally stable.

b) 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 step with increased purchasing power augering well for the Industry.

Lack of uninterrupted power, increased power costs, higher transaction costs, high cost of labour 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.

c) 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 increased substantially during the year. The Cotton prices are also high compared to the previous 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 fabric blends are being developed with unique finishing processes and chemicals to cater to the ever changing consumer demand.

d) Outlook:

The company is making all efforts to improve the quality and productivity to get more orders at competitive rates. Due to well-established of 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.

e) Risks and Concerns:

Cotton prices are increasing regularly as are other input costs including power and logistics. Natural Gas has become so much costlier that its use as a source of power has become prohibitive. Shortage of migrant labour continues to pose problems and may lead to non-utilization of capacity at times. 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.

Availability of quality cotton throughout the year at reasonable prices has always been a cause of concern due to crop uncertainty but we can only overcome the same by procuring maximum amount of cotton during 3 months of peak season blocking high capital. All manmade and synthetic fiber prices have started going up due to increase in petrochemical prices and other cost. Due to appreciation of Rupee, Industry is also facing the risk of import of cheaper textiles into the country.



2.1 Business Segment – Real Estate.

a) 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 13-14. 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

b) Threats and Opportunities:

The prospects of India's real estate sector are closely linked with the state of the economy. The overall economy has been weakened in the recent years with GDP growth, fiscal deficit, current account deficit and inflation being at unfavorable levels. This has impacted consumer and business sentiment adversely affecting demand across commercial segment. Sluggish domestic GDP growth along with weak global markets can significantly affect the sector. 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 2013 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

We expect the RBI will reduce key lending rate in the coming year to boost realty sector as well as economy. High borrowing costs coupled with rising price levels due to rapid inflation in input costs impacted affordability for buyers across markets. As inflationary pressures soften, RBI's impending rate cut and the resulting moderation loan rate is expected to be a sentiment booster for property buyers. The lower cost of borrowing would also help improve developer profitability.

c) 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.

d) 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 is minimised and interests of the Company are protected.

3. 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.

4. Company's financial performance and analysis:

The turnover and other income of the Company during the year is ₹ 22,679 lacs as against ₹ 20,711 lacs in the previous year. The profit from ordinary activities before Tax is ₹ 5,054 lacs as against ₹ 4,326 lacs in the previous year. The net profit after depreciation, taxation is ₹ 4,490 lacs as against ₹ 3,049 lacs in the previous year.



5. 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 counselling 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.

6. 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 country etc.

Corporate Governance Report

I. Company’s philosophy on Corporate Governance :

The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations.

The Board of Directors fully supports and endorses Corporate Governance practices as enunciated in Clause 49 of the Listing Agreements as applicable from time to time.

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 2013-14, 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 Dilip J. Thakkar	Independent Director
8.	Shri D.M. Popat	Independent Director
9.	Shri Shardul J. Thacker	Independent Director
10.	Shri Shaunak J. Thacker	Independent Director
11.	Shri Anup P. 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 reviews 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 2013-14, the Board met five times on the following dates 28th May, 2013, 9th August, 2013, 23rd September, 2013, 14th November, 2013 and 14th February, 2014.

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	Pvt.	Chairman	Member
Shri M.C. Shah	EC	5	4	Yes	-	2	-	-
Shri H.M. Shah	MD	5	5	Yes	-	4	-	-
Shri B.M. Shah	Jt.MD	5	5	Yes	-	4	-	-
Shri V.M. Shah	ED	5	4	Yes	-	4	-	-
Smt. A.M. Shah	NED	5	3	No	-	-	-	-
Shri J.D. Masani	NED	5	4	No	-	1	-	-
Shri Dilip J. Thakkar	NED	5	3	No	13	10	5	5
Shri D.M. Popat	NED	5	2	No	2	1	-	1
Shri Shardul J. Thacker	NED	5	4	Yes	3	2	1	1
Shri Shaunak J. Thacker	NED	5	4	Yes	-	-	-	-
Shri Anup P. Shah	NED	5	5	Yes	2	3	1	2

Note:

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

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. Shri Shardul J. Thacker & Shri Shaunak J. Thacker are related to each other as brothers. 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, 2014 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 2013-14"

Sd/-
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 Hiren M. Shah, Shri Bharat 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 J. D. Masani, Shri D. M. Papat, Shri Shardul Thacker, Shri Anup P. Shah and Shri Nitin P. Shingala and their other relevant particulars are furnished in the Notice convening the 98th Annual General Meeting of the Company to be held on Wednesday, the 24th September, 2014.

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:
28th May 2013, 9th August 2013, 23rd September, 2013, 14th November 2013 & 14th February 2014.
- b. The Audit Committee of the Board comprises of one Joint Managing Director and three non-executive, independent Directors. Recommendations of the Audit Committee, are considered and implemented by the Board from time to time.
- c. Attendance of the members of these meetings was as follows:

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	4/5
Shri Bharat M. Shah	Jt. Managing Director	Member	5/5

Note:-The Company has appointed Shri Shaunak J. Thacker as an Audit Committee member only for 14th February, 2014 in order to comply with provisions of Listing Agreement by passing circulation resolution dated 13th February, 2014.

The Representative of Statutory Auditor, Internal Auditor and Financial Controller were also invited to attend the Audit Committee meetings. Shri Anup P. Shah was present at 97th Annual General Meeting of the Company held on 23rd September, 2013 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 officer 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 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 Nomination and Remuneration Committee of the Board comprises of three independent, non-executive Directors viz.:

Name of the Nomination and 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. Popat	Non-Executive Director – Independent	Member

- c. Meeting of committee was held on 9th August, 2013 during the financial year ended 31st March, 2014. 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 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, 2014 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 (₹)	133,08,000	95,64,000	95,64,000	95,64,000
*Other Perquisites (₹)	95,040	88,320	88,320	88,320
Contribution to PF (₹)	15,96,960	11,47,680	11,47,680	11,47,680
Total	1,50,00,000	1,08,00,000	1,08,00,000	1,08,00,000

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

** Approval from Central Government had been obtain for payment of above remunerations to Managerial Personnel.

- 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 2013-14 the sitting fees paid to the Non-Executive Directors are as detailed below.

(In ₹)

Name	Total Sitting fees paid
Smt. A. M. Shah	37,500
Shri J. D. Masani	1,07,500
Shri Dilip J. Thakkar	37,500
Shri Shardul J. Thacker	1,07,500
Shri D. M. Popat	25,000
Shri Shaunak J. Thacker	62,500
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 Shri Manharlal C. Shah Shri Hiren M. Shah Shri Bharat M. Shah Shri Viraj M. Shah	Chairman Executive Chairman Managing Director Jt. Managing Director 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, 2014 is given below:

Name of Complaint	Received	Cleared	Pending
Non Receipt of Annual Report	-	-	-
Non Receipt of Dividend Warrants	1	1	-
Request for Duplicate Share Certificates	-	-	-
Non Receipt of Share Transferred	-	-	-
Others	2	3	-
Letters from Stock Exchanges/SEBI	1	2	-
Ministry of Corporate Affairs	1	1	-

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 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 Corporate Social Responsibility Committee (CSR) of the Board comprises of three independent, non-executive directors viz.:

Name of the Corporate 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 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
97 th	Monday	23/09/2013	4.30 p.m.	Ruby House, J.K.Sawant Marg, Dadar, Mumbai-28.	1. Regularization of appointment of Shri Anup P. Shah as a Director 2. Re-appointment and Payment of existing remuneration to Chairman, Managing Directors and Executive Directors for Five years w.e.f. 1-04-2014;- Shri M.C. Shah Shri Hiren M. Shah Shri Bharat M. Shah Shri Bharat M. Shah Shri Viraj M. Shah
96 th	Monday	24/09/2012	4.30 p.m.	Ruby House, J.K.Sawant Marg, Dadar, Mumbai-28.	1. Regularization of appointment of Shri Shaunak J. Thacker as a Director 2. Payment of existing Remuneration to Chairman, Managing Directors and Executive Directors;- Shri M.C. Shah Shri Hiren M. Shah Shri Bharat M. Shah Shri Viraj M. Shah 3. Sub-Division of Equity Shares of the Company. 4. Alteration of MOA and AOA of the Company.
95 th	Thursday	29/09/2011	4.30 p.m.	Ruby House, J.K.Sawant Marg, Dadar, Mumbai-28.	Borrowing power and mortgage of Assets

- 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 elsewhere in the Annual 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 Accounting Standard 18, are disclosed in Schedule 32 Note No. 32.1 to the Accounts in 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 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.

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 have been filed 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 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. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the financial year 2013-14.

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	Nil
2.	Shri D. M. Popat	Nil
2.	Shri Shardul J. Thacker	Nil
3.	Shri Anup P. Shah	800
4.	Shri Nitin P. Shingala	Nil

VIII. Means of Communication

- Newspapers:** During F.Y 2013-14, financial results (Quarterly & Annual) are published in newspapers viz. The Financial Express or Free Press Journal 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.
- 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.
- Annual Report:** Annual Report is circulated to all the members within the required time frame.
- 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 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.
- 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.
- There were no presentations made to the institutional investors or analysts during the Financial Year 2013-14.

IX. General Shareholder Information

a. Annual General Meeting to be held :

Day, date, time and venue

Day : Wednesday

Date : 24th September, 2014

Time : 4.30 p.m.

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

b. Financial Calendar 2014-2015

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, 2014 : Before 30th May 2015



c. Dates of Book Closure:

The Register of Members and Share Transfer Register closed from 20th September, 2014 to 24th September, 2014(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 19th September, 2014. 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 19th September, 2014 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 2014-2015.

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

- a. The 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 2013-14 are given below:

Stock Price
For the period: 1st April, 2013 to 31st March, 2014
Script Code: RUBYMILLS (NSE) 503169 (BSE)

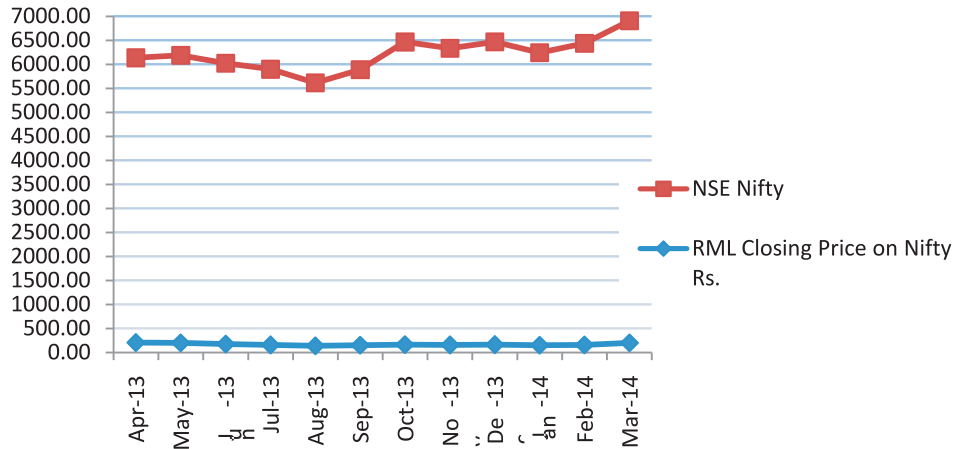
Month	NSE			BSE		
	High Price ₹	Low Price ₹	Volume Traded (No. of Shares)	High Price ₹	Low Price ₹	Volume Traded (No. of Shares)
Apr-13	248.00	194.00	14981	237.75	190.00	13681
May-13	254.80	198.05	53588	253.00	200.00	14531
Jun-13	224.00	172.00	13309	213.80	172.00	6750
Jul-13	190.00	140.00	9567	194.75	140.00	11575
Aug-13	163.95	130.30	8040	161.95	131.00	12744
Sep-13	204.50	134.30	115420	205.00	134.65	43927
Oct-13	179.50	136.05	39946	174.90	151.00	23482
Nov-13	176.00	151.00	15774	173.25	152.00	17468
Dec-13	177.80	149.00	36470	176.50	149.00	26764
Jan-14	186.85	149.00	18031	164.85	150.00	23043
Feb-14	179.00	150.05	8083	172.75	153.00	25051
Mar-14	214.95	155.00	88867	209.00	154.25	76835



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.

