

# *The Ruby Mills Ltd.*



**HUNDREDTH ANNUAL REPORT  
2015-2016**

# The Ruby





## 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 Dharmasinh M. Popat (ceased w.e.f. 23/09/2015)  
Shri Anup P. Shah  
Shri Deepak R. Shah  
Shri Nitin P. Shingala (Resigned on 12th August, 2015)  
Shri Gunvantra A. Sanghrajka (ceased w.e.f. 01/10/2015 due to his demise)  
Shri Yogen S. Lathia (Appointed as Additional Director w.e.f. 29/12/2015)

### Non-executive Non- Independent Director

Smt Aruna M. Shah

### Chief Financial Officer

Shri S. Jayaraman

### Company Secretary & Compliance Officer

Ms. Heena Jaysinghani (Resigned w.e.f. 23/07/2016)

### Solicitors

Federal & Rashmikant

### Statutory Auditors

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

### Bankers to the Company

State Bank of India  
Bank of India  
Bank of Baroda  
IndusInd Bank Limited

Axis Bank Limited  
IDBI Bank Limited  
Allahabad Bank

### Registered Office

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

### Plant Locations:

Dhamni Complex  
Village Dhamni  
Taluka Khalapur  
Dist. Raigad

Kharsundi Complex  
Village Kharsundi  
Taluka Khalapur  
Dist. Raigad

### Registrar and Share Transfer Agents:

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



---

**CONTENTS**

---

**Page No.**

---

Summarised Financial Data .....	01
Notice.....	02
Directors' Report .....	11
Management Discussion & Analysis .....	37
Corporate Governance Report .....	39
Auditors' Certificate on Compliance of Conditions of Corporate Governance ...	54
Declaration by MD/CFO under Reg. 17(8) .....	55
Independent Auditors' Report .....	56
Balance Sheet .....	62
Statement of Profit and Loss .....	63
Cash Flow Statement .....	64
Notes Forming Part of Financial Statements .....	65



**SUMMARISED FINANCIAL DATA**

(₹ in Lakhs)

Sr.	Particular	2011-2012	2012-2013	2013-2014	2014-2015	2015-16
1.	Total Revenue	24,691	20,712	22,680	23,948	<b>22,907</b>
2	Profit Before Depreciation and Interest	12,349	8,643	9,191	9,963	<b>8,265</b>
3	Finance Costs	1,743	1,877	1,882	1,490	<b>1,305</b>
4	Depreciation and amortization Expense	2,366	2,440	2,256	1,878	<b>1,956</b>
5	Profit Before Tax	8,240	4,326	5,053	6,595	<b>5,004</b>
6	Provision for Tax including Current Tax and Adjustments of earlier Years	1,565	893	815	1,305	<b>1,078</b>
7	Provision for Deferred Tax	(419)	385	(251)	(104)	<b>(151)</b>
8	Profit After Tax and Before Prior Period and Exceptional Items	7,093	3,048	4,490	5,394	<b>4,078</b>
9	Prior Period and Exceptional Items	1,270	-	-	-	-
10	Profit After Tax, Prior Period and Exceptional Items	5,824	3,048	4,490	5,394	<b>4,078</b>
	Add: Surplus Brought Forward	8,030	13,027	15,570	9,865	<b>5,007</b>
	Balance Available for Appropriation	13,853	16,076	20,060	15,259	<b>9,085</b>
Less: Appropriations						
	- General Reserve	583	310	10,000	10,000	<b>4,600</b>
	- Interim Dividend	-	-	-	-	<b>209</b>
	- Tax on Dividend	-	-	-	-	<b>43</b>
	- Proposed Dividend	209	167	167	209	-
	- Tax on Dividend	34	28	28	43	-
	Balance carried forward to next year	13,027	15,570	9,865	5,007	<b>4,234</b>



**THE RUBY MILLS LIMITED**

(CIN: L17120MH1917PLC000447)

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

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

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

**NOTICE**

**NOTICE** is hereby given that the **Hundredth Annual General Meeting (AGM)** of the Members of The Ruby Mills Limited will be held on Monday, the 19th September, 2016 at 4.30 P.M. at the Registered office of the Company at Ruby House, J. K. Sawant Marg, Dadar (W), Mumbai - 400028 to transact the following business:

**Ordinary Business**

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2016, the Reports of the Directors and Auditors thereon.
2. To confirm the payment of interim dividend declared and distributed by the Board of Directors for the financial year ended on 31st March, 2016.
3. To appoint a Director in place of Shri Hiren M. Shah (holding DIN 00071077), who retires by rotation and being eligible for reappointment, offers himself for re-appointment.
4. To appoint Statutory Auditors and to determine their remuneration and to pass with or without modification, the following resolution as Ordinary Resolution:

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

**SPECIAL BUSINESS**

5. **Ratification of Cost Auditor's Remuneration.**

To ratify cost auditor remuneration and to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules framed thereunder, as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Company hereby ratifies the remuneration of ₹1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) plus Service Tax as applicable and out of pocket expenses, payable to Shri Dakshesh H. Zaveri, Cost Accountant, (Firm Registration Number 102183), who has been appointed by the Board of Directors as Cost Auditor of the Company, to conduct the audit of the cost records of the Company's Textile manufacturing units at Dhamni and Kharsundi Plant unit for the financial year 2016-17.”

6. **Appointment of Shri Yogen Shival Lathia, as a Director of the Company.**

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

**“RESOLVED THAT** pursuant to provisions of Section 149, 152 of the Companies Act, 2013 (hereinafter referred to as “the act”) and other applicable provisions, if any, of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 along with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other applicable Regulations, if any, Shri Yogen Shival Lathia - (DIN : 00299334) who was appointed as an Additional Director (Independent, Non - Executive Director) of the Company by the Board of Directors effective 29th December, 2015 and who has submitted a declaration of independence as provided in Section 149(6) of the Act and Securities and



Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member in terms of Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Yogen Shivalal Lathia for the office of Independent Director, be and is hereby appointed as Independent Director of the Company, for five (5) consecutive years and whose office shall not be liable to retire by rotation.”

**On behalf of Board**

**Manharlal C. Shah**  
**Chairman**  
**DIN 00070771**

**Place :** Mumbai  
**Dated :** 4th August, 2016

### NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the Item Nos. 5 and 6 of the Notice is appended hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE HUNDREDTH ANNUAL GENERAL MEETING (hereinafter referred to as '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.** 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 AGM. A Proxy form is sent herewith. Proxies submitted on behalf of Limited Companies, Corporate Members, Societies etc, must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the company carrying voting right. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Corporate members are requested to send to the Registered Office of the Company a duly certified copy of the board resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote at the general meeting.
4. The Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, 16th September, 2016 to Sunday, 18th September, 2016 (both days inclusive) for the purpose of Annual General Meeting.
5. Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF): Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the Company has transferred the unclaimed final dividend for the year 2007-08 on due date to the Investor Education and Protection Fund established by the Central Government. The Company will accordingly transfer Unclaimed dividend amount pertaining to Dividend for the year 2008-09 to the Investors Education and Protection Fund.  
  
Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend lying with the Company as on 30th September, 2015 (date of last Annual General Meeting) on the website of the Company (<http://www.rubymills.com/investors/investors-iepf-information>) and on the website of the Ministry of Corporate Affairs.  
  
It may be noted that once the unclaimed dividend is transferred to the Central Government, no claim shall lie in respect thereof with the Company.
6. Member/proxies should bring duly filled Attendance Slip sent herewith to attend the meeting.
7. 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. Route map and prominent land mark for easy location of venue of the Annual General Meeting is provided in the Annual Report and the same shall also be available on the Company's website [www.rubymills.com](http://www.rubymills.com)
9. The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
10. Pursuant to Section 108 of the Companies Act, 2013 and Relevant Rules framed there under as amended from time to time and Regulation 44 of SEBI Listing Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at Annual General Meeting by electronic means. The Members, whose name is appearing in the Registers of Members / list of Beneficial Owners as on Monday, 12th September, 2016 i.e. prior to the commencement of book closure, being the cut-off date, are entitled to vote on Resolutions set forth in the Notice. Members may cast their votes on electronic system from any place other than venue of the meeting (remote-e-voting). The remote e-voting period will commence at 9.00 A.M. on Friday, 16th September, 2016 and will end at 5.00 P.M. on Sunday on 18th September, 2016. In addition, the facility for voting through Ballot Paper shall be made available at the venue of Annual General Meeting and the members attending who have not already cast their vote by remote e-voting shall be eligible to vote at the Annual General Meeting.
11. The Members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote.
12. Shri Vikas R. Chomal, Proprietor of M/s. Vikas R. Chomal & Associates, Practicing Company Secretaries is appointed as a Scrutinizer to scrutinize the voting and remote e-voting process and Ballot Paper received, in a fair and transparent manner.
13. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
14. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
15. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.rubymills.com](http://www.rubymills.com) and on the website of the Agency M/s. Bigshare Services Private Limited (Registrar & Share Transfer Agents). The Company shall simultaneously forward the results to the Stock Exchange(s) where the Company's shares are listed.
16. 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.
17. The Annual Report duly circulated to the members of the Company, is available on the Company's Website at [www.rubymills.com](http://www.rubymills.com).
18. 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.
19. M/s Bigshare Services Private Limited having its office at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri East, Mumbai - 400 072 are the Registrar and Transfer Agent for shares held in physical form and in electronic / demat form. The Register of Members is maintained at the Office of the Registrar and Share Transfer Agents.

### **Important Communication to Members**

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



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

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

2. Electronic copy of the Notice of the Hundredth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Hundredth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
3. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participants 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.
4. **Voting by electronic means**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
  - II. The facility for voting through Ballot Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
  - III. The members who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on 16th September, 2016 (9:00 am) and ends on 18th September, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 12th September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - V. The process and manner for remote e-voting are as under:
    - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :
      - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
      - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
      - (iii) Click on Shareholder - Login
      - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.





- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "The Ruby Mills Limited".
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [info@vrca.co.in](mailto:info@vrca.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM for members whose email IDs are not registered with the Company/Depository Participants(s), may obtain a login ID and Password for casting his/her vote by remote E-voting by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or by contacting NSDL at the toll free no. 1800-222-990.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 12th September, 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 12th September, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Ballot Paper.
- XIII. Shri Vikas R. Chomal, (Membership No. 24941, COP No, 12133) Proprietor of M/s. Vikas R. Chomal & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.rubymill.com](http://www.rubymill.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange(s).

**On behalf of Board**

**Manharlal C. Shah**  
**Chairman**  
**DIN 00070771**

**Place :** Mumbai  
**Dated :** 4th August, 2016



**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING:**

<b>Name of the Director</b>	<b>Shri Yogen S. Lathia</b>	<b>Shri Hiren M. Shah</b>
Date of Birth (DD/MM/YYYY)	11/04/1955	12/04/1954
Date of Appointment as Director (DD/MM/YYYY)	29/12/2015	30/10/1977
Qualification	B.sc from St. Xavier's College First Graduation in Rubber Technology from London Awarded Fellowship of Institute of Materials, London (FIM) & Indian Rubber Institute (FIRI)	Licenciate in Textile Mfg.
Brief resume & Expertise in specific functional areas	34 years of Experience in running Rubber Industry and completed 2 years of training in leading laboratories of Dupont, Monsanto, Ici Bayer and Rubber Industries all over the world.	He is 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 Chairman of the 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 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 wages settlements with the union and has been able to automize and substantially reduced the labour in the last 10 years. He is in the 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 and weaving operations from Mumbai to Dhamni and process House to Village Kharsundi.
Name of the Companies in which person holds the directorship and membership of committees of the Board	<b>Name of the company</b> <b>Director/ Member/ Chairman</b>	<b>Name of the company</b> <b>Director/ Member/ Chairman</b>
	Lathia Rubber Manufacturing Company Private Limited      Director	Galore International Projects Private Limited      Director
	Lathia Industrial Supplies Company Private Limited      Director	Ruby Sales And Services Private Limited      Director
	Jhaveri Flexo India Limited      Director	Ruby Travels Private Limited      Director
	Rubber Skill Development Council      Director	Hiren Brothers Investment Company Private Limited      Director
	Jhaveri Flexo India Limited      Member of Nomination And Remuneration Committee	-      -
	Jhaveri Flexo India Limited      Chairman of Audit Committee	



Name of the Director	Shri Yogen S. Lathia	Shri Hiren M. Shah
No. of shares held in the Company	Name of company No. of shares held	Name of company No. of shares held
	Lathia Industrial Supplies Company Private Limited 182	Ruby Travels Private Limited 80
	Lathia Rubber Manufacturing Company Private Limited 223	Galore International Projects Private Limited 110
		Ruby Sales And Services Private Limited 1100
Relationship between Director Inter-se	Shri Yogen S. Lathia is not related to any director in the Company.	Except Shri M. C. Shah, Smt. A. M. Shah, Shri B. M. Shah, Shri V. M. Shah no other Director is concerned or interested in the resolution.

## EXPLANATORY STATEMENT

### [Pursuant to Section 102 of the Companies Act, 2013]

As required by the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement set out all material facts relating to the business mentioned under item Nos. 5 and 6 of the accompanying Notice.

#### Item No. 5

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of Shri Dakshesh H. Zaveri, Cost Accountant, (Firm Registration Number 102183) to conduct the audit of the Cost records of the Company's Textile manufacturing units at Dhamni and Khursundi for the financial year ending March 31, 2017.

In terms of the the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules framed thereunder, as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year 2016-17, as set out in the Resolution for the aforesaid services to be rendered by them.

The Board of Directors recommend the Resolution set out at Item No. 5 of the accompanying Notice for approval of the Members of the Company as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, financially or otherwise concerned or interested in the said Resolution except to the extent of their shareholding in the Company, if any.

#### Item No. 6

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to provisions of Section 161 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Article of Association of the Company, appointed Shri Yogen Shivalal Lathia (holding DIN: 00299334), aged 61 years, as an Additional Director (Independent, Non- Executive) of the Company effective from 29th December, 2015 upto the date of ensuing Annual General Meeting.



The Company has received a notice in writing under the provisions of Section 160 of the Act from a member along with requisite deposit proposing his candidature for the office of Independent Director to be appointed as such under the provisions of Sections 149, 152 of the Companies Act, 2013 and other applicable provisions, if any, of the Act read with The Companies (Appointment and qualification of Directors) Rules, 2014 along with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other applicable regulations, if any. The Company has received the following from Shri Yogen Shivalal Lathia:

- i. Consent in writing to act as director in Form DIR-2 pursuant to Section 152(5) and Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- ii. Intimation in Form DIR 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under section 164(2) of the Act confirming his eligibility for such appointment, and
- iii. Declaration to the effect that he meet the criteria of Independence as provided in sub section (6) of Section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In the opinion of the Board of Directors, Shri Yogen Shivalal Lathia, the Independent Director proposed to be appointed, fulfills the conditions specified in the Act and the Rules made there under and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the Management. He has total Work experience of 34 years in running rubber industry and has undertaken two years training experience in leading Laboratories of Dupont, Monsanto, ICI Bayer and Rubber Industries all over the world. Thus his appointment as an independent director is justified and would immensely benefit the Company as he also has administrative experience in his profile.

A copy of the draft letter of the appointment of Independent Director setting out the terms and conditions is available for inspection by the members at the Company's registered office during normal business hours on all working days upto the date of Annual General Meeting.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and details as required under SS-2 (Secretarial Standard-2 on "General Meetings") of Shri Yogen Shivalal Lathia seeking appointment/re-appointment as an Independent Director is furnished and forms part of Notice.

The Board of Directors recommends the Resolution set out at Item No. 6 of the accompanying Notice for approval of the Members of the Company as an Ordinary Resolution.

Except Shri Yogen Shivalal Lathia, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, financially or otherwise concerned or interested in the said Resolution except to the extent of their shareholding in the Company, if any.

**On behalf of Board**

**Manharlal C. Shah**  
**Chairman**  
**DIN 00070771**

**Place :** Mumbai  
**Dated :** 4th August, 2016



**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the Hundredth Annual Report together with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2016.

**1. Financial Results**

The financial performance of the Company for the year ended 31st March, 2016 is summarised below:

Sl. No.	Particulars	For the year ended (₹ In Lakhs)	
		31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
1.	Total Revenue	22907.04	23947.70
2.	Finance Costs	1304.74	1489.56
3.	Depreciation and Amortization Expense	1955.74	1878.20
4.	Profit before Tax	5004.11	6594.72
5.	Provision for Tax including Current Tax adjustments of Earlier Years.	1077.59	1304.74
6.	Provision for Deferred Tax	(151.10)	(104.41)
7.	Profit after Tax, Prior period and Exceptional Items	4077.62	5394.39
	Add: Surplus Brought Forward	5007.44	9864.61
	Less: Appropriations		
	-General Reserve	4600.00	10000.00
	- Proposed Dividend/Interim Dividend	209.00	209.00
	- Tax on Dividend	42.54	42.54
	<b>Balance carried forward to next year</b>	<b>4233.52</b>	<b>5007.44</b>

**2. STATE OF COMPANY'S AFFAIR****i) Textiles and Real Estate Division**

The revenue from the textiles activity was ₹ 18079.88 Lakhs as compared to ₹ 16469.14 Lakhs in the previous year. The operating profit for the year was ₹ 2456 Lakhs against ₹ 1304 Lakhs in the previous year.

The revenue from real estate activity was ₹ 3176.01 Lakhs as compared to ₹ 3303.66 Lakhs in the previous year. The operating profit for the year was ₹ 2715 Lakhs as against ₹ 2764 Lakhs in the previous year.

**ii) Land Development at Dadar**

The construction of office building structure is complete as per approved plan under the earlier Development Control Rules (DCR). The State Government has notified modified Development Control Rules in 2012 wherein plans approved under the old Development Control Rules have an option to comply with the new DCR. The Company is exploring this option. In the current year lease/sales are expected to pick up due to current improved market conditions for Office spaces.

**3. DIVIDEND**

During the year, your Company had declared an interim dividend at rate of 25% i.e. of ₹ 1.25 per share on 1, 67, 20,000 equity shares of ₹ 5/- each. The aggregate outflow on account of interim dividend was ₹ 2, 09, 00,000/- (excluding Dividend Distribution Tax of ₹ 42, 54,734/-). Considering an interim dividend paid and in order to conserve the available resources, your Company has proposed not to recommend any final dividend on equity shares for the financial year ended March 31, 2016 and confirm the interim dividend as final dividend.

**4. BONUS ISSUE**

The Company has allotted 83, 60, 000 fully paid up new equity shares of ₹ 5/- each on 26th October, 2015 to the shareholders of the Company in proportion of 1:1 and consequently the number of shares increased from 83, 60, 000 to 1, 67, 20, 000.



## 5. TRANSFER TO RESERVES

An amount of ₹ 4600 Lakhs (previous year ₹ 10000 Lakhs) has been transferred to General Reserve.

## 6. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

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

## 7. 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 there under.

## 8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### (i) Directors

#### Appointment & Reappointment

Shri Hiren Manharlal Shah (DIN: 00071077) Director will retire by rotation and being eligible for reappointment and not being disqualified under section 164 of the Companies Act, 2013, offers himself for re-appointment. The Board recommends his re-appointment.

Shri Yogen Shivalal Lathia (DIN NO: 00299334) was appointed as an Additional Director of the Company (Non- Executive, Independent Director) w.e.f. 29th December, 2015 by the Board of Directors.

Your Company has received declarations from Shri Yogen Shivalal Lathia confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Notices under Section 160 of the Companies Act, 2013 has been received proposing candidature of Shri Yogen Shivalal Lathia for the position of Independent Director of the Company together with deposit of ₹ 1, 00, 000/- from a member of the Company.

Appropriate resolution for appointment of the aforesaid Directors is being moved at the ensuing Annual General Meeting which the Board recommends for your approval.

#### Resignation/ Cessation

Shri Dharmasinh M. Popat ceased to be Director of the Company at the end of the 99th AGM as he has not offered for re appointment due to his advanced age. The Board places on record its appreciation for the assistance and guidance provided by Shri Dharmasinh M. Popat during his tenure as Director of the Company. Further, Board also express its deep sorrow on the demise of Shri Dharmasinh M. Popat. May almighty God grant peace to his soul.

Shri Nitin P. Singhal who was an Independent Director resigned as director with effect from 12th August, 2015 due to his professional commitments. The Board places on record its appreciation for the assistance and guidance provided by Shri Nitin P Singhal during his tenure as Director of the Company.

Shri Gunvantrai A. Sanghrajka, who was appointed as Independent Director of the Company w.e.f. 30th September, 2015 expired on 1st October, 2015. The Directors express their deep sorrow on the sad demise of Shri Gunvantrai A. Sanghrajka. May almighty God grant peace to his soul.

Except above, there are no changes in the composition of the Board of Directors.

### (ii) Key Managerial Personnel

The Board on the recommendation of Nomination and Remuneration Committee appointed Ms. Heena Jaysinghani as the Company Secretary and Compliance officer of the Company effective from 7th November, 2015. She has since resigned with effect from 23rd July, 2016.

### (iii) Declaration by Independent Directors

The Company has received the necessary declarations from each of Independent Directors of the Company pursuant to



section 149(7) of the Companies Act, 2013, and each of them meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement and there has been no change in the circumstances which may affect their status as Independent Director during the year.