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

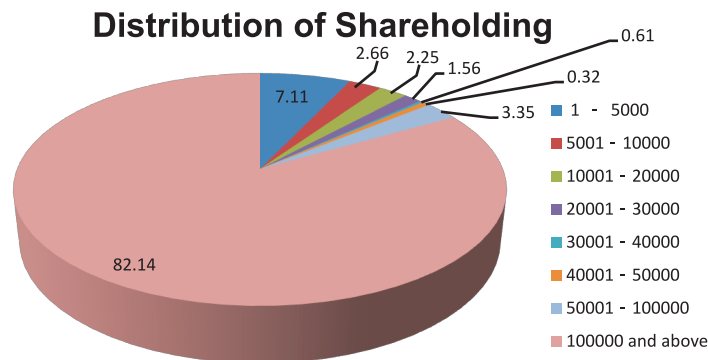
SEBI vide its circular dated 20th May, 2009, has stated that for securities market transactions and off market transactions involving transfer of shares in physical form of Listed Companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company or Company's RTA for registration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

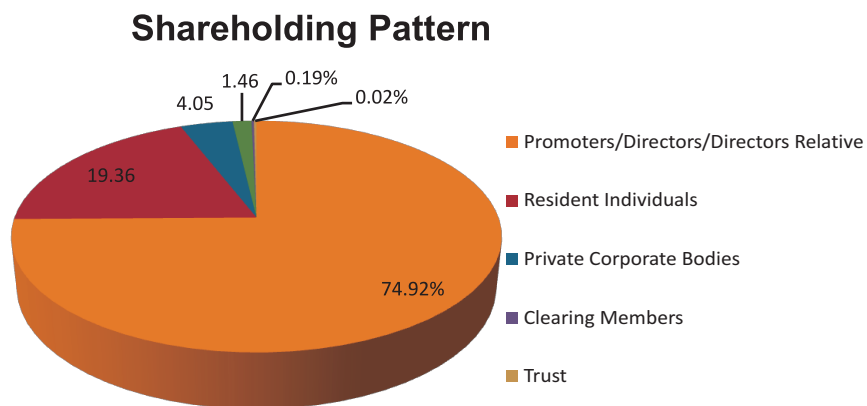
The shareholding distribution of equity shares as of 31st March, 2014 is given below:

Sr. No.	Range (In ₹)	Total Holders	% of Total Holders	No. of Shares	Percentage of shareholding
1	1 – 5000	5339	94.61	594393	7.11
2	5001 – 10000	153	2.71	222784	2.66
3	10001 – 20000	66	1.17	187864	2.25
4	20001 – 30000	27	0.48	130466	1.56
5	30001 – 40000	7	0.13	50784	0.61
6	40001 – 50000	3	0.05	26408	0.32
7	50001 – 100000	19	0.34	280175	3.35
8	100000 and above	29	0.51	6867126	82.14
	TOTAL	5,643	100.00	83,60,000	100.00



n. Shareholding pattern as on 31st March 2014.

Sr. No.	Category	No. of Shares held	% of Share holding
1	Promoters/Directors/Directors Relative	6263360	74.92
2	Resident Individuals	1619037	19.36
3	Private Corporate Bodies	338263	4.05
4	NRIs	121906	1.46
5	Clearing Members	15944	0.19
6	Trust	1490	0.02
	TOTAL	83,60,000	100.00



**o. Dematerialisation of equity Shares**

As on 31st March, 2014, 97.96% of the Company's total equity shares representing 81,89,310 shares are held in dematerialised form and the balance 2.04% representing 1,70,690 shares are in physical form.

p. Plant (Manufacturing Units)

Dhamni Unit Address	Kharsundi Address
Village Dhamni Off. Savroli Kharpada Road Taluka Khalapur Dist. Raigad. Pin: 410202	Village Kharsundi Savroli Kharpada Road Taluka Khalapur Dist. Raigad. Pin: 410202

q. Address for Correspondence

- a. Any query on Annual Report or Investors' Grievance Redressal:
By email: info@rubymills.com
By telephone: 022-24387969

b. Investor Correspondence

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

c. Unclaimed Dividends

Section 205 of the Companies Act, 1956, 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 ₹*	Due date for transfer to IEPF	Amount (₹)#
2006-07	27 th September, 2007	3	1 st December, 2014	20,364
2007-08	25 th September, 2008	3	29 th November, 2015	94,446
2008-09	18 th September, 2009	3	22 nd November, 2016	42,903
2009-10	25 th September, 2010	4	29 th November, 2017	53,668
2010-11	29 th September, 2011	5	2 nd December, 2018	66,150
2011-12	24 th September, 2012	5	22 nd November, 2019	47,170
2012-13	23 rd September, 2013	2	21 st November, 2020	40,208

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

Amount unclaimed as at 31st March, 2014.

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.

r. 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.

s. 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, 2014

We, hereby certify that:-

- a) We have reviewed the Financial Statements and Cash Flow Statement for the year ended on 31st March, 2014 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 : 17th May, 2014

S. Jayaraman
Chief Financial Officer

Hiren M. Shah
Managing Director



AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

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, 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with Bombay Stock Exchange 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.

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.

Place : Mumbai
Dated: May 17, 2014

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

Sd/-
PARESH H. CLERK
Partner
Membership No. 36148



INDEPENDENT AUDITOR'S REPORT

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, 2014, 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

Management is responsible for 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 Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 judgement, 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 opinion.

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:

- i. in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- ii. in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government in terms of section 227(4A) of the Act, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have 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 Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e. On the basis of the written representations received from the directors of the Company as on March 31, 2014, taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of section 274(1)(g) of the Act.

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

PARESH H. CLERK
Partner
Membership No. 36148

Place : Mumbai
Date : 17th May, 2014



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of THE RUBY MILLS LIMITED on the financial statements for the year ended March 31, 2014]

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we report that:

- i a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except in case of certain assets where item wise particulars and tagging of fixed assets are still in the process of updation in the fixed asset register.
- b. The Company has adopted a policy of verifying all its fixed assets in a phased manner designed to cover all the fixed assets over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As explained to us, no material discrepancy was noticed between book records and such verification.
- c. The Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern.
- ii a. Inventories have been physically verified by the management at the year-end. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its business. In case of stocks lying with third parties, certificates confirming such stocks have been received in respect of stocks held as on March 31, 2014.
- b. In our opinion and according to the information and explanations given to us, 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. The Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical inventories and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii a. As per the information furnished, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.
As the company has not granted any loans, Clause (iii)(b) of the Order relating to the rate of interest and other terms and conditions, whether prima facie prejudicial to the interest of the Company, Clause (iii)(c) relating to the regularity of the receipt of principal amount and interest and Clause (iii)(d) relating to steps for recovery of overdue amount of more than rupees one lakh, are not applicable.
- b. As per the information furnished, the Company has taken unsecured loans from ten parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹38,14,25,000 and the year-end balance of loan taken from such parties was ₹ 37,80,50,000.
In our opinion, the rate of interest and other terms and conditions on which loans have been taken from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
The Company is regular in repayment of the principal amounts as stipulated and as also in the payment of interest.
- 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, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in areas of internal control system.
- v a. According to the information and explanations given to us and the records of the Company examined by us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the Register required to be maintained under that Section; and
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements (including purchase of services) entered into the register in pursuance of Section 301 of the Act and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time, wherever applicable.
- vi In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year and hence, the question of complying with the provisions of Section 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder, does not arise.
- vii In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.



- viii We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix a. According to the information and explanations given to us and the records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service-Tax, Customs Duty, Excise Duty, Cess and other material Statutory dues applicable to it and there were no arrears of such Statutory dues as on 31st March, 2014 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to 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, 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 and penalty on account of treatment of sale of leasehold land and notional interest on ICD	Assessment Year 1998-99, 2000-01, 2002-03 and 2005-06	4,28,39,000
	Income-tax Appellate Tribunal	Income-tax on account of disallowances due to classification and valuation of immovable property	Assessment Year 1998-99	47,000
	Commissioner of Income-tax (Appeals)	Income-tax and applicable interest thereon on account of various Additions and disallowances	Assessment Year 2006-07 to 2010-11	10,35,70,918
The Central Excise Act, 1944	Assistant Commissioner of Central Excise	Excise duty on account of additions due to classification, valuation and disallowance of MODVAT Credit	Financial Year 1980-81, 1993-94, 1995-96, 1996-97 to 2000-01, 2001-02	20,02,964
	Commissioner of Central Excise	Excise duty on account of disallowance of MODVAT Credit on inter-unit transfer	Financial Year 2001-02 to 2002-03	3,26,73,717
	Customs, Excise and Service Tax Appellate Tribunal	Interest and Penalty due to disallowances on account of CENVAT Credit and valuation of Sales	Financial Year 2001-02 and 2005-06	20,08,705

- x. There are no accumulated losses of the Company as on March 31, 2014 and the Company has not incurred any cash losses during such financial year and in the immediately preceding financial year.
- xi According to the information and explanations given to us and records of the Company examined by us, the Company has delayed repayment of dues to banks in respect of instalments and interest on Term Loans as also of one credit facility. 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
IDBI Bank Limited • TUF Loan	1,14,79,590	1,12,46,263	From 27 to 30 days
UCO Bank Limited • TUF Loan	2,20,84,000	43,31,730	From 1 to 63 days
Axis Bank Limited • Term Loan • TUF V Loan	13,49,32,519 3,73,83,353	9,34,00,055 2,34,13,646	From 1 to 28 days From 1 to 90 days
Allahabad Bank Limited • Term Loan • Current Account Account	7,37,79,000 7,71,51,648	NIL NIL	From 1 to 61 days From 3 to 78 days

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



- xii According to the information and explanations given to us, the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii As the Company is not a chit fund, Nidhi, mutual benefit fund or a society, Clause 4 (xiii) of the Order is not applicable.
- xiv According to the information and explanations given to us, as the Company is not dealing or trading in shares, securities, debentures and other investments, the requirements of Clause 4(xiv) of the Order relating to the maintenance of the proper records of the transactions and contracts and making of timely entries therein are not applicable.
- xv 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 4 (xv) of the Order to comment on whether the terms and conditions, whereof are prejudicial to the interest of the Company, is not applicable.
- xvi According to the information and explanations given to us on an overall basis, the term loans have been applied for the purposes for which they were raised.
- xvii According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds raised on short-term basis have not been utilised for long-term investment.
- xviii According to the information and explanations given to us, as the Company has not made any preferential allotment of shares during the year, Clause 4(xviii) of the Order is not applicable.
- xix According to the information and explanations given to us, as the Company has not issued any debenture, the question of creating security or charges in respect thereof does not arise.
- xx As the Company has not raised any money by public issues during the year, Clause 4 (xx) of the Order is not applicable.
- xxi Based on the audit procedures performed and information and explanations given to us by the management, we report that no fraud (i.e. intentional material misstatements resultant from fraudulent financial reporting and misappropriation of assets) on or by the Company has been noticed or reported during the course of our audit.