#### (iv) Annual Evaluation of Board

Pursuant to the provisions of the Companies Act, 2013 and relevant Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board has carried out the annual performance evaluation of its own performance and other Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment.

Performance evaluation of independent directors was done by the entire board, excluding the independent directors.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was reviewed and evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors.

#### v) Number of Board Meetings

During the Financial year 2015-16, total 6 (Six) meetings of the Board of Directors were held on 15th May, 2015, 12th August, 2015, 31st August, 2015, 7th November, 2015, 11th February, 2016 and 15th March, 2016 respectively. For details of the meetings of the board, please refer to the Corporate Governance Report, which forms part of this report.

### 9. DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31st March, 2016 and state that:-

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for the year on that date;
- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The directors had prepared the annual accounts on a going concern basis; and
- v. The directors had laid down proper systems of internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 10. NOMINATION AND REMUNERATION POLICY

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The policy of which has been uploaded on the Company's website at the following link-<http://www.rubymills.com/investors/policies/nomination-cum-remuneration-policy>

### 11. AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report which forms part of this report.



## **12. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES**

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

The Board of Directors of the Company has pursuant to the provisions of Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc. which has been uploaded on the Company's website at the following link- <http://www.rubymills.com/investors/policies/vigil-mechanism-whistle-blower-policy>

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. During the year under review no employee was denied access to the Chairman of the Audit Committee.

## **13. RISK MANAGEMENT**

The Board of Directors of the Company during the financial year 2014-15 has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and has defined a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. At present there is no identifiable risk which in the opinion of the Board may threaten the existence of the Company.

## **14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

## **15. EXTRACT OF ANNUAL RETURN**

Extract of the Annual Return in form MGT-9 for the financial year ended 31st March, 2016 made under the provisions of Section 92(3) of the Act is attached as "Annexure B" which forms part of this Report.

## **16. CORPORATE SOCIAL RESPONSIBILITY**

The Annual Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 on CSR activities is attached as "Annexure C" and forms a part of this Report. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which forms part of this report. The Corporate Social Responsibility policy of which has been uploaded on the Company's website at the following link- <http://www.rubymills.com/investors/policies/corporate-social-responsibility-philosophy>

## **17. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

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

## **18. AUDITORS**

### **(i) Statutory Auditors**

M/s. B. S. Mehta & Co., Chartered Accountants (Firm Registration No. 106190W), 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 upto the conclusion of next Annual General Meeting.



### **(ii) Secretarial Auditor**

The Board has appointed M/s. Hemanshu Kapadia & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2015-2016. The Report of the Secretarial Audit Report is annexed herewith as "Annexure D".

### **(iii) Cost Auditor and Cost Audit Report**

During the year under review, Shri Dakshesh H. Zaveri, Cost Accountant (Firm Registration Number 102183) has been appointed as Cost Auditor of the Company for the F.Y. 2015-2016, to carry out the Cost Audit, for auditing cost accounting Records in respect of the Textile Segment of the Company and to submit Cost Audit Report to the Board as required under Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Amendment Rules, 2014.

### **(iv) VAT Auditor**

The Board has appointed M/s. Hemant V. Shah, Chartered Accountants as the VAT Auditor to conduct the VAT Audit for the F.Y. 2015-16.

## **19. (i) Green Initiatives**

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

### **(ii) Human Resources**

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

### **(iii) Environment and Safety**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental Regulations and preservation of natural resources. There was no accident during the year.

## **20. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

## **21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

There are adequate internal financial controls in place with reference to the financial statements. During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls.

## **22. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES**

All Related Party Transactions entered into by your Company during the Financial Year 2015-16 were on arm's length basis and in the ordinary course of business. There are no material significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons which may have a potential conflict with the interest of the Company. Prior approval of the Audit Committee and the Board of Directors of the Company was obtained for all the Related Party Transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. Attention of Shareholders is also drawn to the disclosure of transactions with related parties as set out in Note No. 33 of Financial Statements, forming a part of the Annual Report.

## **23. PARTICULARS OF EMPLOYEES**

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





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

**24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

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

**25. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to financial statements provided in this Annual Report

**26. DISCLOSURE REQUIREMENTS**

As per relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report with auditor's certificate thereon and Management Discussion and Analysis are attached, which form part of this Annual Report.

**27. GENERAL DISCLOSURES**

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

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

**28. CHANGE IN THE NATURE OF BUSINESS**

There was no change in the nature of Company's business during the year under review.

**29. SEGMENTS**

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

**30. 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.

**On behalf of Board**

**Manharlal C. Shah**  
**Chairman**  
**DIN 00070771**

**Place :** Mumbai  
**Dated :** 4th August, 2016



## ANNEXURE TO THE DIRECTORS' REPORT

### Annexure 'A'

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

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

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

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

- Maintaining Unit Power Factor
- Use of Harmonic filters
- Control & check of Air Leakage
- Automatic Coal Feeder for Boilers
- Opti Power motors on cardins
- Use of fixed energy saving Transformers
- Use of maximum day lights
- Regular servicing of compressor, transformers
- Use of LED Lights
- Fixed Delta-Star energy saver for Twisting Department.
- Fixed energy saver Transformer for lighting.
- Use of Inventors for water pumps in processing department.
- Use of Effluent Treatment Plant and R.O. Plant
- Optimize use 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 daylight 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.
- Proper and regular use of Lubricants.

##### **b) Steps taken by the Company for utilizing alternate sources of energy**

- Change/replacement ordinary lights by LED Lights and the same is under implementation.
- Company is also making efforts for utilizing solar energy and the same is under active consideration
- The Company undertakes various measures to conserve energy by using energy efficient lighting systems, electric transmissions.
- Company has availed open access whereby the power will be purchased from private players and fed to the MSDDL grid. This will reduce power cost by 12 - 15%.

##### **c) The capital investment on energy conservation equipment: NIL**

#### **(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.
- Company works on mechanized process to reduce cost and increase the efficiency of the operations.
- Company has implemented ERP package for integrating the various process and operations of the Company.
- Modern Technology / Machinery is used by the Company from time to time to achieve maximum efficiency in operations resulting into cost reduction.

##### **b) Benefits derived like product improvement, cost reduction, product development or import substitution**

To avoid contaminants going in fabric, retrofit of foreign fiber was added to ACO8 open ended machine in spinning. This has resulted succeeded in improving quality of interlining cloth, optimizing work of chemical recipes of processing fabric to



resulted chemical consumption and reduce, effluent evaluating various processes to treat and release effluent water.

**c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

The Company has not imported technology during the last three years

**d) The Expenditure incurred on Research & Development**

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

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

The Foreign Exchange earned in terms of actual inflows during the year and the foreign actual outgo during the year in terms of actual outflows:

		Current Year 2015-2016 (₹ in Lakhs)	Previous Year 2014-2015 (₹ in Lakhs)
(a)	Value of Direct Imports calculated on CIF Basis:		
	(i) Stores, Spares	205.89	133.34
	(ii) Raw Materials	1.39	30.17
	(iii) Capital Goods	22.49	15.78
(b)	Earnings in Foreign Exchange on account of export of goods : Direct Export on FOB Basis	521.16	451.47
(c)	Expenditure in Foreign Currency : Travelling Others	72.68 12.67	22.38 19.30

**FORM 'A'**

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

		Current Year 2015-16	Previous Year 2014-15
1.	<b>Power &amp; Fuel Consumption :</b> <b>Electricity :</b>		
	<b>a Purchased Unit :</b> Total Amount (₹)	2,85,78,764 22,05,53,305	2,93,28,443 21,28,42,209
	<b>b Own Generation :</b>		
	i. Through Diesel Generator Units      Unit Units per 1 Ltr. of diesel oil      Unit Cost / Unit.      ₹	19,608 4 15	27,55 2.90 17.36
	ii. Through steam turbine / Generator Unit Units per 1 Ltr. Of diesel oil Cost / Unit	Nil Nil Nil	Nil Nil Nil
2.	<b>Coal (Dhamni &amp; Kharsundi):</b> Quantity (Tonnes) Total Cost (₹) Cost / Unit	11,622.89 6,03,31,517 *	11,679.74 6,79,81,991 *
3.	<b>Furnace Oil:</b> Quantity (K. Ltrs.) Total Cost	36.35 13,99,490	71.80 37,77,483

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



## Annexure 'B'

FORM NO. MGT - 9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2016

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

## I. REGISTRATION AND OTHER DETAILS

i	CIN	L17120MH1917PLC000447
ii	Registration Date	09.01.1917
iii	Name of the Company	The Ruby Mills Limited
iv	Category/Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
v	Whether listed Company (Yes/No)	Yes
vi	Address of the Registered Office and contact details	Ruby House, J. K. Sawant Marg, Dadar West, Mumbai-400028.
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. <b>Address</b> : E-2/3, Ansa Industrial estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400 072. <b>Tel</b> : 022- 40430200 <b>Fax</b> : 022-2847 5207 <b>Email</b> : investor@bigshareonline.com <b>Website</b> : www.bigshareonline.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Textile Manufacturing	13131	85%
2.	Real Estate Development	68100	15%

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

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



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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1267870	-	1267870	15.17	2535740	-	2535740	15.17	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3772070	-	3772070	45.12	7544140	-	7544140	45.12	-
e) Bank/ FI	-	-	-	-	-	-	-	-	-
f) Any Other Directors Relatives	1223420	-	1223420	14.63	2446840	-	2446840	14.63	-
<b>Sub-Total (A)(1)</b>	<b>6263360</b>	<b>-</b>	<b>6263360</b>	<b>74.92</b>	<b>12526720</b>	<b>-</b>	<b>12526720</b>	<b>74.92</b>	<b>-</b>
<b>(1) Foreign</b>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Bank/ FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A)= (A)(1) + (A)(2)</b>	<b>6263360</b>	<b>-</b>	<b>6263360</b>	<b>74.92</b>	<b>12526720</b>	<b>-</b>	<b>12526720</b>	<b>74.92</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Bank/ FI	-	-	-	-	12220	-	12220	0.07	0.07
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12220</b>	<b>-</b>	<b>12220</b>	<b>0.07</b>	<b>0.07</b>





Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	212308	131140	343448	4.11	440204	262280	702484	4.20	0.09
i) Overseas	-	-	-	-					
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	1288656	36832	1325488	15.86	2135749	52004	2187753	13.08	(2.77)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	283470	-	283470	3.39	946225	20260	966485	5.78	2.39
b) Others (specify)									
Trust	1490	-	1490	0.02	-	-	-	-	(0.02)
Clearing Members	20741	-	20741	0.25	75115	-	75115	0.45	0.20
Non-resident Indian (repat)	122003	-	122003	1.46	249223	-	249223	1.49	(0.03)
<b>Total Public shareholding (B) = (B)(1) + (B)(2)</b>	<b>1928668</b>	<b>167972</b>	<b>2096640</b>	<b>25.08</b>	<b>3858736</b>	<b>334544</b>	<b>4193280</b>	<b>25.08</b>	<b>(0.00)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>8192028</b>	<b>167972</b>	<b>8360000</b>	<b>100</b>	<b>16385456</b>	<b>334544</b>	<b>16720000</b>	<b>100</b>	<b>-</b>

(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2015)			Shareholding at the end of the year (as on 31.03.2016)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Manubhai and Sons Investments Company Private Limited	1194450	14.29	-	2388900	14.29	-	N.A.
2	Hiren Brothers Investments Company Private Limited	1194450	14.29	-	2388900	14.29	-	N.A.
3	M. C. Shah and Sons Investment Company	1194170	14.28	-	2388340	14.28	-	N.A.



Sr. No	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2015)			Shareholding at the end of the year (as on 31.03.2016)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
4	Executors and Trustee of late ChunilalNarbheram	189000	2.26	-	378000	2.26	-	N.A.
5	Manharlal Chunilal Shah	366660	4.39	-	733320	4.39	-	N.A.
6	Bharat Manharlal Shah	327500	3.92	-	655000	3.92	-	N.A.
7	Viraj Manharlal Shah	275660	3.30	-	551320	3.30	-	N.A.
8	Purav Hiren Shah	192254	2.30	-	384508	2.30	-	N.A.
9	Hiren Manharlal Shah	182150	2.18	-	364300	2.18	-	N.A.
10	M. C. Shah	181300	2.17	-	362600	2.17	-	N.A.
11	Rishabh Viraj Shah	156556	1.87	-	313112	1.87	-	N.A.
12	Jayshree Hiren Shah	156310	1.87	-	312620	1.87	-	N.A.
13	Viraj Manharlal Shah	117600	1.41	-	235200	1.41	-	N.A.
14	Hiren Manharlal Shah	117600	1.41	-	235200	1.41	-	N.A.
15	Aruna Manharlal Shah	115900	1.38	-	231800	1.38	-	N.A.
16	Bharat Manharlal Shah	114100	1.36	-	228200	1.36	-	N.A.
17	Dipti Viraj Shah	98500	1.18	-	197000	1.18	-	N.A.
18	Aabha Bharat Shah	86500	1.03	-	173000	1.03	-	N.A.
19	Yogesh Sumatilal Koradia	1650	0.02	-	3300	0.02	-	N.A.
20	Asha Yogesh Mehta	1050	0.012	-	2100	0.012	-	N.A.
	<b>Total</b>	<b>6263360</b>	<b>74.92</b>	<b>-</b>	<b>12526720</b>	<b>74.92</b>	<b>-</b>	<b>N.A.</b>

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

Sr. No.		Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (as on 31.03.2016)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Manubhai and Sons Investments Company Private Limited				
	At the beginning of the year	1194450	14.29	1194450	14.29
	Bonus Shares Allotted on 26.10.2015	1194450	-	2388900	14.29
	At the End of the year			2388900	14.29
2	Hiren Brothers Investments Company Private Limited				
	At the beginning of the year	1194450	14.29	1194450	14.29
	Bonus Shares Allotted on 26.10.2015	1194450	-	2388900	14.29
	At the End of the year			2388900	14.29
3	M. C. Shah and Sons Investment Company Private Limited				
	At the beginning of the year	1194170	14.28	1194170	14.28



Sr. No.		Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (as on 31.03.2016)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	Bonus Shares Allotted on 26.10.2015	1194170	-	2388340	14.28
	At the End of the year			2388340	14.28
4	Executors and Trustee of late Chunilal Narbheram				
	At the beginning of the year	189000	2.26	189000	2.26
	Bonus Shares Allotted on 26.10.2015	189000	-	378000	2.26
	At the End of the year			378000	2.26
5	Manharlal Chunilal Shah				
	At the beginning of the year	366660	4.39	366660	4.39
	Bonus Shares Allotted on 26.10.2015	366660	-	733320	4.39
	At the End of the year			733320	4.39
6	Bharat Manharlal Shah				
	At the beginning of the year	327500	3.92	327500	3.92
	Bonus Shares Allotted on 26.10.2015	327500	-	655000	3.92
	At the End of the year			655000	3.92
7	Viraj Manharlal Shah				
	At the beginning of the year	275660	3.30	275660	3.30
	Bonus Shares Allotted on 26.10.2015	275660	-	551320	3.30
	At the End of the year			551320	3.30
8.	Purav Hiren Shah				
	At the beginning of the year	192254	2.30		
	Bonus Shares Allotted on 26.10.2015	192254	-	384508	2.30
	At the End of the year			384508	2.30
9.	Hiren Manharlal Shah				
	At the beginning of the year	182150	2.18	182150	182150
	Bonus Shares Allotted on 26.10.2015	182150	-	364300	2.18
	At the End of the year			364300	2.18
10.	M. C. Shah				
	At the beginning of the year	181300	2.17	181300	2.17
	Bonus Shares Allotted on 26.10.2015	181300	-	362600	2.17
	At the End of the year			362600	2.17
11.	Rishabh Viraj Shah				
	At the beginning of the year	156556	1.87	156556	1.87
	Bonus Shares Allotted on 26.10.2015	156556	-	313112	1.87
	At the End of the year			313112	1.87



Sr. No.		Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (as on 31.03.2016)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
12.	Jayshree Hiren Shah				
	At the beginning of the year	156310	1.87	156310	1.87
	Bonus Shares Allotted on 26.10.2015	156310	-	312620	1.87
	At the End of the year			312620	1.87
13.	Viraj Manharlal				
	At the beginning of the year	117600	1.41	117600	1.41
	Bonus Shares Allotted on 26.10.2015	117600	-	235200	1.41
	At the End of the year			235200	1.41
14.	Hiren Manharlal				
	At the beginning of the year	117600	1.41	117600	1.41
	Bonus Shares Allotted on 26.10.2015	117600		235200	1.41
	At the End of the year			235200	1.41
15.	Aruna Manharlal Shah				
	At the beginning of the year	115900	1.38	115900	1.38
	Bonus Shares Allotted on 26.10.2015	115900	-	231800	1.38
	At the End of the year			231800	1.38
16	Bharat Manharlal				
	At the beginning of the year	114100	1.36	114100	1.36
	Bonus Shares Allotted on 26.10.2015	114100	-	228200	1.36
	At the End of the year			228200	1.36
17	Dipti Viraj Shah				
	At the beginning of the year	98500	1.18	98500	1.18
	Bonus Shares Allotted on 26.10.2015	98500	-	197000	1.18
	At the End of the year			197000	1.18
18	Aabha Bharat Shah				
	At the beginning of the year	86500	1.03	86500	1.03
	Bonus Shares Allotted on 26.10.2015	86500	1.03	173000	1.03
	At the End of the year			173000	1.03
19	Yogesh Sumatilal Koradia				
	At the beginning of the year	1650	0.02	1650	0.02
	Bonus Shares Allotted on 26.10.2015	1650	-	3300	0.02
	At the End of the year			3300	0.02
20	Asha Yogesh Mehta				
	At the beginning of the year	1050	0.01	1050	0.01
	Bonus Shares Allotted on 26.10.2015	1050	-	2100	0.01
	At the End of the year			2100	0.01



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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (as on 31.03.2016)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Adrik Traders Pvt. Ltd				
	At the beginning of the year	131040	1.57	131040	1.57
	Bonus Shares Allotted on 26.10.2015	131040	-	262080	1.57
	At the end of the year			262080	1.57
2	Adrik Traders Pvt. Ltd				
	At the beginning of the year	113376	1.36	113376	1.36
	Bonus Shares Allotted on 26.10.2015	113376	-	226752	1.36
	At the end of the year			226752	1.36
3	Umesh Kishorekant Sanghvi				
	At the beginning of the year	86528	1.04	86528	1.04
	Bonus Shares Allotted on 26.10.2015	86528	-	173056	1.04
	At the end of the year			173056	1.04
4	Kishorekant Bhimji Sanghvi				
	At the beginning of the year	62406	0.75	62406	0.75
	Bonus Shares Allotted on 26.10.2015	62406	-	124812	0.75
	At the end of the year			124812	0.75
5	Champaklal Chatrabhuj Sheth				
	At the beginning of the year	34020	0.41	34020	0.41
	Transactions purchase from 31.07.2015 upto Bonus Issue	19950	-	53970	0.65
	Bonus Shares Allotted on 26.10.2015	53970	-	107940	0.65
	At the end of the year			107940	0.65
6	Shashikant Gordhandas Badani				
	At the beginning of the year	48510	0.58	48510	0.58
	Bonus Shares Allotted on 26.10.2015	48510	-	97020	0.58
	At the end of the year			97020	0.58
7.	Yogesh Bhogilal Mehta				
	At the beginning of the year	30000	0.36	30000	0.36
	Bonus Shares Allotted on 26.10.2015	30000	-	60000	0.36
	At the end of the year			60000	0.36
8	K B Sanghvi				
	At the beginning of the year	29746	0.36	29746	0.36
	Bonus Shares Allotted on 26.10.2015	29746		59492	0.36
	At the end of the year			59492	0.36
9	Risha Dyeing and Printing Pvt. Ltd				
	At the beginning of the year	28380	0.34	28380	0.34



Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 01.04.2015)		Cumulative Shareholding during the year (as on 31.03.2016)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	Bonus Shares Allotted on 26.10.2015	28380	-	28380	0.34
	At the end of the year			56760	0.34
10	Rajendra J. Saboo				
	At the beginning of the year	17960	0.11	17960	0.11
	Transactions purchase/ from 09.10.2015 upto Bonus Issue	4000		21960	0.13
	Bonus Shares Allotted on 26.10.2015	21960		43920	0.26
	Transactions (purchase/ sale) after				
	Bonus issue upto 04.12.2015	1750		45670	0.27
	At the end of the year			45670	0.27

Note: The total number of shares has increased due to the issuance of bonus shares in the ratio 1:1