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

PARESH H. CLERK
Partner
Membership No. 36148

Place : Mumbai
Date : May 17, 2014

**BALANCE SHEET AS AT 31ST MARCH, 2014**

	Note	₹	As At 31 st March, 2014 ₹	As At 31 st March, 2013 ₹
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	2	4,18,00,000		4,18,00,000
Reserves and Surplus	3	275,42,02,561		232,47,59,335
			279,60,02,561	236,65,59,335
Non-Current Liabilities				
Long-term Borrowings	4	333,56,13,871		492,55,66,933
Deferred Tax Liabilities (Net)	5	7,65,32,000		10,16,72,000
Other Long-term Liabilities	6	20,79,69,677		29,04,89,976
Long-term Provisions	7	19,98,917		17,88,739
			362,21,14,465	531,95,17,648
Current Liabilities				
Short-term Borrowings	8	26,42,77,335		30,33,89,573
Trade Payables	9	19,25,14,189		15,24,89,019
Other Current Liabilities	10	335,82,04,421		201,05,61,065
Short-term Provisions	11	5,19,39,218		2,40,56,660
			386,69,35,163	249,04,96,317
TOTAL			1028,50,52,189	1017,65,73,300
ASSETS				
Non-current Assets				
Fixed Assets				
Tangible Assets				
Capital Work-in-progress	12	169,81,93,391		181,63,24,051
		29,26,05,692		36,42,70,979
		199,07,99,083		218,05,95,030
Non-current Investments	13	48,962		48,962
Long-term Loans and Advances	14	471,45,35,604		451,99,14,510
Other Non-current Assets	15	1,09,291		1,21,346
			670,54,92,940	670,06,79,848
Current Assets				
Inventories	16	41,62,86,880		34,47,01,826
Trade Receivables	17	23,74,31,349		19,64,88,286
Cash and Bank Balances	18	3,17,94,781		11,05,30,845
Short-term Loans and Advances	19	271,25,19,418		266,76,73,349
Other Current Assets	20	18,15,26,821		15,64,99,146
			357,95,59,249	347,58,93,452
TOTAL			1028,50,52,189	1017,65,73,300

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

1-40

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

Place : Mumbai
Dated : 17th May, 2014

Place : Mumbai
Dated : 17th May, 2014

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

	Note	For the Year ended 31 st March, 2014 ₹	For the Year ended 31 st March, 2013 ₹
Revenue from Operations	21	187,62,61,360	159,04,08,465
Less : Excise Duty on Sales		NIL	2,41,257
Revenue from Operations (Net)		187,62,61,360	159,01,67,208
Other Income	22	39,16,88,365	48,09,86,155
Total Revenue		226,79,49,725	207,11,53,363
Expenses			
Cost of Materials Consumed	23	52,52,97,986	34,08,27,566
Changes in Inventories of Finished Goods and Work-in-Progress	24	(6,66,56,420)	11,27,91,664
Employee Benefits Expense	25	15,51,91,007	14,51,14,448
Finance Costs	26	18,81,65,375	18,76,88,814
Depreciation and Amortisation Expense	12	22,55,96,087	24,40,02,952
Other Expenses	27	73,50,09,184	60,81,46,340
Total Expenses		176,26,03,219	163,85,71,785
Profit before Exceptional Items and Tax		50,53,46,506	43,25,81,578
Less : Exceptional items		NIL	NIL
Profit Before Tax		50,53,46,506	43,25,81,578
Tax Expense			
Current Tax (Refer Note 11.1)		12,00,00,000	9,00,00,000
Less- MAT Credit Entitlement		1,00,00,000	NIL
		11,00,00,000	9,00,00,000
Deferred Tax (Refer Note 5)		(2,51,40,000)	3,84,95,633
Current Tax Adjustments of Earlier Years		(2,85,18,320)	(7,48,578)
		5,63,41,680	12,77,47,055
Profit for the Year		44,90,04,826	30,48,34,523
Earnings Per Equity Share of ₹5	28		
Basic and Diluted (₹) per share		53.71	36.46
Notes (including Significant Accounting Policies) Forming Part of the Financial Statements	1-40		

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 : 17th May, 2014

For and on behalf of the Board of Directors

MANHARLAL C. SHAH
Executive Chairman

BHARAT M. SHAH
Jt. Managing Director

HIREN M. SHAH
Managing Director

PANKAJ J. PARKHIYA
Company Secretary

Place : Mumbai
Dated : 17th May, 2014

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

	For the Year ended 31 st March, 2014 ₹	For the Year ended 31 st March, 2013 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	50,53,46,506	43,25,81,578
Adjustments for :		
Loss/(Profit) on Sale of Fixed Assets	(58,73,513)	18,73,776
Depreciation	22,55,96,087	24,40,02,953
Assets written off	NIL	21,78,452
Finance Costs	18,81,65,375	18,76,36,267
Dividend	(27,000)	(13,500)
Interest Income	(6,54,77,026)	(8,93,25,782)
Unrealised Loss / (Gain) on Foreign Exchange	93,63,823	62,45,234
Amounts written back	(1,28,18,879)	(1,13,65,423)
Operating Profit Before Working Capital Changes	(a) 84,42,75,373	77,38,13,555
Adjustments for :		
Trade Receivables	(4,09,43,063)	2,81,60,222
Short-term Loans and Advances	(4,49,47,034)	(51,48,17,130)
Inventories	(7,15,85,054)	8,70,79,728
Other Current Assets	(2,50,27,675)	(2,10,90,231)
Trade Payables, Other Current Liabilities and Short-term Provisions	114,70,25,816	(12,68,60,229)
Long-term Loans and Advances and Other Non-current Assets	(12,59,83,724)	129,42,53,453
Other Long-term Liabilities and Long-term Provisions	8,22,77,852	(24,64,064)
	(b) 92,08,17,119	(88,48,32,863)
Cash Generated From Operations	(a+b) 176,50,92,492	(11,10,19,308)
Income Tax Paid	(4,98,00,000)	(3,30,00,000)
Net Cash From Operating Activities	A 171,52,92,492	(14,40,19,308)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(16,48,73,323)	(8,43,23,319)
Sale of Fixed Assets	13,49,46,700	1,85,49,333
Long-term Loans and Advances - Capital Advances	7,36,285	12,95,985
Dividend Income	27,000	13,500
Interest Income	6,54,77,026	8,93,25,782
Net Cash From Investing Activities	B 3,63,13,688	2,48,61,281
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Long-term Borrowings	(151,92,43,488)	(9,90,77,251)
(Increase) / Decrease in Short-term Borrowings	(10,98,21,818)	(10,90,40,735)
Finance Costs	(18,17,15,336)	(18,38,43,807)
Dividend Paid (Including Dividend Distribution Tax)	(1,95,61,600)	(2,42,90,000)
Net Cash From Financing Activities	C (183,03,42,242)	(41,62,51,793)
Increase in Cash and Cash Equivalents (A+B+C)	(7,87,36,063)	(53,54,09,820)
Cash and Cash Equivalents at the beginning of the Year	11,05,30,845	64,59,40,665
Cash and Cash Equivalents at the end of the Year	3,17,94,781	11,05,30,845
Components of Cash and Cash Equivalents :		
Cash on hand	7,64,336	4,96,272
Balances with Banks		
On Current Accounts	67,32,120	4,89,78,665
On Unclaimed Dividend Accounts	3,64,909	3,68,190
Other Bank Balances	2,39,33,416	6,06,87,718
	3,17,94,781	11,05,30,845

Note : 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 : 17th May, 2014

For and on behalf of the Board of Directors

MANHARLAL C. SHAH
Executive Chairman

HIREN M. SHAH
Managing Director

BHARAT M. SHAH
Jt. Managing Director

PANKAJ J. PARKHIYA
Company Secretary
Place : Mumbai
Dated : 17th May, 2014



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

1. Significant Accounting Policies

1.1 Basis of Accounting :

The accounts have been prepared on the basis of going concern under historical cost convention as also on accrual basis and in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, which have been prescribed by the Companies (Accounting Standards) Rules, 2006, (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the Companies Act, 1956 / the Companies Act, 2013, as applicable.

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. Expenditure on incomplete Fixed Assets are shown as capital work-in-progress until such time the same are completed. Capital work-in-progress is stated at cost.

1.5 Depreciation :

- i. Depreciation is calculated at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 as under:
 - a. Plant and Machinery capitalised on or after 1st April, 1988, on the "Straight Line Method".
 - b. All other assets, on the "Written Down Value Method".
- ii. Depreciation in respect of each item of depreciable asset so provided is equal to or not less than the depreciation which is required to be provided at the rates specified in Schedule XIV of the Companies Act, 1956.
- iii. In respect of Fixed Assets whose actual cost does not exceed ₹ 5,000, depreciation is provided at 100% in the year of addition.

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. **Deferred Tax** : In accordance with the Accounting Standard 22 - "Accounting for Taxes on Income", the deferred tax for the timing differences is measured using the tax rates and tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax assets arising from the timing differences are recognised only on the consideration of prudence.

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 as Provisions, the liabilities being present obligations arising from past events, the settlement of which is expected to result in an outflow of resources and which can be measured only by using a substantial degree of estimation.
- 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 31st March, 2014 ₹	As At March 31, 2013 ₹
2. Share Capital :		
Authorised :		
1,00,00,000 (50,00,000) Equity Shares of ₹ 5 par value	5,00,00,000	5,00,00,000
	5,00,00,000	5,00,00,000
Issued, Subscribed and Paid up :		
83,60,000 (83,60,000) Equity Shares of ₹ 5 par value fully paid	4,18,00,000	4,18,00,000
	4,18,00,000	4,18,00,000

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

	As At 31st March, 2014		As At 31st March, 2013	
	No. of Shares	₹	No. of Shares	₹
Equity Shares of ₹ 5 par value				
At the beginning	83,60,000	4,18,00,000	63,60,000	4,18,00,000
Changes during the year	NIL	NIL	NIL	NIL
At the end	83,60,000	4,18,00,000	63,60,000	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 17th May, 2014, proposed a final dividend of ₹ 2 per equity share of ₹ 5 each. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend appropriation for the year ended 31st March, 2014 amounted to ₹1,95,61,600 including corporate dividend tax of ₹ 28,41,600.
During the year ended 31st March, 2013, the amount of per share dividend recognised as distribution to equity shareholders is ₹ 2. The Dividend appropriation for the year ended 31st March, 2013 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 :

Name of the Shareholder	As At 31st March, 2014		As At 31st March, 2013	
	No. of Shares	% held	No. of Shares	% held
Manubhai and Sons Investment Company Private Limited	11,94,450	14.29	11,94,450	14.29
Hiren Brothers Investment Company Private Limited	11,94,450	14.29	11,94,450	14.29
M.C. Shah and Sons Investment Company Private Limited	11,94,170	14.28	11,94,170	14.28

3. Reserves and Surplus :

	As At 31st March, 2014 ₹	As At 31st March, 2013 ₹
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	55,64,22,576	52,54,22,576
Add : Transferred from Surplus	100,00,00,000	3,10,00,000
	155,64,22,576	55,64,22,576
Surplus		
As per last Balance Sheet	155,70,17,368	130,27,44,445
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	44,90,04,826	30,48,34,523
	200,60,22,194	160,75,78,968
Less: Appropriations		
General Reserve	100,00,00,000	3,10,00,000
Proposed Dividend	1,67,20,000	1,67,20,000
Tax on Dividend	28,41,600	28,41,600
	98,64,60,594	155,70,17,368
	275,42,02,561	232,47,59,335



	As At 31 st March, 2014 ₹	As At 31 st March, 2013 ₹
4. Long-term Borrowings :		
Term Loans (Refer Notes 4.1 and 4.3)		
Secured		
From Banks		
Under Textile Up gradation Fund Scheme (TUFS) [Refer Note 4.2] [Including Buyers' Credit of ₹ NIL (Previous Year ₹ 1,39,25,084)]	59,15,35,725	79,96,59,223
Others (Refer Note 4.2) [Including Buyers' Credit of ₹ NIL (Previous Year ₹ 28,83,56,142)]	213,75,68,012	368,84,62,710
From Other Parties	16,90,65,134	NIL
Deposits - Inter Corporate		
Unsecured	14,00,00,000	14,00,00,000
Loans and Advances from Related Parties		
Unsecured (Refer Notes 4.4 and 32.1)	29,74,45,000	29,74,45,000
	<u>333,56,13,871</u>	<u>492,55,66,933</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".

4.2 Period and amount of continuing default in repayment of above loans (reflected in Note 10 on "Other Current Liabilities" being current in nature)

	Due from	₹	Due from	₹
Principal amounts				
Term Loan from UCO Bank (Under TUFS)	1-Mar-14	31,25,000	-	NIL
Term Loan from Axis Bank Limited (Under TUFS)	31-Mar-14	1,25,00,000	-	NIL
Term Loan from Axis Bank Limited (RE Loan)	31-Mar-14	13,49,32,519	-	NIL
		<u>15,05,57,519</u>		<u>NIL</u>
Interest Amounts				
Term Loan from UCO Bank (Under TUF)	28-Feb-14	2,98,728	-	NIL
Term Loan from UCO Bank (Under TUF)	31-Mar-14	5,43,842	-	NIL
		<u>8,42,570</u>		<u>NIL</u>
Principal and interest amounts due and remaining unpaid		<u>15,14,00,089</u>		<u>NIL</u>

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	Rate of Interest	As At 31 st March, 2014 ₹	As At 31 st March, 2013 ₹
Secured			
Term Loan from Banks:			
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.	4,53,09,987	7,65,03,750
a. First charge on <u>pari passu</u> basis on the entire Fixed Assets of the Company, present and future, including Plant and Machinery acquired out of this Term Loan.			
b. Second <u>pari passu</u> 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.			



Nature of Security and Terms of Repayment Secured	Rate of Interest	As At	As At
		31 st March, 2014 ₹	31 st March, 2013 ₹
Term Loan from Banks:			
ii. Term Loan from IDBI Bank of ₹18,75,00,000 for TUFs repayable in 98 monthly instalments commencing from May 2012 is secured by:	14.75% p.a.	14,34,94,905	16,64,65,040
a. First charge on the machinery acquired out of this Term Loan.			
b. First charge on <u>pari passu</u> basis on the Fixed Assets of the Company situated at Dhamni and Kharsundi.			
c. Personal guarantee of two promoter directors of the Company.			
iii. Term Loan from Axis Bank of ₹ 46,00,00,000 for TUFs repayable in 33 quarterly instalments commencing from September 2009 is secured by:	Ranging from 14.25% p.a. to 14.50% p.a.	29,75,00,000	33,50,00,000
a. First <u>pari passu</u> charge on the Fixed Assets of the Company excluding land at Dadar.			
b. Second <u>pari passu</u> charge on the Current Assets of the Company, present and future.			
c. Escrow of lease rent receivables to that extent of ₹ 5,00,00,000.			
d. Personal guarantee of two promoter directors of the Company.			
iv. Term Loan from State Bank of India of ₹44,00,00,000 for TUFs repayable in 72 monthly instalments commencing from October 2011 is secured by:	Ranging from 14.40% p.a. to 16.00% p.a.	32,00,00,000 (Including Buyers' Credit of ₹ NIL, as a Sub-limit)	39,21,49,614 (Including Buyers' Credit of ₹ 1,39,25,084, as a Sub-limit)
a. First <u>pari passu</u> 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.			
b. Second <u>pari passu</u> charge on the entire Current Assets of the Company, present and future.			
c. Personal guarantee of two promoter directors of the Company.			
v. Term Loan from Andhra Bank of ₹100,00,00,000 for IT Park repayable in 9 quarterly instalments commencing from July 2011 is secured by:	Ranging from 15.75% p.a. to 16.00% p.a.	NIL (Including Buyers' Credit of ₹ NIL, as a Sub-limit)	2,94,59,878 (Including Buyers' Credit of ₹ 2,93,70,075, as a Sub-limit)
a. First <u>pari passu</u> charge on the Fixed Assets of the Real Estate Project - 'The Ruby', both present and future, by way of Equitable Mortgage of Project Land situated at Dadar, Mumbai.			
b. First <u>pari passu</u> charge by way of Hypothecation of Stocks, Machinery and Building Materials for the project and lien on project receivables.			
c. Personal guarantee of two promoter directors of the Company.			
vi. Term Loan from Allahabad Bank of ₹100,00,00,000 for IT Park repayable in 27 monthly instalments commencing from July 2011 is secured by:	15.45% p.a.	NIL	22,85,03,754 (Including Buyers' Credit of ₹ 4,52,03,847, as a Sub-limit)
a. First <u>pari passu</u> charge on the Fixed Assets of the Real Estate Project, both present and future by way of Equitable Mortgage of Project Land situated at Dadar, Mumbai.			
b. First <u>pari passu</u> charge by way of Hypothecation of Stocks, Machinery and Building Materials for the project and lien on project receivables.			
c. Personal guarantee of two promoter directors of the Company.			
vii. Term Loan from Axis Bank of ₹ 337,00,00,000 repayable in 8 quarterly instalments commencing from January 2014 is secured by:	Ranging from 13.50% p.a. to 13.75% p.a.	265,77,25,319 (Including overdraft facilities of ₹ 19,73,80,217, as a Sub-limit)	303,81,10,270 (Including Buyers' Credit of ₹ 21,37,82,220 and overdraft facilities of ₹10,75,00,000, as a Sub-limit.)
a. First <u>pari passu</u> 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.			
b. First <u>pari passu</u> charge on the Development Rights of "second mortgaged property" referred to in (vii(a)) above.			



Nature of Security and Terms of Repayment Secured	Rate of Interest	As At	As At
		31 st March, 2014	31 st March, 2013
Term Loan from Banks:		₹	₹
<p>c. First <i>pari passu</i> 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 <i>pari passu</i> 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 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 Pvt Ltd.</p>			
viii. Term Loan from Allahabad Bank of ₹ 110,00,00,000 under Lease Rental Discounting Scheme repayable in 101 unequal monthly instalments commencing from October 2011 is secured by:	Ranging from 12.70% p.a. to 13.25% p.a.	95,54,83,416	101,03,95,583
<p>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.</p> <p>b. Personal guarantee of two promoter directors of the Company.</p>			
ix. "Foreign Currency Term Loan from HDFC Bank of USD 55,66,031 (₹ 26,16,00,000 crore) under Lease Rental Discounting Scheme repayable in 34 quarterly instalments commencing from April 2007 is secured by:"	LIBOR + 500 bps.	5,88,55,877	8,89,09,170
<p>a. Registered mortgage of premises given on lease situated at 'Ruby House', Dadar, Mumbai.</p> <p>b. Assignment of lease rental receivables from the lessees.</p> <p>c. Personal guarantee of two promoter directors of the Company.</p>			



Nature of Security and Terms of Repayment Secured	Rate of Interest	As At	As At
		31 st March, 2014 ₹	31 st March, 2013 ₹
Term Loan from Banks:			
x. 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 : a. Assignment of lease rental of the property situated at Ruby Tower from the lessee - Sharekhan Limited. b. Registered mortgage of premises on 18 th Floor given on leave and Licence basis to Sharekhan Limited of 'The Ruby' situated at Dadar, Mumbai. c. Personal guarantee of two promoter directors of the Company.	12.25% p.a.	10,36,98,805	NIL
x. 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) : a. First <u>pari passu</u> 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. b. First <u>pari passu</u> Charge over development rights of the project sold by Ruby Mills Limited to Mindset Estate Private Limited (Developer). c. First <u>pari passu</u> hypothecation charge on entire movable fixed assets and current assets (including cash flows)of Project both present & future except area already leased/sold. d. <u>Pari passu</u> 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. e. First <u>pari passu</u> 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 & such further FSI thus generated has been proposed to be utilized on obtaining revised OC from MCGM for "THE RUBY". f. First <u>pari passu</u> 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. g. Personal guarantee of two promoter directors of the Company.	13.75% p.a.	34,00,00,000	NIL
Term Loan From Other Parties:			
xii. Term Loan from Reliance Capital Limited of ₹ 40,00,00,000 under Loan Against Property repayable in 12 monthly instalments commencing from February 2015 is secured by : a. First <u>pari passu</u> 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.	17.75% p.a.	20,00,00,000	NIL
Total of (i) to (xii)		512,20,68,309	536,54,97,058
Less : Current Maturities of Long-term debt (Refer Note 10)		222,38,99,438	87,73,75,126
		289,81,68,871	448,81,21,933
4.4 Terms of repayment of unsecured borrowings: Loans and Advances from Related Parties	Ranging from 14.00% p.a. to 15.00% p.a.	29,74,45,000	29,74,45,000



	Rate of Interest	As At 31 st March, 2014 ₹	As At 31 st March, 2013 ₹
5 Deferred Tax Liabilities (Net) :			
Items of Timing Difference			
Deferred Tax Liabilities			
Related to Fixed Assets			
- Depreciation (Refer Note 5.1)		10,00,76,000	11,47,52,000
- Foreign Exchange (Gain) / Loss on revaluation of Creditors on Capital Account		(41,18,000)	28,35,000
Lease Income (Refer Note 5.2)		4,69,000	1,11,84,000
		<u>9,64,27,000</u>	<u>12,87,71,000</u>
Deferred Tax Assets			
Provision for Leave Encashment		(9,57,000)	(8,15,000)
Voluntary Retirement Scheme		(1,72,64,000)	(2,47,19,000)
Disallowances under section 43B of the Income-tax Act, 1961		(16,74,000)	(15,65,000)
		<u>(1,98,95,000)</u>	<u>(2,70,99,000)</u>
Net Deferred Tax Assets / (Liabilities)		<u>7,65,32,000</u>	<u>10,16,72,000</u>