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (as on 1.04.2015)		Cumulative Shareholding during the year (as on 31.03.2016)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Manharlal. C. Shah, Executive Chairman				
	At the beginning of the year	366660	4.39	366660	4.39
	Bonus Shares Allotted on 26.10.2015	366660	-	733320	4.39
	At the end of the year			733320	4.39
2	Hiren M. Shah, Managing Director				
	At the beginning of the year	182150	2.18	182150	2.18
	Bonus Shares Allotted on 26.10.2015	182150	-	364300	2.18
	At the end of the year			364300	2.18
3	Bharat M. Shah, Jt. Managing Director				
	At the beginning of the year	327500	3.92	327500	3.92
	Bonus Shares Allotted on 26.10.2015	327500	-	655000	3.92
	At the end of the year			655000	3.92
4	Viraj M. Shah, Executive Director				
	At the beginning of the year	275660	3.30	275660	3.30
	Bonus Shares Allotted on 26.10.2015	275660	-	551320	3.30
	At the end of the year			551320	3.30
5	Aruna M. Shah, Non-Executive Director				
	At the beginning of the year	115900	1.38	115900	1.38
	Bonus Shares Allotted on 26.10.2015	115900	-	231800	1.38
	At the end of the year			231800	1.38



Sr. No.	For each of the Directors and KMP	Shareholding at the beginning the year (as on 1.04.2015)		Cumulative Shareholding during the year (as on 31.03.2016)	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
6	Anup P. Shah, Non-Executive, Independent Director				
	At the beginning of the year	800	0.01	800	0.01
	Transactions sale from 18.09.2015 upto				
	Bonus Issue	(800)		0	0
	Bonus Shares Allotted on 26.10.2015	0		0	0
	At the end of the year			0	0
7	Jimmy D. Masani, Non-Executive, Independent Director				
	At the beginning of the year	3150	0.037	3150	0.037
	Bonus Shares Allotted on 26.10.2015	3150	-	6300	0.037
	At the end of the year			6300	0.037
8	Yogen Shivilal Lathia Non-Executive, Independent Director				
	At the beginning of the year	1010	0.012	1010	0.012
	Bonus Shares Allotted on 26.10.2015	1010	-	2020	0.012
	At the end of the year			2020	0.012
9	Jayaraman Seshadrinathan, Chief Financial Officer				
	At the beginning of the year	0	0		
	Increase/ decrease in shareholding during the year	0	0	0	0
	At the end of the year			0	0
10	Pankaj J. Parkhiya*, Company Secretary				
	At the beginning of the year	0	0		
	Increase/ decrease in shareholding during the year	0	0	0	0
	At the end of the year			0	0
11	Heena Jaysinghani*, Company Secretary				
	At the beginning of the year	0	0		
	Increase/ decrease in shareholding during the year	0	0	0	0
	At the end of the year			0	0

Shri Pankaj J Parkhiya, Company Secretary resigned from the services of the Company with effect from 27th July, 2015. Ms. Heena Jaysinghani was appointed as Company Secretary of the Company with effect from 7th November, 2015.





## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	388,12,47,255	94,22,10,000	-	482,34,57,255
ii) Interest due but not paid	3,48,37,545	42,27,535	-	3,90,65,080
iii) Interest accrued but not due	3,63,21,046	-	-	3,63,21,046
<b>Total (i+ii+iii)</b>	<b>395,24,05,846</b>	<b>94,64,37,535</b>	<b>-</b>	<b>489,88,43,381</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	127,67,63,955	9,45,69,000	-	137,13,32,955
• Reduction	252,82,67,997	39,37,80,000	-	292,20,47,997
<b>Net Chang</b>	<b>(125,15,04,042)</b>	<b>(29,92,11,000)</b>	<b>-</b>	<b>(155,07,15,042)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	262,97,43,213	64,29,99,000	-	327,27,42,213
ii) Interest due but not paid	-	10,431,095	-	1,04,31,095
iii) Interest accrued but not due	2,05,68,408	-	-	2,05,68,408
<b>Total (i+ii+iii)</b>	<b>265,03,11,621</b>	<b>65,34,30,095</b>	<b>-</b>	<b>330,37,41,716</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTM/Manager				Total Amount (₹)
		M.C. Shah	Hiren M. Shah	Bharat M. Shah	Viraj M. Shah	
1.	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1,33,08,000	95,64,000	95,64,000	95,64,000	4,20,00,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	16,92,000	12,36,000	12,36,000	12,36,000	54,00,000
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961					
2.	Stock Option	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Commission - As % of Profit - Others, specify	N.A.	N.A.	N.A.	N.A.	N.A.
5.	Others, please specify					
	<b>Total (A)</b>	<b>1,50,00,000</b>	<b>1,08,00,000</b>	<b>1,08,00,000</b>	<b>1,08,00,000</b>	<b>4,74,00,000</b>
	<b>Ceiling as per the Act</b>	(Remuneration paid is within the ceiling limits of 11% of the net profit of the Company as per Section 198 of the Companies Act, 2013)				



B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Fee for attending board/ committee meetings	Commission	Others, please specify	Total Amount (₹)
1.	<b>Independent Directors</b>		-	-	
	Shri Jimmy D. Masani	1,15,000	-	-	1,15,000
	Shri Shardul J. Thacker	2,42,500	-	-	2,42,500
	Shri Dharmasinh M. Popat	27,500	-	-	27,500
	Shri Anup P. Shah	2,35,000	-	-	2,35,000
	Shri Nitin P. Shingala	40,000	-	-	40,000
	Shri Deepak R. Shah	2,27,500	-	-	2,27,500
	Shri Yogen S. Lathia	20,000	-	-	20,000
	<b>Total (1)</b>	<b>9,07,500</b>			<b>9,07,500</b>
2.	<b>Other Non-Executive Directors</b>				
	Smt Aruna M. Shah	1,27,500	-	-	1,27,500
	<b>Total (2)</b>	<b>1,27,500</b>			<b>1,27,500</b>
	<b>Total (B) = (1+2)</b>	<b>10,35,000</b>			<b>10,35,000</b>
	<b>Total Managerial Remuneration</b>				<b>4,84,35,000</b>

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

Sr.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (₹)
		CEO	Company Secretary (₹)	CFO (₹)	
1.	Gross Salary	-			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	-	3,22,835	13,00,400	16,23,235
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	76,628	3,19,830	3,96,458
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - As % of Profit - Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>3,99,463</b>	<b>16,20,230</b>	<b>20,19,693</b>

Shri Pankaj J Parkhiya, Company Secretary resigned from the services of the Company with effect from 27th July, 2015. Ms. Heena Jaysinghani was appointed as Company Secretary of the Company with effect from 7th November, 2015.



VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

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



**Annexure 'C'**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2015-16**

[Pursuant to the Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014]

Particulars	Details
1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	<p>The Ruby Mills Limited strives to be a socially responsible company and strongly believes in development which is beneficial for the society at large. As a Corporate Citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing foods, clothes, etc., keeping the environment clean and safe for the society by adhering to the best practices and technologies, and so on. It is the Company's intent to make a positive difference to society in which the Company lives and operates.</p> <p>The Projects / Programmes undertaken or proposed to be undertaken either by an Implementation Agency or the Company directly are / shall be in line with the activities enumerated in Schedule VII of the Companies Act, 2013 with rules framed there under (including any statutory modifications or re- enactments thereof for the time being in force as amended from time to time).</p> <p>The detailed Corporate Social Responsibility Policy is available on the website of the Company at the following link-  <a href="http://www.rubymills.com/investors/policies/corporate-social-responsibility-philosophy">http://www.rubymills.com/investors/policies/corporate-social-responsibility-philosophy</a> that gives an overview of the projects or programmes undertaken during the financial year 2015-16.</p>
2. The Composition of the CSR Committee.	<p>The Company has a CSR Committee of directors comprising of:</p> <p>Shri Anup P. Shah- Chairman, Independent Director</p> <p>Shri Shardul J. Thacker- Member, Independent Director</p> <p>Shri Manharlal C. Shah- Member, Executive Chairman</p> <p>Smt Aruna M. Shah- Member, Non- Executive Director</p>
3. Average net profit of the company for last three financial years	₹ 20,62,46,023/-
4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	₹ 41,24,920/-
5. Details of CSR spent during the financial year.	
(a) Total amount to be spent for the financial year;	₹ 41,24,920/-. However, Company has spent an amount of ₹ 50,00,000/- during the year.
(b) Amount unspent, if any;	NIL



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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district Where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period (as on 31.03.2016)	Amount spent: Direct or through implementing agency
(i)	Making Available safe drinking water Contribution through Jalyukta Shivar Yojana (aimed at solving water woes of draught prone region)	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking	Maharashtra – Dhule, Jalgaon and Latur	25,00,000	25,00,000	25,00,000	Direct
(ii)	Promoting education through Shree Purva Bharat Sthanakwasi Jain Sangh	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Bihar - Rajgir, Nalanda	25,00,000	25,00,000	25,00,000	Direct
	<b>Direct Expenditure</b>			50,00,000	50,00,000	50,00,000	
	<b>Overhead</b>			-	-	-	
	<b>Total</b>			50,00,000	50,00,000	50,00,000	
6.	In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.			N.A			
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the company.			We hereby affirm that the CSR Policy, as approved by the Board has been implemented and the CSR Committee monitors the implementation of the CSR Projects and activities in compliance with our CSR Objectives.			



**HEMANSHU KAPADIA & ASSOCIATES**

COMPANY SECRETARIES

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

Lamington Road, Mumbai-400 008

Tel 6631 0888/6631 4830

E-mail: hemanshu@hkacs.com

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial year ended 31st March 2016

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

To,  
The Members,  
**Ruby Mills Limited**  
Ruby House, J. K. SamantMarg,  
Dadar, Mumbai - 400028

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ruby Mills Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Ruby Mills Limited ("the Company") for the financial year ended on 31st March 2016, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not Applicable to the Company during the Audit period as there were no Foreign Direct Investments, Overseas Direct Investments in the Company and no External Commercial Borrowings were made by the Company**);
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015) ;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (with effect from 15th May 2015);
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (with respect to the issue of Bonus shares by the Company);
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not Applicable to the Company during the Audit period**);
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit period as the Company has not issued any Debt instruments/ Securities**);
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit period as delisting of securities did not take place); and**
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit period as the Company has not Bought back its securities);**
- j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (with effect from 1st December 2015);
- vi) Though the Company has segment wise reporting, the real estate activities were restricted only to leasing and therefore no real estate activity has been carried out by the Company. In view of the same, as informed to us by the management, the Company operates only in single segment i.e. textiles and accordingly, the sector specific compliance of the following other laws applicable specifically to the Company have been audited:
  - (i) The Textiles Committee Act, 1963;
  - (ii) The Textiles (Consumer Protection) Regulation, 1988;
  - (iii) The Textiles (Development and Regulation) Order, 2001;

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

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

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

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

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

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

- (i) Public/Rights/Preferential issue of shares / debentures/sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger /amalgamation /reconstructionetc.
- (v) Foreign technical collaborations.