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

	As At 31 st March, 2014 ₹	As At 31 st March, 2013 ₹
Reversal of Deferred Tax liabilities		
Foreign Exchange Loss/(Gain) on Revaluation of Creditors on Capital Account.	38,09,000	NIL
Recognising of Deferred Tax Liabilities:		
- Depreciation	NIL	4,97,68,000
- Lease income	NIL	3,96,29,000
- Rate difference	48,42,000	NIL
	<u>86,51,000</u>	<u>8,93,97,000</u>
6. Other Long-term Liabilities :		
Trade and Security Deposits	20,79,69,677	29,04,89,976
	<u>20,79,69,677</u>	<u>29,04,89,976</u>
7. Long-term Provisions :		
Provision for Employee Benefits (Refer Note 30)		
For Leave Encashment	19,98,917	17,88,739
	<u>19,98,917</u>	<u>17,88,739</u>
8. Short-term Borrowings :		
Loans repayable on demand (Refer Note 8.1)		
Secured		
From Banks		
Cash Credit and Overdraft Facilities [Including Buyers' Credit of ₹ NIL (Previous Year ₹ 3,95,39,867)]	18,36,72,335	20,33,89,573
Unsecured		
Deposits - Inter Corporate	NIL	10,00,00,000
Loans and Advances from Related Parties	8,06,05,000	NIL
	<u>26,42,77,335</u>	<u>30,33,89,573</u>



8.1 Cash Credit Facilities are secured by :

Bank of India - ₹ 3,79,52,401 (Previous Year ₹ 4,05,81,426]
 State Bank of India - ₹ 11,97,30,245 (Previous year ₹ 11,07,72,31)
 Bank of Baroda - ₹ 2,59,89,689 (Previous Year ₹ 1,52,45,410)

- First pari passu charge on entire Current Assets, both present and future, of the Company.
- Second pari passu charge on Land and Building and Plant and Machinery on Company's Assets at Dhamini and Kharsundi.
- Personal guarantee of two promoter directors of the Company.

	As At 31 st March, 2014 ₹	As At 31 st March, 2013 ₹
9. Trade Payables :		
Micro and Small Enterprises (Refer Note 9.1)	55,50,910	57,28,942
Others	18,69,63,279	14,67,60,077
	<u>19,25,14,189</u>	<u>15,24,89,019</u>

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

Principal amount remaining unpaid and interest due thereon

Principal Amount	55,50,910	57,28,942
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 (Refer Note 4.2)	21,47,69,167	17,04,59,180
Others (Refer Note 4.2)	197,81,95,405	70,69,15,946
From Other Parties	<u>3,09,34,866</u>	NIL
	222,38,99,438	87,73,75,126
Interest accrued and due on Borrowings	50,70,105	66,43,563
Interest accrued but not due on Borrowings	4,53,04,175	6,19,18,261
Unclaimed Dividends	3,64,909	3,68,190
Trade and Security Deposits	3,37,08,805	96,34,256
Advance against Sale of Property	101,11,72,000	101,00,00,000
Other Payables		
For Capital Expenses	29,01,205	62,24,128
Others (Refer Note 10.1)	<u>3,57,83,784</u>	3,83,97,541
	3,86,84,989	4,46,21,669
	<u>335,82,04,421</u>	<u>201,05,61,065</u>

10.1 Others include Statutory Dues and other year end provisions.



	As At 31st March, 2014	As At 31st March, 2013
	₹	₹
11. Short-term Provisions :		
Provision for Employee Benefits (Refer Note 30)		
For Gratuity	26,62,908	3,21,314
For Leave Encashment	8,17,599	7,21,853
	34,80,507	10,43,167
Others		
For Proposed Dividend	1,67,20,000	1,67,20,000
For Tax on Dividend	28,41,600	28,41,600
Provision for Income Tax	11,03,34,329	3,10,00,000
Less : Income Tax paid	8,14,37,218	2,75,48,107
	2,88,97,111	34,51,893
	5,19,39,218	2,40,56,660

- 11.1 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.



12. Fixed Assets :	DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK				
		As At 1 st April, 2013	Additions	During the year Other Adjustments	Sale	As At 31 st March, 2014	Upto 31 st March, 2013	For the Year	Deductions/ Other Adjustments	Upto 31 st March, 2014	As At 31 st March, 2014	As at 31 st March, 2013
	Current Year											
	Tangible assets											
	Land	10,44,99,654	-	-	-	10,44,99,654	-	-	-	-	10,44,99,654	10,44,99,654
	Freehold Land	-	-	-	-	-	-	-	-	-	-	-
	Freehold Land -under Development (Note 14.2)	92,912	-	-	-	92,912	-	-	-	-	92,912	92,912
	Leasehold Land	6,96,419	-	-	-	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	45,45,58,700	39,67,49,772
	On Freehold Land	1,35,08,387	-	-	-	1,35,08,387	83,25,379	1,50,414	-	84,75,793	50,32,594	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	38,79,64,556
	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	71,80,44,991	86,74,02,156
	Owned	33,90,790	-	-	-	33,90,790	26,38,685	3,50,608	-	29,89,293	4,01,497	7,52,106
	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	3,09,56,945	3,45,65,958
	Furniture and Fixtures	9,72,314	-	-	-	9,72,314	6,01,871	51,529	-	6,53,400	3,18,914	3,70,443
	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	69,96,682	72,10,530
	Given on lease	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	1,05,70,010
	Vehicles	2,66,528	1,87,000	-	-	4,53,528	-	-	-	-	4,53,528	2,66,528
	Office Equipments-Computers											
	Live stock											
	Total	334,55,65,705	11,62,68,518	-	6,04,21,776	340,14,12,447	152,92,41,653	22,55,96,087	5,16,18,684	170,32,19,056	169,81,93,391	181,63,24,051
	Intangible assets											
	Technical know how fees	33,11,201	-	-	-	33,11,201	33,11,201	-	-	33,11,201	-	-
	Total	33,11,201	-	-	-	33,11,201	33,11,201	-	-	33,11,201	-	-
	Capital Work-in-Progress											
	Technical know how fees	36,42,70,979	4,86,04,805	12,02,70,092	-	29,26,05,692	-	-	-	-	29,26,05,692	36,42,70,979
	Total	36,42,70,979	4,86,04,805	12,02,70,092	-	29,26,05,692	-	-	-	-	29,26,05,692	36,42,70,979
	Previous Year											
	Tangible assets											
	Land	10,44,99,654	-	-	-	10,44,99,654	-	-	-	-	10,44,99,654	10,44,99,654
	Freehold Land	-	-	-	-	-	-	-	-	-	-	-
	Freehold Land -under Development (Note 14.2)	92,912	-	-	-	92,912	-	-	-	-	92,912	92,912
	Leasehold Land	6,96,419	-	-	-	6,96,419	-	-	-	-	6,96,419	6,96,419
	Buildings	57,74,57,238	5,65,35,982	-	-	63,39,93,220	20,14,81,720	3,57,61,728	-	23,72,43,447	39,67,49,772	37,59,75,518
	On Freehold Land	1,35,08,387	-	-	-	1,35,08,387	81,66,201	1,59,178	-	83,25,379	51,83,008	53,42,186
	Given on Lease	44,05,60,114	-	-	-	44,05,60,114	3,21,76,371	2,04,19,187	-	5,25,95,558	38,79,64,556	40,83,83,743
	Plant and Equipments	201,12,68,484	5,94,07,844	3,66,65,427	3,47,78,897	199,92,32,004	100,28,22,177	17,72,93,059	4,82,85,388	113,18,29,848	86,74,02,156	100,84,46,307
	Owned	33,90,790	-	-	-	33,90,790	22,88,077	3,50,608	-	26,38,685	7,52,106	11,02,713
	Given on lease	8,76,72,590	1,76,313	-	-	8,76,72,590	4,87,91,206	43,15,426	-	5,31,06,632	3,45,65,958	3,87,05,071
	Furniture and Fixtures	9,72,314	-	-	-	9,72,314	5,42,017	59,854	-	6,01,871	3,18,914	3,70,443
	Owned	2,07,83,441	24,48,481	-	24,04,770	2,07,83,441	1,30,81,045	22,61,012	17,69,146	1,35,72,911	72,10,530	76,58,685
	Given on lease	3,36,69,352	62,27,980	-	-	3,98,97,332	2,59,44,422	33,82,900	-	2,93,27,322	1,05,70,010	77,24,929
	Vehicles	2,66,528	-	-	-	2,66,528	-	-	-	-	2,66,528	2,66,528
	Office Equipments-Computers											
	Live stock											
	Total	329,46,18,200	12,47,96,600	3,66,65,427	3,71,83,667	334,55,65,705	133,52,93,236	24,40,02,952	5,00,54,534	152,92,41,654	181,63,24,051	195,93,24,963
	Intangible assets											
	Technical know how fees	33,11,201	-	-	-	33,11,201	33,11,201	-	-	33,11,201	-	-
	Total	33,11,201	-	-	-	33,11,201	33,11,201	-	-	33,11,201	-	-
	Capital Work-in-Progress	40,35,51,261	9,19,66,585	13,12,46,867	-	36,42,70,979	-	-	-	-	36,42,70,979	40,35,51,261
	(Refer Note: 12.1)											
	Total	40,35,51,261	9,19,66,585	13,12,46,867	-	36,42,70,979	-	-	-	-	36,42,70,979	40,35,51,261

Borrowing cost capitalised during the year ₹ 1,62,98,878 (previous year ₹ 1,44,79,782)



	As At 31 st March, 2014 ₹	As At 31 st March, 2013 ₹		
13. Non-current Investments :				
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 (90) (₹ 100 par value)	27,750	27,750		
In Government Securities				
Unquoted				
3% Government of India Conversion Loan 1986 (Deposited with Central Excise Authorities)	19,212	19,212		
7 Years National Savings Certificates (Deposited with government authorities)	2,000	2,000		
	48,962	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	4,03,48,837	3,99,40,779
Deposits	1,29,46,415	1,40,34,023
Balance with Central Excise Authorities (Refer Note 14.1)	1,06,41,044	1,06,41,044
Due from a Developer (Refer Note 14.2)	459,04,42,120	442,40,78,095
Advance to Gratuity Trust	45,94,906	51,05,216
Other Loans and Advances (Refer Note 14.3)		
Advances recoverable in cash or in kind or for value to be received	55,89,503	66,65,000
Income Tax Paid	13,99,72,779	48,52,50,353
Less : Provision for Income Tax	9,00,00,000	46,58,00,000
	4,99,72,779	1,94,50,353
	5,55,62,282	2,61,15,353
	471,45,35,604	451,99,14,510