**For Hemanshu Kapadia & Associates**

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

**Date :** 27th July 2016  
**Place :** Mumbai

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





**HEMANSHU KAPADIA & ASSOCIATES**

COMPANY SECRETARIES

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

Lamington Road, Mumbai-400 008

Tel 6631 0888/6631 4830

E-mail: hemanshu@hkacs.com

**Annexure A**

To,  
The Members,  
**Ruby Mills Limited**  
Ruby House, J. K. Samant Marg,  
Dadar, Mumbai - 400028

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

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

**For Hemanshu Kapadia & Associates**

Hemanshu Kapadia

Proprietor

C.P. No.: 2285

Membership No.: 3477

**Date : 27th July 2016**

**Place : Mumbai**



**Annexure 'E'**

**Disclosure of Remuneration under Section 197(12) of Companies Act, 2013 read with Rule 5(1) & 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr.No.	Requirements	Details								
1.	The ratio of the remuneration of each director to the median employee's remuneration for the financial year 2015-16	<table><tr><td>Shri Manharalal C. Shah</td><td>15.00:0.30</td></tr><tr><td>Shri Hiren M. Shah</td><td>10.80:0.30</td></tr><tr><td>Shri Bharat M. Shah</td><td>10.80:0.30</td></tr><tr><td>Shri Viraj M. Shah</td><td>10.80: 0.30</td></tr></table>	Shri Manharalal C. Shah	15.00:0.30	Shri Hiren M. Shah	10.80:0.30	Shri Bharat M. Shah	10.80:0.30	Shri Viraj M. Shah	10.80: 0.30
Shri Manharalal C. Shah	15.00:0.30									
Shri Hiren M. Shah	10.80:0.30									
Shri Bharat M. Shah	10.80:0.30									
Shri Viraj M. Shah	10.80: 0.30									
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2015-16;	<table><tr><td>Director &amp; Others</td><td>Nil</td></tr><tr><td>CFO</td><td>5%</td></tr></table>	Director & Others	Nil	CFO	5%				
Director & Others	Nil									
CFO	5%									
3.	The percentage increase in the median remuneration of employees in the financial year 2015-16	14%								
4.	The number of permanent employees on the rolls of company as on 31st March, 2016	138								
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	There are no increases in the remuneration of the Whole time Directors.								
6.	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid during the year ended March 31, 2016 was as per the Nomination and Remuneration Policy of the Company.								

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

**On behalf of Board**

**Place :** Mumbai  
**Dated :** 4th August, 2016

**Manharlal C. Shah**  
**Chairman**  
**DIN 00070771**



## MANAGEMENT'S DISCUSSION AND ANALYSIS

This report covers the operations and financial performance of the Company for the year ended 31st March, 2016 and forms part of the Directors' Report.

### 1 Overall Review:

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. The textile sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market

The Company's incomes derives from is in the business of manufacturing of textiles and the real estate segments. The Company had achieved an overall turnover of ₹ 22907 lakhs.

### 2. Segment Review

#### 2.1 Business Segment – Cotton, Synthetics Yarn and Fabrics.

##### a) Industry Structure and Development:

The Indian textile industry is autonomous and self-governing. The economy is growing rapidly and one can observe a potential international and domestic market. India is known as one of the largest exporters in the international market. India accounts for around 25% share of the global trade in cotton yarn. The fiber industry is growing at a rapid speed as large varieties of cotton fiber are available easily. The apparel industry holds about 12% of the total export across the globe. The industry has an added advantage of having numerous segments which help in the provision of a huge variety of products.

##### b) Opportunities and Threats:

The textile industry records an annual growth of around 6-8%. A shift towards the market of branded ready-made garment is being observed. More number of emerging malls and retail industries are providing opportunities to industry's segments like handicrafts and apparels. There is a provision of more FDI and investment opportunities. The global needs are being catered with product development. An upsurge in the purchasing power and disposable income of Indian customers has opened room for new market development.

Competing with other progressing countries like China, striking a balance between the quality and price of products, satisfying the demands of people all across the globe and at the same time, steadily improving the quality of the products. Striking a balance between demand and supply. Environmental and labor laws and fluctuations in raw materials costs especially Cotton which is dependent on weather conditions are some of the major concerns.

##### 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 been comparatively stable during the year.

In order to increase our share in the domestic market and to provide newer varieties of fabric to meet the consumer demand, our Research and Development Department continues to remain actively engaged in development of new shades, finishes and varieties in an economical and environmentally sustainable manner. Additionally, several new fabric blends are being developed with unique finishing processes to cater to the ever changing consumer demand.



**d) Outlook:**

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

**e) Risks and Concerns:**

Due to continuous increase in Dollar/Euro vis a vis the Rupee has increased the cost of import of stores and spares imported from Original Equipment Manufacturers. The vagaries of the weather also contributes to the increase in the cost of the raw materials. Delays in labour reforms, scarce availability of manpower resources, high attrition rate are some of the concerns and risk which poses threats to the company. Further weakening of the rupees will push up the input costs. High inflation has already added significantly to the labour cost as well as other inputs costs and continues to pose a threat as the unit is not in a position to pass on this burden to end user consumers.

**2.2 Business Segment – Real Estate.**

**a) Industry Structure and Development:**

For the past few years, Mumbai has witnessed growing demand for office space and being projected as the Financial Capital in this sub-continent. It is a preferred destination for real estate investments and has attracted capital infusion from foreign institutional investors/foreign funds as well as domestic players, both institutional and retail investors. With the mainstream view being that of guaranteed growth, we have witnessed a surge in this sector over the past decade.

**b) Threats and Opportunities:**

By virtue of the strong and increasing demand due to our large population base, this sector has grown continually and is expected to stay steady for long. IT/ITeS and industries are still expected to grow, creating employment opportunities and job stability. Foreign Direct Investments in various sectors will continue to fuel the economy and open more doors. The newly proposed Land Bill as well as the Real Estate Regulatory Bill will bring about more transparency in the long term, hence making investments more attractive.

**c) Outlook:**

India's property market has struggled in recent years amid high interest rates and slowing economy. A stable government at the Centre has given boost to the sector by instilling confidence to the builders as well as the buyers. Government's announcement on Foreign Direct Investment has also given boost to the sector.

**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 and legal compliances.

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



## CORPORATE GOVERNANCE REPORT

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

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

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

The Company understands and respects its fiduciary role and responsibility to shareholders. The report on the Company's corporate governance, as per the applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under

### 2. Board of Directors :

Your Company's Board is a professionally managed Board, consisting of 10 (Ten) Directors in all, categorized as under:

#### i. Composition of Board of Directors:

For the financial year 2015-16, the Board of Directors comprised of Executive Chairman, Managing Director, Jt. Managing Director and an Executive Director along-with 5 (Five) 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 5 (Five) Independent Directors out of a total of 10 (Ten) 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 on its Board representing any institution.

Composition of the Board and category of Directors:-

Sr. No.	Name	Category
1.	Shri Manharlal C. Shah	Executive Chairman
2.	Shri Hiren M. Shah	Managing Director
3.	Shri Bharat M. Shah	Jt. Managing Director
4.	Shri Viraj M. Shah	Executive Director
5.	Smt Aruna M. Shah	Non-executive Director
6.	Shri Jimmy D. Masani	Independent Director
7.	Shri Shardul J. Thacker	Independent Director
8.	Shri Anup P. Shah	Independent Director
9.	Shri Deepak R. Shah	Independent Director
10.	*Shri Yogen Shivilal Lathia	Independent Director
11.	*Shri Nitin P. Shingala	Independent Director
12.	*Shri Dharmasinh M. Popat	Independent Director
13.	*Shri Gunvantrai A. Sanghrajka	Independent Director



1. \*Shri Yogen S. Lathia has been appointed as an Additional Director (Independent, Non-Executive) of the Company w. e. f. 29th December, 2015.
2. \*Shri Nitin P. Shingala, Independent Director of the Company had resigned w. e. f. 12th August, 2015.
3. \*Shri Dharmasinh M. Popat, Independent Director of the Company ceased to be director w. e. f. 23rd September, 2015.
4. \*Shri Gunvantrai A. Sanghrajka appointed as an Independent Director of the Company w. e. f. 30th September, 2015 and ceased w. e. f. 1st October, 2015 as a director due to his demise.

**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 applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 2015-16, the Board met 6 (Six) times on the following dates 15th May, 2015, 12th August, 2015, 31st August, 2015, 7th November, 2015, 11th February, 2016 and 15th March, 2016.

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 Manharlal C. Shah	EC	6	6	Yes	-	2	-	-
Shri Hiren M. Shah	MD	6	6	Yes	-	4	-	-
Shri Bharat M. Shah	Jt.MD	6	6	Yes	-	4	-	-
Shri Viraj M. Shah	ED	6	5	No	-	4	-	-
Smt. Aruna M. Shah	NED	6	6	No	-	-	-	-
Shri Jimmy D. Masani	NED	6	5	No	-	1	-	-
Shri Shardul J. Thacker	NED	6	6	No	2	3	1	2
Shri Anup P. Shah	NED	6	6	Yes	6	3	3	6
Shri Deepak R. Shah	NED	6	6	Yes	N.A.	N.A.	N.A.	N.A.
*Shri Yogen S. Lathia	NED	2	1	N.A.	1	2	1	1
*Shri Nitin P. Shingala	NED	2	2	N.A.	N.A.	N.A.	N.A.	N.A.
*Shri Dharmasinh M. Popat	NED	3	1	N.A.	N.A.	N.A.	N.A.	N.A.
*Shri Gunvantrai A. Sanghrajka	NED	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**Note:**

1. The Directorships held by Directors mentioned above; do not include Alternate Directorship and Directorship in Foreign Companies, Section 8 Companies.



2. In accordance with Regulation 26 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/Chairmanships of only the Audit Committees and Shareholders / Investors Grievance Committee in all Public Limited Companies (excluding The Ruby Mills Limited) have been considered.
3. \*Shri Yogen S. Lathia has been appointed as an Additional Director (Independent, Non-Executive) of the Company w. e. f. 29th December, 2015.
4. \*Shri Nitin P. Shingala, Independent Director of the Company had resigned w. e. f. 12th August, 2015.
5. \*Shri Dharmasinh M. Popat, Independent Director of the Company ceased to be Director w. e. f. 23rd September, 2015.
6. \*Shri Gunvantrai A. Sanghrajka appointed as an Independent Director of the Company w. e. f. 30th September, 2015 and ceased w. e. f. 1st October, 2015 as a director due to his demise.
7. Membership Includes Chairmanship of Committees.

### iii. Inter-se relationships among Directors:

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

### iv) Code of Conduct:

The Company has adopted a Code of Conduct for the members of the Board and the Senior Executives. All the members of the Board and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31st March, 2016 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 2015-16"

Hiren M. Shah  
Managing Director  
DIN 00071077

### 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 retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Shri Yogen Shivilal Lathia (DIN : 00299334) was appointed as an Additional Director of the Company (Non- Executive, Independent Director) w.e.f. 29th December, 2015 by the Board of Directors.

Notices under Section 160 of the Companies Act, 2013 have been received proposing candidature of Shri Yogen Shivilal Lathia for the position of Director of the Company together with requisite deposit from a member of the Company.

The brief profile and other relevant particulars of Shri Yogen S. Lathia, are furnished in the Notice convening the 100th Annual General Meeting of the Company to be held on Monday, the 19th September, 2016.

## 3. 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.

### i. Audit Committee:

The terms of reference of the Audit Committee are broadly as under:





- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment, remuneration and terms of appointment of auditors and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, :
  - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. changes, if any, in accounting policies and practices along with reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions; and
  - g. qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments
- Valuation of undertaking or assets of the company, whenever it is necessary
- Evaluation of internal financial controls and risk management systems
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussing with the internal auditors any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the Whistle Blower mechanism;
- Approving the appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc., of the candidate; and
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time."

The Audit Committee shall mandatorily review the following:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;



- internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the internal auditor.

Further, the audit committee ensures that it has reviewed each area that is required to review under its terms of reference and under applicable regulation or by way of good practice. This periodic review ensures that all areas within the scope of committee are reviewed.

The Audit Committee of the Company met 5 (Five) times during the year as per the dates mentioned below:

15th May, 2015, 12th August, 2015, 7th November, 2015, 11th February, 2016 and 15th March, 2016.

The Audit Committee of the Board comprises of 1 (One) Joint Managing Director and 3 (Three) Non-Executive, Independent Directors. Recommendations of the Audit Committee are considered and implemented by the Board from time to time.

The Composition of Audit Committee and the details of meetings attended by its members are given below:

Name of the Directors	Category of Directorship	Status	No. of Meetings attended
Shri Anup P. Shah	Non-Executive Director–Independent	Chairman	5/5
Shri Shardul J. Thacker	Non-Executive Director–Independent	Member	5/5
Shri Deepak R. Shah	Non-Executive Director–Independent	Member	5/5
Shri Bharat M. Shah	Joint Managing Director	Member	5/5

The Chief Financial Officer and the representative of Statutory Auditor, Internal Auditor were also invited to attend the Audit Committee meetings. Shri Anup P. Shah was present at 99th Annual General Meeting of the Company held on 30th September, 2015 to attend and reply to the shareholders queries. The Company Secretary acts as Secretary to the Committee.

The Company generally considers and reviews all items listed in the applicable acts and regulations. The Committee mandatorily reviews information as per the requirement of applicable acts and regulations 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 balance with the requirements under provisions of Section 178 of the Companies Act, 2013 and is in line with the provisions of the relevant requirements of Securities and Board of India (Listing Obligations and Disclosure Regulations) Regulations, 2015 to determine and review the remuneration package of Managing / Whole-time / Executive / Independent Directors, senior officers of the Company, evaluating performance of directors/senior officer and to deal with other matters related to appointment and removal of managerial/ directors/ senior personnel.

### Brief description of Terms of Reference:

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance."

Further, the Nomination and Remuneration committee ensures that it has reviewed each area that is required to review under its terms of reference and under applicable acts/ regulation or by way of good practice.

Nomination and Remuneration Committee Meeting of the Company held on 31st August, 2015 and 7th November, 2015 during the financial year ended 31st March, 2016. Presently, the Company does not have any Stock Option Scheme.



The Composition of Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of the Remuneration Committee Member	Category of Directorship	Status	No. of Meetings Attended
Shri Jimmy D. Masani	Non-Executive Director – Independent	Chairman	2/2
Shri Shardul J. Thacker	Non-Executive Director – Independent	Member	2/2
*Shri Dharmasinh M. Popat	Non-Executive Director – Independent	Member	1/1
*Shri Deepak R. Shah	Non-Executive Director – Independent	Member	1/1

Note: \*With effect from 23th September, 2015, Shri Dharmasinh M. Popat had resigned as a member of Nomination and Remuneration Committee and Shri Deepak R. Shah has been appointed as Member of Nomination and Remuneration Committee w.e.f. 24th September, 2015.

#### Remuneration Policy:

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

The performance evaluation criteria for Independent Directors and criteria of making payments to Non-Executive Directors forms part of Nomination cum Remuneration Policy which has been uploaded on the Company's website at the following link- <http://www.rubymills.com/investors/policies/nomination-cum-remuneration-policy>.

Directors' Remuneration

**Details of remuneration paid to Managing Directors and Whole-time Directors for the year ended 31st March, 2016 are as follows:-**

All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;

(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	1,38,08,000	95,64,000	95,64,000	95,64,000
*Other Perquisite	95,040	88,320	88,320	88,320
Contribution to PF	15,96,960	11,47,680	11,47,680	11,47,680
details of fixed component and performance linked incentives, along with the performance criteria;	-	-	-	-
service contracts, notice period, severance fees;	-	-	-	-
stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.	-	-	-	-
<b>Total</b>	<b>1,50,00,000</b>	<b>1,08,00,000</b>	<b>1,08,00,000</b>	<b>1,08,00,000</b>

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



### Sitting Fees & Commission paid to Non-executive Directors:

The Non-Executive Directors are paid sitting fees at the rate of ₹ 20,000/- for attending each meeting of the Board and Audit Committees and ₹ 7,500/- for attending each meeting of the Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship/ Shareholders/ Investor Grievance Committee and Share Transfer Committee respectively.

In respect of the financial year 2015-16 the sitting fees paid/payable to the Non-Executive Directors are as detailed below.

Name	Total Sitting fees paid (In ₹)
Smt Aruna M. Shah	1,27,500
Shri Jimmy D. Masani	1,15,000
Shri Shardul J. Thacker	2,42,500
Shri Dharmasinh M. Popat	27,500
Shri Anup P. Shah	2,35,000
Shri Nitin P. Shingala	40,000
Shri Deepak R. Shah	2,27,500
Shri Yogen S. Lathia	20,000

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 is in line with the provisions of the relevant requirements of Securities and Board of India (Listing Obligations and Disclosure Regulations) Regulations, 2015

#### Brief Description of Terms of Reference:

Share Transfer & Stakeholders Relationship/Shareholders/Investors Grievance Committee has the mandate to review and redress shareholder grievances

Stakeholders Relationship/Shareholders/Investors Grievance Committee Meeting of the Company held on 26th October, 2015 during the financial year ended 31st March, 2016.

The Composition of Share Transfer and Stakeholders Relationship/Shareholders/Investors Grievance Committee of the Board comprise of 5 (Five) members and the details of meetings attended by its members are given below:-

Name of the Share Transfer and Shareholders / Investors Grievance Committee Member	Category of Directorship	Status	No. of meetings attended
Shri Anup P. Shah	Non-Executive, Independent	Chairman	1/1
Shri Manharlal C. Shah	Executive Chairman	Member	1/1
Shri Hiren M. Shah	Managing Director	Member	1/1
Shri Bharat M. Shah	Managing Director	Member	1/1
Shri Viraj M. Shah	Executive Director	Member	1/1

Name of Non-Executive Director heading the Share Transfer and Stakeholders Relationship/Shareholders/Investors Grievance Committee of the Board - Shri Anup P. Shah, Non-Executive, Independent



Name & Designation of Compliance Officer:

Ms. Heena Jaysinghani is designated as a Company Secretary and Compliance Officer of the Company.

A statement of various complaints received and redressed by the Company during the year financial ended 31st March, 2016 is given below:

Name of Complaint	Number of Investors' Complaint pending at the beginning of the year	Number of Investors' Complaint received during the year	Number of Investors' Complaint disposed of during the year	Number of Investors' Complaint remaining unresolved at the year
Non Receipt of Annual Report	-	2	2	-
Non Receipt of Dividend Warrants	-	4	4	-
Non Receipt of Bonus Shares	-	5	5	-
Request for Duplicate Share Certificates	-	-	-	-
Non Receipt of Share Transferred	-	-	-	-
Others	-	-	-	-
Letters from Stock Exchanges/SEBI	-	-	-	-
Ministry of Corporate Affairs	-	-	-	-
<b>Total</b>	<b>NIL</b>	<b>11</b>	<b>11</b>	<b>NIL</b>

**iv. Compliance Certificate:**

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith as **annexure A Page No 54**.

**v. Corporate Social Responsibility Committee:**

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

Brief description of Terms of Reference

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

Corporate Social Responsibility Committee Meeting of the Company held on 12th August, 2015 during the financial year 2015-16

The Composition of Corporate Social Responsibility Committee of the Board comprises of 4 (Four) members and the details of meetings attended by its members are given below:

Name of the Social Responsibility Committee Member	Category of Directorship	Status	No. of meetings attended
Shri Anup P. Shah	Non-Executive Director – Independent	Chairman	1/1
Shri Shardul J. Thacker	Non-Executive Director – Independent	Member	1/1
Shri Manharlal C. Shah	Executive Chairman	Member	1/1
Smt Aruna M. Shah	Non-executive Director	Member	1/1



**vi. Risk Management Committee:**

The Board of Directors of the Company has constituted Risk Management Committee in the Board Meeting held on 17th May, 2014.

The Risk Management Committee is responsible for formulating a Risk Management Policy which shall indicate the procedure and measures to be taken to identify and minimize the risks impacting the Company's business; to recommend the Board members about risk assessment and minimization procedure; and to monitor the implementation of recommendations made by committee to the Board.

The Risk Management Committee of the Board comprises of 2 (Two) executive directors and a President:-

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

**4. 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
99 <sup>th</sup>	Wednesday	30/09/2015	4.30 p.m.	Ruby House, J.K.Sawant Marg, Dadar, Mumbai-28.	1. Alteration of Memorandum of Association 2. Alteration of Article of Association
98 <sup>th</sup>	Wednesday	24/09/2014	4.30 p.m.	Ruby House, J.K.Sawant Marg, Dadar, Mumbai-28.	1. Appointment of Shri M. C. Shah, Executive Chairman 2. Appointment of following independent directors and fixed their tenure under Companies Act, 2013. • Shri Jimmy D. Masani • Shri D. M. Popat • Shri Shardul Thacker 3. Approval of borrowing power pursuant to Section 180(1)(c) of the Companies Act, 2013. 4. Approval pursuant to Section 180(1)(a) of the Companies Act, 2013 for creation of charge on securities of the Company.
97 <sup>th</sup>	Monday	23/09/2013	4.30 p.m.	Ruby House, J.K.Sawant Marg, Dadar, Mumbai-28.	Re-appointment and Payment of existing remuneration to Chairman, Managing Directors and Executive Directors for Five years w.e.f. 1-4-2014;- Shri M. C. Shah Shri H. M. Shah Shri B. M. Shah Shri V. M. Shah

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

**5. Familiarisation Programme:**

The Policy on the Company's Familiarisation Programme for independent-directors can be accessed at <http://www.rubymills.com/investors/familiarisation-programme-for-independent-directors>.