- 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 Honorable High Court of Bombay on March 29, 2007 which is subsequently admitted by the Honorable High Court on March 25, 2008.
- 14.2 a. 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 up to 31st March, 2014 for the construction (net of amounts received from the developer in terms of the DA) amounting to ₹ 459,04,42,120 (Previous Year ₹ 442,40,78,095) is shown as "Due from developer" under Note 14 and ₹ 220,00,00,000 (Previous Year ₹ 215,00,00,000) 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 31st March, 2014, 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 ₹ 23,18,47,025 (Previous Year ₹ 21,33,54,569) 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) from the Purchasers / Licensees, etc. 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 continue 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 31 st March, 2014 ₹	As At 31 st March, 2013 ₹
15. Other Non-current Assets :		
Cash and Bank Balances		
Other Bank Balances		
On Fixed Deposit Accounts	1,09,291	1,21,346
With maturity beyond 12 months from Balance Sheet date (Held as margin money)		
	<u>1,09,291</u>	<u>1,21,346</u>
16. Inventories :		
Raw Materials	5,03,58,278	5,52,48,174
Work-in-Progress	30,33,73,074	23,27,11,799
Finished Goods	2,53,13,616	2,95,71,737
Fuel	1,20,34,824	50,79,080
Stores and Spares	2,44,49,587	2,15,86,802
Waste	7,57,501	5,04,234
	<u>41,62,86,880</u>	<u>34,47,01,826</u>
16.1 Details of Inventories :		
a. Work-in-Progress		
Fabric	21,20,35,454	13,90,52,177
Yarn	9,13,37,620	9,36,59,622
	<u>30,33,73,074</u>	<u>23,27,11,799</u>
b. Finished Goods		
Fabric (packed)	2,53,13,616	2,95,71,737
	<u>2,53,13,616</u>	<u>2,95,71,737</u>
17. Trade Receivables :		
Unsecured, Considered doubtful		
- Outstanding for a period exceeding six months from the date they are due for payment	13,61,435	NIL
Less: Provision for doubtful debts	<u>(13,61,435)</u>	<u>NIL</u>
	NIL	NIL
Unsecured, Considered good		
- Outstanding for a period exceeding six months from the date they are due for payment	62,13,575	1,97,25,121
- Others	23,12,17,774	17,67,63,165
	<u>23,74,31,349</u>	<u>19,64,88,286</u>
	<u>23,74,31,349</u>	<u>19,64,88,286</u>



	As At 31st March, 2014 ₹	As At 31st March, 2013 ₹
18. Cash and Bank Balances :		
Cash and Cash Equivalents		
Cash on hand	7,64,336	4,96,272
Balances with Banks		
On Current Accounts	67,32,120	4,89,78,665
On Unclaimed Dividend Accounts	3,64,909	3,68,190
	<u>70,97,029</u>	<u>4,93,46,855</u>
Other Bank Balances		
On Fixed Deposit Accounts		
With maturity within 12 months from Balance Sheet date (Held as margin money)	1,71,36,559	5,27,11,092
Others	67,96,857	79,76,626
	<u>2,39,33,416</u>	<u>6,06,87,718</u>
	<u><u>3,17,94,781</u></u>	<u><u>11,05,30,845</u></u>
19. Short-term Loans and Advances :		
Unsecured, Considered Good		
Deposits - Inter Corporate	50,00,00,000	50,00,00,000
Other Loans and Advances (Refer Note 19.1)		
Advances recoverable in cash or in kind or for value to be received		
Due from a Developer (Refer Note 14.2 .b)	220,00,00,000	215,00,00,000
Others	43,36,982	1,24,68,072
Advances to Suppliers	81,82,436	52,05,277
	<u>221,25,19,418</u>	<u>216,76,73,349</u>
	<u><u>271,25,19,418</u></u>	<u><u>266,76,73,349</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.		
20. Other Current Assets :		
Interest Receivable on Security / Fixed / Inter Corporate Deposits	11,74,25,036	6,34,29,336
Capital Subsidy Receivable under TUFS	29,46,997	1,86,64,997
Interest Subsidy Receivable under TUFS	3,00,46,546	4,67,16,507
Foreign Exchange Subsidy Receivable	3,11,08,242	2,76,88,306
	<u>18,15,26,821</u>	<u>15,64,99,146</u>



	For the Year ended 31 st March, 2014	For the Year ended 31 st March, 2013
	₹	₹
21. Revenue From Operations :		
Sale of Products - Manufactured Goods (Refer Note 21.1)	153,47,00,847	120,67,55,287
Sale of Services		
Processing Charges	17,15,511	6,88,345
License Fees and Other Amenities (Refer Note 21.2)	<u>33,09,06,554</u>	<u>37,66,79,549</u>
	33,26,22,065	37,73,67,894
Other Operating Revenues		
Sale of Scrap	24,37,138	13,43,345
Duty Drawback	26,86,200	8,09,017
Insurance Recovery	10,40,394	9,27,299
Freight Recovery	<u>27,74,716</u>	<u>32,05,623</u>
	89,38,448	62,85,284
	187,62,61,360	159,04,08,465
Less : Excise Duty on Sales	NIL	2,41,257
	187,62,61,360	159,01,67,208
21.1 Details of Sale of Products :		
Fabric	149,48,76,274	115,32,39,564
Yarn	80,81,640	3,93,08,645
Waste	79,36,582	54,29,752
Others	<u>2,38,06,351</u>	<u>87,77,326</u>
	153,47,00,847	120,67,55,287
21.2 License fees for the year ended 31st March, 2013, included accruing of ₹3,96,29,002 relating to the year ended on 31 st March, 2012 in respect of such fees which was due to change in the perception of the management for a certain property given under Leave and License Agreements.		
22. Other Income :		
Interest Income		
On Deposits	6,28,86,737	8,69,21,438
From Customers on Amounts Overdue	<u>25,90,289</u>	<u>24,04,344</u>
	6,54,77,026	8,93,25,782
Dividend on Long-term Investments	27,000	13,500
Grant of Development Rights (Refer Note 14.2)	29,25,35,593	36,22,07,455
Amounts / Excess Provisions written back	1,28,18,879	1,13,65,423
Foreign Exchange Subsidy	34,19,936	NIL
Miscellaneous Income (Refer Note 27.2)	<u>1,74,09,931</u>	<u>1,80,73,995</u>
	39,16,88,365	48,09,86,155
23. Cost of Materials Consumed :		
Raw Materials		
Opening Stock	5,52,48,174	3,00,03,944
Add : Purchases	<u>52,04,08,090</u>	<u>36,60,71,796</u>
	57,56,56,264	39,60,75,740
Less : Closing Stock	<u>5,03,58,278</u>	<u>5,52,48,174</u>
	52,52,97,986	34,08,27,566
23.1 Details of Raw Materials Consumed :		
Cotton	12,46,59,129	8,50,12,243
Man-made Fibres	16,35,14,688	13,61,53,909
Yarn (Excludes Yarn captively consumed)	13,68,71,506	5,53,55,047
Fabric	<u>10,02,52,663</u>	<u>6,43,06,367</u>
	52,52,97,986	34,08,27,566



	For the Year ended 31 st March, 2014	For the Year ended 31 st March, 2013	
	₹	₹	
24. Changes in Inventories of Finished Goods and			
Finished Goods			
Closing Stock	2,53,13,616	2,95,71,737	
Less : Opening Stock	<u>2,95,71,737</u>	<u>10,45,42,123</u>	
	42,58,121	7,49,70,386	
Work-in-progress			
Closing Stock	30,33,73,074	23,27,11,799	
Less : Opening Stock	<u>23,27,11,799</u>	<u>27,08,51,223</u>	
	(7,06,61,275)	3,81,39,424	
Waste			
Closing Stock	7,57,501	5,04,235	
Less : Opening Stock	<u>5,04,235</u>	<u>1,86,089</u>	
	(2,53,266)	(3,18,146)	
	<u>(6,66,56,420)</u>	<u>11,27,91,664</u>	
25. Employee Benefits Expense :			
Salaries, Wages and Benefits (Refer Note 27.2)	14,83,82,813	13,83,13,355	
Contribution to Provident Fund and Other Funds	38,19,635	38,18,935	
Staff Welfare Expenses (Refer Note 27.2)	<u>29,88,559</u>	<u>29,82,158</u>	
	<u>15,51,91,007</u>	<u>14,51,14,448</u>	
25.1	During the year, the Company has paid in aggregate ₹ 4,74,00,000 as managerial remuneration to its Executive Chairman, Managing Director, Jt. 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 198 and Section 310 read with Schedule XIII to the Companies Act, 1956. However, out of abundant caution, the Company had applied for the approval of the Central Government, which was received.		
26. Finance Costs :			
Interest Expense			
On Cash Credit Facilities / Buyers' Credit	1,69,44,994	2,33,65,317	
On Term Loans - Under TUFS (Refer Note 26.1)	14,19,06,536	14,92,09,258	
On Interest on Income Tax	1,08,26,037	NIL	
On Others (Refer Note 27.2)	<u>84,39,261</u>	<u>62,74,778</u>	
	17,81,16,828	17,88,49,353	
Other Borrowing Costs			
Bank Charges	62,50,567	38,03,400	
Other Finance Charges	<u>37,97,980</u>	<u>50,36,061</u>	
	<u>18,81,65,375</u>	<u>18,76,88,814</u>	
26.1	Interest on Term Loans - Under TUFS is after reducing Interest Subsidy	<u>3,25,52,019</u>	<u>3,62,54,586</u>



	For the Year ended 31 st March, 2014	For the Year ended 31 st March, 2013
	₹	₹
27. Other Expenses :		
Stores and Spares Consumed	20,96,30,853	15,17,92,743
Weaving and Processing Charges	65,24,760	91,72,809
Hydraulic Charges	10,80,149	NIL
Power and Fuel (Refer Note 27.2)	27,72,49,575	22,40,87,978
Rent	73,99,950	76,54,683
Repairs and Maintenance (Refer Note 27.2)		
Building	3,01,36,214	3,07,17,898
Machinery	76,93,773	67,39,277
Others	1,45,91,615	1,08,83,354
	<u>5,24,21,602</u>	<u>4,83,40,529</u>
Insurance	39,19,130	36,79,980
Rates and Taxes	67,22,367	74,13,931
Brokerage and Commission	5,51,16,022	4,19,80,861
Directors' Fees	5,64,609	4,10,535
Foreign Exchange Loss (Net)	94,29,998	67,95,384
Auditors' Remuneration		
Audit fees	10,11,240	7,86,520
Tax Audit Fees	1,57,304	1,12,360
Other Services	2,92,136	2,41,574
	<u>14,60,680</u>	<u>11,40,454</u>
Cost Audit Fees	91,270	1,85,540
Labour Contractor Charges	3,28,21,907	2,32,60,484
Waste Water Treatment Charges	31,95,855	67,24,750
Discount on Sales	96,50,203	93,59,248
Freight and Forwarding	70,99,098	74,23,779
Travelling, Conveyance and Vehicle Expenses (Refer Note 27.2)	1,11,00,758	1,18,71,829
Legal and Professional Fees	1,21,34,130	1,66,99,798
Donations	1,513	50,25,101
Miscellaneous Expenses (Refer Notes 27.1 and 27.2)	2,73,94,755	2,32,52,148
Loss on sale of Fixed Assets (Net)	NIL	18,73,776
	<u><u>73,50,09,184</u></u>	<u><u>60,81,46,340</u></u>

27.1 Miscellaneous Expenses for the year ended 31st March, 2013, include expenditure of ₹ 50,000 incurred on advertisement in 'Dindarshika' informative publication of Maharashtra Navnirman Sena, a political party.

27.2 Details of (Income) / Expenses for prior period :

Income		
Other Income		
Miscellaneous Income	14,366	36,383
Total	<u>14,366</u>	<u>36,383</u>
Expenses		
Employee Benefits Expense		
Salaries and Wages	NIL	52,150
Interest on Others	NIL	52,547
Power and Fuel	NIL	5,540
Repairs and Maintenance :		
Building	5,07,552	75,068
Machinery	NIL	57,292
Others	25,646	35,500
	<u>5,33,198</u>	<u>1,67,860</u>
Travelling, Conveyance and Vehicle Expenses	11,747	29,979
Miscellaneous Expenses	83,791	NIL
Total	<u><u>6,28,736</u></u>	<u><u>3,08,076</u></u>
(Income) / Expenses for prior period	<u><u>6,14,370</u></u>	<u><u>2,71,693</u></u>



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

Particulars	For the Year ended 31 st March, 2014 ₹	For the Year ended 31 st March, 2013 ₹
Numerator for Basic and Diluted earnings per Share		
Net Profit / (Loss) after tax for the year (a)	44,90,04,826	30,48,34,523
Denominator for Basic and Diluted earnings per Share		
Weighted average number of Shares (b)	83,60,000	83,60,000
Basic and Diluted Earnings per share [(a) / (b)]	53.71	36.46
Face Value per share (₹)	5	5
(Sub-divided from ₹ 10 per share on November 22, 2012)		

29. Contingent Liabilities and Commitments :

Particulars	For the Year ended 31 st March, 2014 ₹	For the Year ended 31 st March, 2013 ₹
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	Amount unascertainable	Amount unascertainable
b. Amount claimed by Bank as Term Loan Pre-payment charges including interest thereon not acknowledged as debt.	NIL	2,36,30,619
c. Amount claimed by Bank as penal interest not acknowledged as debt	NIL	42,01,567
d. Income Tax [Against deposited ₹ NIL] (Previous Year ₹ 40,00,000)]	8,50,71,817	6,28,58,000
e. Excise Duty / Service Tax	3,66,86,454	3,67,63,000
f. Amount paid under protest in respect of Employees' PF under section 8F of EPF Act, 1952	15,65,934	15,65,934
g. Property Tax under dispute	3,87,72,467	4,33,79,159
h. Hydraulic Charges under dispute	NIL	47,43,047
ii. Bank Guarantees (In Lieu of Cash Deposits)	2,38,86,800	2,48,59,760
29.2 Commitments :		
i. Related to contracts :		
a. Estimated amount of contracts remaining to be executed on capital account	12,49,53,017	12,63,56,173
Less : Advances	3,96,14,891	3,99,40,778
Net Estimated Amount	<u>8,53,38,126</u>	<u>8,64,15,395</u>
ii. Other Commitments	NIL	NIL



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

Particulars	For the		For the	
	Year ended 31 st March, 2014	Year ended 31 st March, 2013	Year ended 31 st March, 2014	Year ended 31 st March, 2013
	Gratuity (Funded)		Compensated Absences (Unfunded)	
	₹	₹	₹	₹
Reconciliation of opening and closing balances of the present value of the defined benefit obligation				
Change in present value of obligations				
Present value of obligation at the beginning of the year	1,66,20,757	1,82,71,777	25,10,592	26,99,674
Adjustment to opening balance	NIL	77,669	NIL	NIL
Current Service Cost	24,30,575	22,65,145	63,44,198	1,75,664
Interest Cost	13,97,268	12,97,109	1,85,337	NIL
Past service cost - (Vested benefits)	NIL	(41,45,149)	NIL	61,28,264
Actuarial (Gain) / Loss	12,17,612	23,81,167	(56,14,779)	(57,33,283)
Benefits Paid	(23,60,088)	(35,26,951)	(6,08,832)	(7,59,727)
Present value of obligation at the end of the year	1,93,06,124	1,66,20,757	28,16,516	25,10,592
Change in plan assets				
Fair value of plan assets as at the beginning of the year	2,14,04,659	2,26,44,535	NIL	NIL
Adjustment to opening balance	NIL	77,669	NIL	NIL
Expected return on plan assets	12,53,338	13,17,817	NIL	NIL
Actuarial Gain / (Loss)	9,40,213	8,91,589	NIL	NIL
Contributions	NIL	NIL	6,08,832	7,59,727
Benefits paid	(23,60,088)	(35,26,951)	(6,08,832)	(7,59,727)
Fair value of plan assets as at the end of the year	2,12,38,122	2,14,04,659	NIL	NIL
Reconciliations of present value of the obligation and the fair value of plan assets				
Fair value of plan assets at the end of the year	2,12,38,122	2,14,04,659	NIL	NIL
Present value of the defined benefit obligations at the end of the year	1,93,06,124	1,66,20,767	28,16,516	25,10,592
Liability / (Asset) recognised in the Balance Sheet*	(19,31,998)	(47,83,892)	28,16,516	25,10,592
* The above is reflected as Advance to Gratuity Trust for Staff - ₹ 45,94,906 (Previous Year ₹ 51,05,216) under Note 14 and as Provision for Gratuity for Workers - ₹ 26,62,908 (Previous Year ₹ 3,21,314) under Note 11.				
Cost for the year				
Current service cost	24,30,575	22,65,145	63,44,198	61,28,264
Interest cost	13,97,268	12,97,109	1,85,337	1,75,664
Expected return on plan assets	(12,53,338)	(13,17,817)	NIL	NIL
Actuarial (Gain) / Loss	2,77,399	14,89,578	(56,14,779)	(57,33,283)
Past service cost - (Vested benefits)	NIL	NIL	NIL	NIL
Net Cost recognised in the Statement of Profit and Loss	28,51,904	37,34,015	9,14,756	5,70,645

30.1 Category of Assets

Insurer Managed Funds	2,11,83,122	2,13,53,369	N.A	N.A
Government Traded Bonds	NIL	NIL	N.A	N.A
Cash and bank balances	55,000	51,290	N.A	N.A

Assumptions used to determine the benefit obligations :

	LIC (1994-96) Ult.		LIC (1994-96) Ult.	
Mortality				
Interest / discount rate	8.00%	8.00%	8.00%	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%

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

	2014	2013	2012	2011
Experience Adjustments				
On Plan Liability (gain)/Loss	14,06,483	21,58,298	(6,63,958)	(10,07,090)
On Plan asset gain/(loss)	9,40,213	8,91,589	(11,48,724)	(8,07,951)
Present value of Obligation	1,93,06,124	1,66,20,767	1,82,71,777	3,41,71,230
Fair value of Plan assets	2,12,38,122	2,14,04,659	2,26,44,535	4,28,98,193
Excess of obligation over plan assets (net)	(19,31,998)	(47,83,892)	(43,72,758)	(87,26,963)

* To the Extent Information available from reports of Actuary



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

Particulars	Textiles		Real Estate		Total
	For the Year ended 31 st March, 2014	For the Year ended 31 st March, 2013	For the Year ended 31 st March, 2014	For the Year ended 31 st March, 2013	
Sement Information					
32.1					
Segment Revenue					
External Revenue	154,53,54,806	121,34,87,660	33,09,06,554	37,66,79,549	187,62,61,360
Inter Segment Revenue	NIL	NIL	NIL	NIL	NIL
Total Revenue	154,53,54,806	121,34,87,660	33,09,06,554	37,66,79,549	187,62,61,360
31.2					
Segment Results					
Unallocated Corporate Income / (Corporate Expenses) Net	1,80,50,186	(21,65,82,055)	28,37,73,330	35,58,49,900	30,18,23,516
Finance Charges	1,80,50,186	(21,65,82,055)	28,37,73,330	35,58,49,900	30,18,23,516
Current Tax Adjustments of Earlier Years					39,16,88,365
Provision for taxes					(18,81,65,375)
Net Profit					44,90,04,826
31.3					
Other Information					
Segment Assets	188,64,92,823	226,87,35,853	55,82,10,935	56,08,64,071	244,47,03,758
Unallocated Assets					806,29,56,928
Total Assets	188,64,92,823	226,87,35,853	55,82,10,935	56,08,64,071	1050,76,60,686
Segment Liabilities	20,79,78,155	29,05,25,122	29,47,18,322	49,98,13,183	50,26,96,477
Unallocated Liabilities					720,89,61,155
Total Liabilities	20,79,78,155	29,05,25,122	29,47,18,322	49,98,13,183	771,16,57,632
31.4					
Capital Expenditure					
Segment Capital Expenditure	14,63,80,867	19,50,59,815	1,84,92,456	2,33,78,956	16,48,73,323
Unallocated Capital Expenditure	NIL	NIL	NIL	NIL	NIL
Total Capital Expenditure	14,63,80,867	19,50,59,815	1,84,92,456	2,33,78,956	16,48,73,323
31.5					
Depreciation and Amortisation					
Segment Depreciation and Amortisation	20,57,95,723	22,31,73,304	1,98,00,364	2,08,29,649	22,55,96,087
Unallocated Depreciation and Amortisation	NIL	NIL	NIL	NIL	NIL
Total Depreciation and Amortisation	20,57,95,723	22,31,73,304	1,98,00,364	2,08,29,649	22,55,96,087



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

32.1 Following transactions were carried out in the ordinary course of business with the parties referred to in 32.2 below. There were no amounts written off or written back from such parties during the year.

Particulars	For the	For the	For the	For the
	Year ended 31 st March, 2014 ₹	Year ended 31 st March, 2013 ₹	Year ended 31 st March, 2014 ₹	Year ended 31 st March, 2013 ₹
	Key Managerial Personnel and their relatives		Enterprise on which Key Managerial Personnel has Control	
	[with 32.2 (I) and 32.2 (II) below]		[with 32.2 (III) below]	
Loans and Advances (Unsecured)				
Loans received				
Shri Manaharlal C. Shah (Executive Chairman)	1,26,50,000	87,00,000	NIL	NIL
Smt Aruna M Shah (Director)	29,50,000	1,39,50,000	NIL	NIL
Shri Hirem M. Shah (Managing Director)	1,07,25,000	36,00,000	NIL	NIL
Shri Bharat M. Shah (Jt. Managing Director)	57,00,000	45,50,000	NIL	NIL
Shri Viraj M. Shah (Executive Director)	26,00,000	22,00,000	NIL	NIL
Manubhai & Sons Investment Co. Pvt. Ltd.	NIL	NIL	1,75,25,000	1,26,75,000
Hiren Bros. Investment Co. Pvt. Ltd.	NIL	NIL	1,50,00,000	1,56,00,000
M.C. Shah & Sons Investment Co. Pvt. Ltd.	NIL	NIL	1,91,50,000	2,28,50,000
Risha Dying & Printing Pvt. Ltd	NIL	NIL	33,00,000	35,50,000
Ruby Sales & Services Pvt. Ltd.	NIL	NIL	4,30,000	8,05,000
	3,46,25,000	3,30,00,000	5,54,05,000	5,54,80,000
Loans repaid				
Shri Manaharlal C. Shah (Executive Chairman)	NIL	50,000	NIL	NIL
Smt Aruna M Shah (Director)	4,50,000	20,50,000	NIL	NIL
Shri Hirem M. Shah (Managing Director)	15,000	83,50,000	NIL	NIL
Shri Bharat M. Shah (Jt. Managing Director)	NIL	23,50,000	NIL	NIL
Shri Viraj M. Shah (Executive Director)	NIL	29,00,000	NIL	NIL
Manubhai & Sons Investment Co. Pvt. Ltd.	NIL	NIL	1,00,000	8,65,000
Hiren Bros. Investment Co. Pvt. Ltd.	NIL	NIL	29,75,000	42,00,000
M.C. Shah & Sons Investment Co. Pvt. Ltd.	NIL	NIL	26,00,000	1,24,65,000
Risha Dying & Printing Pvt. Ltd	NIL	NIL	32,35,000	2,75,000
Ruby Sales & Services Pvt. Ltd.	NIL	NIL	50,000	30,000
	4,65,000	1,57,00,000	89,60,000	1,78,35,000
Expenses				
Rent				
Shri Bharat M. Shah (Jt. Managing Director)	9,00,000	9,00,000	NIL	NIL
Shri Viraj M. Shah (Executive Director)	9,00,000	9,00,000	NIL	NIL
	18,00,000	18,00,000	NIL	NIL
Interest				
Shri Manaharlal C. Shah (Executive Chairman)	85,59,408	69,12,529	NIL	NIL
Smt Aruna M Shah (Director)	35,74,929	31,64,307	NIL	NIL
Shri Hirem M. Shah (Managing Director)	45,77,105	46,59,085	NIL	NIL
Shri Bharat M. Shah (Jt. Managing Director)	29,70,810	23,59,805	NIL	NIL
Shri Viraj M. Shah (Executive Director)	4,54,213	4,09,874	NIL	NIL
Manubhai & Sons Investment Co. Pvt. Ltd.	NIL	NIL	65,39,840	49,52,152
Hiren Bros. Investment Co. Pvt. Ltd.	NIL	NIL	80,01,835	67,92,263
M.C. Shah & Sons Investment Co. Pvt. Ltd.	NIL	NIL	1,07,26,033	91,23,079
Risha Dying & Printing Pvt. Ltd	NIL	NIL	13,13,305	13,18,484
Ruby Sales & Services Pvt. Ltd.	NIL	NIL	5,26,918	4,61,373
	2,01,36,465	1,75,05,600	2,71,07,931	2,26,47,351
Director's Fees - Smt Aruna M Shah	37,500	37,500	NIL	NIL
Remuneration				
Shri Manaharlal C. Shah (Executive Chairman)	1,50,00,000	1,50,00,000	NIL	NIL
Shri Hirem M. Shah (Managing Director)	1,08,00,000	1,08,00,000	NIL	NIL
Shri Bharat M. Shah (Jt. Managing Director)	1,08,00,000	1,08,00,000	NIL	NIL
Shri Viraj M. Shah (Executive Director)	1,08,00,000	1,08,00,000	NIL	NIL
Shri Purav H Shah (President)	55,27,600	56,53,200	NIL	NIL
Shri Rishabh V Shah	4,61,454	2,70,000	NIL	NIL
Shri Pranav Karodia	22,660	NIL	NIL	NIL
	5,34,11,715	5,33,23,201	NIL	NIL



Particulars	For the	For the	For the	For the
	Year ended 31 st March, 2014 ₹	Year ended 31 st March, 2013 ₹	Year ended 31 st March, 2014 ₹	Year ended 31 st March, 2013 ₹
	Key Managerial Personnel and their relatives [with 32.2 (I) and 32.2 (II) below]		Enterprise on which Key Managerial Personnel has Control [with 32.2 (III) below]	
Outstanding Balance As At 31st March, 2014				
Shri Manaharlal C. Shah (Executive Chairman)	6,57,00,000	5,30,50,000	NIL	NIL
Smt Aruna M Shah (Director)	2,62,00,000	2,37,00,000	NIL	NIL
Shri Hiren M. Shah (Managing Director)	3,95,10,000	2,88,00,000	NIL	NIL
Shri Bharat M. Shah (Jt. Managing Director)	2,39,00,000	1,82,00,000	NIL	NIL
Shri Viraj M. Shah (Executive Director)	46,00,000	20,00,000	NIL	NIL
Manubhai & Sons Investment Co. Pvt. Ltd.	NIL	NIL	5,64,35,000	3,90,10,000
Hiren Bros. Investment Co. Pvt. Ltd.	NIL	NIL	6,25,75,000	5,05,50,000
M C Shah & Sons Investment Co. Pvt. Ltd.	NIL	NIL	8,47,50,000	6,82,00,000
Risha Dying & Printing Pvt. Ltd.	NIL	NIL	1,05,00,000	1,04,35,000
Ruby Sales & Services Pvt. Ltd.	NIL	NIL	38,80,000	35,00,000
Total	15,99,10,000	12,57,50,000	21,81,40,000	17,16,95,000

32.2 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)
- II Relatives of Key Managerial Personnel :
 - i. Smt. Aruna M. Shah
 - ii. Shri Rishabh V. Shah
 - iii. Shri Pranav Karodia
- 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.

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

33.1 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 31 st March, 2014 ₹	As At 31 st March, 2013 ₹
Within 1 year	9,96,200	59,77,200
After 1 year but before 5 years	NIL	9,96,200
After 5 years	NIL	NIL



33.2 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 31 st March, 2014 ₹	As At 31 st March, 2013 ₹
Within 1 year	31,3521,937	36,08,18,037
After 1 year but before 5 years	122,38,18,340	122,44,02,726
After 5 years	30,18,85,183	63,82,361

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

Particulars	As At 1 st April, 2013 ₹	Additions during the year ₹	Amount paid / reversed during the year ₹	As At 31 st March, 2014 ₹
Leave encashment	25,10,592	63,44,198	(60,38,274)	28,16,516
Gratuity	1,66,20,767	24,30,575	2,54,792	1,93,06,134
Proposed Dividend	1,67,20,000	1,67,20,000	1,67,20,000	1,67,20,000
Tax on Proposed Dividend	28,41,600	28,41,600	28,41,600	28,41,600

35. Consumption of Imported / Indigenous Materials :

Particulars	For the Year ended 31 st March, 2014 Percentage ₹	For the Year ended 31 st March, 2013 Percentage ₹
Raw Materials		
Imported	0.28% 14,74,589	5.63% 1,91,79,108
Indigenous	99.72% 52,38,23,397	94.37% 32,16,48,458
TOTAL	100.00% 52,52,97,986	100.00% 34,08,27,566
Stores and Spares		
Imported	8.04% 1,68,47,775	9.03% 1,37,06,524
Indigenous	91.96% 19,27,83,078	90.97% 13,80,86,219
TOTAL	100.00% 20,96,30,853	100.00% 15,17,92,743

36. Value of Imports calculated on C.I.F. basis :

Raw Materials	NIL	1,84,14,944
Stores and Spares	1,47,68,685	97,69,026
Capital Goods	NIL	NIL
Yarn	8,93,633	5,01,778
TOTAL	<u>1,56,62,318</u>	<u>2,86,85,748</u>

37. Expenditure in Foreign Currency :

i Interest on Buyers' Credit	NIL	31,34,553
ii. Miscellaneous Expenses		
Travelling Expenses	8,85,715	24,05,101
Subscription, Books and Periodicals	6,34,668	3,81,571
Membership and Subscription	11,59,860	10,71,540
Consultancy Fees	36,14,044	1,09,32,014
TOTAL	<u>62,94,287</u>	<u>1,79,24,779</u>



38. Earnings in Foreign Currency :

Particulars	For the	For the
	Year ended 31 st March, 2014	Year ended 31 st March, 2013
	₹	₹
Raw Mate		
Export of Goods at F.O.B. Value	2,94,33,950	99,25,894
TOTAL	2,94,33,950	99,25,894

39. Financial and Other Derivative Instruments :

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

Particulars	Balance As At 31 st March, 2014		Balance As At 31 st March, 2013	
	In Foreign Currency	₹	In Foreign Currency	₹
Foreign Currency Term Loan - USD	9,82,241	5,88,55,877	16,37,068	8,89,09,170
Trade Receivables - USD	11,971	7,17,316	29,808	16,18,890
Advance from Customer - USD	9,975	5,97,702	NIL	NIL
Advances to Supplier - EURO	9,628	7,94,502	24,435	17,00,462
Advances to Supplier - CHF	4,187	2,83,468	NIL	NIL
Buyers Credits				
Buyers Credits - USD	NIL	NIL	51,25,809	27,83,82,680
Buyers Credits - EURO	NIL	NIL	9,11,603	6,34,38,413
Interest on Buyers' Credits - USD	NIL	NIL	24,548	13,33,191
Interest on Buyers' Credits - EURO	NIL	NIL	18,128	12,61,537

40. 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 : 17th May, 2014

For and on behalf of the Board of Directors

MANHARLAL C. SHAH
Executive Chairman

BHARAT M. SHAH
Jt. Managing Director

HIREN M. SHAH
Managing Director

PANKAJ J. PARKHIYA
Company Secretary

Place : Mumbai
Dated : 17th May, 2014

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
Phone No.: 022 - 2438 7800 Fax No.: 022 - 2437 8125.

ATTENDANCE SLIP

98th 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 Eighth Annual General Meeting of the Company at Ruby House, J. K. Sawant Marg, Dadar (W), Mumbai - 400 028 on Wednesday the 24th September, 2014 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
Phone No.: 022-2438 7800 Fax No.: 022-2437 8125.

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 or failing him

Proxy to attend and vote (on a poll) for me/us and my/our behalf at the 98th Annual General Meeting of the Company to be held on 24th September, 2014 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:

Resolution Number	Resolution	Vote(Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary Business				
1.	Adoption of Financial Statements and Report of the Board of Directors and Auditors thereon, for the financial year ended 31st March, 2014.			
2.	Approval of final dividend for the financial year ended 31st March, 2014.			
3.	Appoint a director in place of Shri Hiren M. Shah, who retires by rotation and being eligible, seeks re-appointment.			
4.	Appoint a director in place of Shri Bharat 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.2014-2015.			
Special Business				
7.	Appointment of Shri M. C. Shah as an Executive Chairman in compliance of the Companies Act, 2013 (Special Resolution).			
8.	Appointment of Shri J.D. Masani as Non Rotational Independent Director in compliance of the Companies Act, 2013 (Special Resolution).			
9.	Appointment of Shri D.M. Popat as Non Rotational Independent Director in compliance of the Companies Act, 2013 (Special Resolution).			
10.	Appointment of Shri Shardul J. Thacker as Non Rotational Independent Director in compliance of the Companies Act, 2013 (Special Resolution).			
11.	Appointment of Shri Anup P. Shah as Non Rotational Independent Director in compliance of the Companies Act, 2013 (Ordinary Resolution).			
12.	Appointment of Shri Nitin P. Shingala as Non Rotational Independent Director in compliance of the Companies Act, 2013 (Ordinary Resolution).			
13.	Approval for borrowing limits under Section 180(1)(c) of the Companies Act, 2013 (Special Resolution).			
14.	Approval under Section 180(1)(a) of the Companies Act, 2013 (Special Resolution).			

Signed this _____ day of _____ 2014.

Affix
Re.1/-
revenue
samp

Signature of Shareholder Signature of Proxy holder(s)

NOTE:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference, if you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner a he/she may be deemed.
- 3.

ELECTRONIC VOTING PARTICULARS

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