## 6. Disclosures

### a. Disclosure regarding materially significant related party transactions :

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

All the transactions with related parties are periodically placed before the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board for its approval. Transactions with related parties, as per requirements of Companies Act, 2013 and Accounting Standard 18, are disclosed in Note No. 33 to the Accounts and in the Directors' Report part of the Annual Report and they are not in conflict with the interest of the Company at large. The board has approved a policy on related party transactions which has been uploaded on the Company's website at the following link- <http://www.rubymills.com/wp-content/uploads/2015/01/Related-Party-Transactions-Policy-RML.pdf>

### b. Disclosure of non-compliance by the Company:

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

### c. Whistle blower and Vigil Mechanism policy:

The Company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the Audit Committee. It is affirmed that no person has been denied access to the Audit Committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice. The said policy has been also put up on the website of the Company at the following link- <http://www.rubymills.com/investors/policies/vigil-mechanismwhistle-blower-policy>

### 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status of compliance in respect of non-mandatory requirement the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

#### i) 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.

#### ii) Shareholders' Rights:

Un-audited quarterly financial results are sent to the stock exchanges and published in the news papers as per the Listing Regulation.

#### iii) Modified opinion(s) in audit report:

There are no qualifications in the Auditor's Report on the financial statements to the Shareholders of the Company.

#### iv) Separate posts of chairperson and chief executive officer:

The Chairman is also the Managing Director of the Company.

#### v) Reporting of internal auditor:

The Internal Auditor directly reports to the Audit Committee.

### e. Hedging of Risk:

Company is not having much exposure to foreign exchange and there is a natural hedging party available in terms of exports made by the Company.





In respect of price risk of raw materials used for manufacturing purpose the same is taken care of as per industry requirement.

## 7. Disclosures of the Compliances :

The Company has disclosed about the Compliance of regulations in respect of Corporate Governance under the Listing Regulations on its website i.e. [www.rubymills.com](http://www.rubymills.com).

## 8. MD/CFO Certification:

Managing Director and Chief Financial Officer have issued necessary certificate in accordance with Regulation 17(8) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 for the financial year ended 31st March, 2016 **annexure B Page No 59**.

## 9. 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 at the following link - <http://www.rubymills.com/investors/code-of-conduct>. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the financial year 2015-16.

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

S. No.	Name of Non-Executive Director	No. of Shares Held
1.	Smt Aruna M. Shah	Nil
2.	Shri J. D. Masani	6300
3.	Shri Shardul J. Thacker	Nil
4.	Shri Anup P. Shah	Nil
5.	Shri Deepak R. Shah	Nil
6.	Shri Yogen S. Lathia	1600

## 11. Means of Communication Quarterly results:

The quarterly, half yearly and annual results of the Company are published in newspapers viz The Financial Express for the quarter ended 30.06.2015 and 30.09.2015 respectively, The Free Press Journal for the quarter ended 31.12.2015 and 31.03.2016 respectively and in Navshakti for the F.Y 2015-16.

## 12. Website:

In compliance with Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is maintaining a website i.e. <http://www.rubymills.com/investors>, 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.

## 13. General Shareholder Information:

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

Day, date, time and venue

Day : Monday

Date : 19th September, 2016

Time : 4.30 p.m.

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



**b. Calendar of Financial Year 2016-17 :**

The Company follows April- March as the financial year

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 31<sup>st</sup> March, 2017 : Before 30<sup>th</sup> May 2017

**c. Dividend Payment Date:**

During the year, your Company had declared an interim dividend at rate of 25% of ₹ 1.25 per share on 1, 67, 20, 000 equity shares of ₹ 5/- each. Considering an interim dividend paid and in order to conserve the available resources, your Company has proposed not to recommend any final dividend on equity shares for the financial year ended March, 31, 2016 and confirm the interim dividend as final dividend. Therefore, no details are required with respect to dividend payment date.

**d. 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 Ltd - Exchange Plaza, C-1, Bandra Kurla - Complex, Bandra (E), Mumbai - 51.

Note: Listing fees have been paid to the above Stock Exchanges for the year 2016-2017.

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

a. BSE Limited : 503169

b. National Stock Exchange of India Limited: RUBYMILLS

c. ISIN : INE301D01026

**f. Market price Data :**

The monthly high and low quotations and volume of shares traded at the National Stock Exchange of India Ltd and BSE Limited during the financial year 2015-16 are given below:

**Stock Price**  
**For the period: 1st April 2015 to 31st March 2016**  
**Script Code: RUBYMILLS (NSE) 503169 (BSE)**

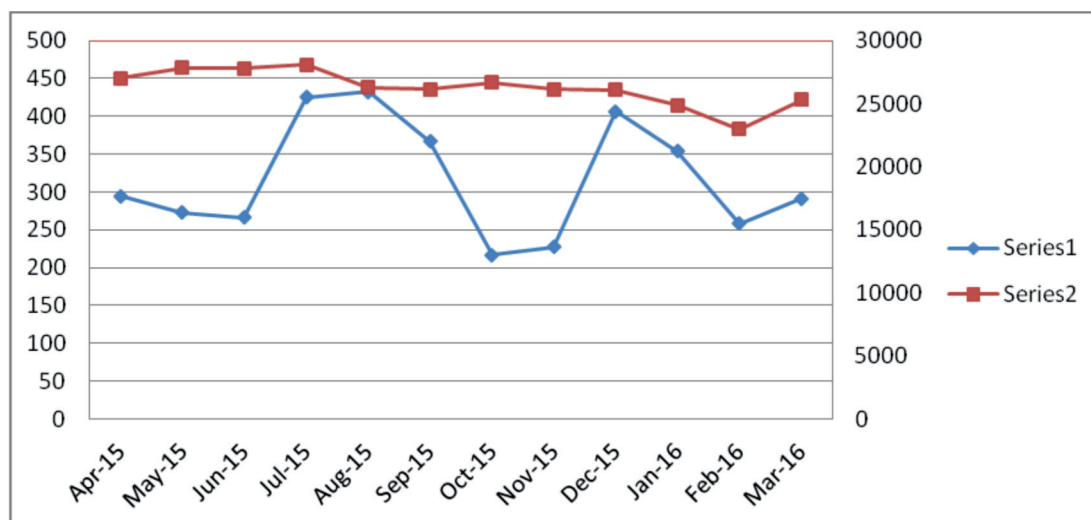
Month	NSE			BSE		
	High Price ₹	Low Price ₹	Volume Traded (No. of Shares)	High Price ₹	Low Price ₹	Volume Traded (No. of Shares)
Apr-15	316.50	270.10	51845	318.70	268.00	30706
May-15	344.90	271.00	95770	347.00	270.00	60830
Jun-15	281.80	248.00	35928	284.80	250.00	21076
Jul-15	444.40	272.00	306644	443.00	272.00	168209
Aug-15	494.00	310.00	459017	492.00	310.00	230590
Sep-15	449.95	353.50	116240	447.80	351.40	63823
Oct-15	485.00	210.50	286705	485.00	216.00	150660
Nov-15	234.00	193.00	132619	233.90	196.50	60640
Dec-15	452.00	227.00	2787684	453.00	226.00	1125136
Jan-16	431.00	325.00	583515	430.00	325.50	224290
Feb-16	390.00	252.00	297267	389.90	250.10	136396
Mar-16	335.00	257.15	207594	335.80	262.00	82405



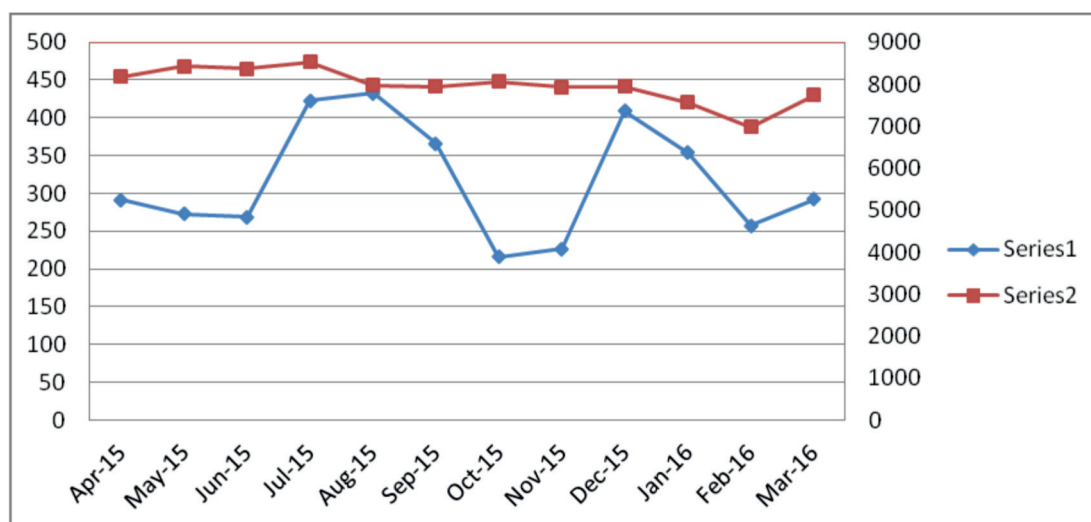
## g. Liquidity:

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



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



## h. 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.

## i. 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 Share Transfer Committee of the Board 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 relevant regulations issued by Securities of Exchange Board of India and files a copy of certificate with the Stock Exchanges.

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

A qualified Practicing Company Secretary carried out the Secretarial Audit 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.

**k. Outstanding GDRs / ADRs / Warrants or any Convertible instruments and their impact on equity:**

The Company does not have any outstanding GDRs / ADRs / warrants /convertible instruments.

**l. Distribution of Share holding:**

a. The shareholding distribution of equity shares as of 31st March, 2016 is given below.

Sr. No	Range ( In ₹)	Total Holders	% of Total Holders	Share Amount	Percentage of shareholding
1	1 – 500	5569	86.43	589762	3.52
2	501 – 1000	358	5.55	274068	1.63
3	1001 – 2000	221	3.43	331539	1.98
4	2001 – 3000	100	1.55	245311	1.46
5	3001 – 4000	49	0.76	178628	1.06
6	4001 – 5000	26	0.40	113578	0.67
7	5001 – 10000	51	0.79	355975	2.13
8	10001 and above	69	1.07	14631139	87.50
	<b>TOTAL</b>	<b>6443</b>	<b>100.00</b>	<b>16720000</b>	<b>100.00</b>

**b. Shareholding pattern as on 31st March 2016.**

Sr. No.	Category	No. of Shares held	% of Share holding
1	Promoters/Directors/Directors Relative	12526720	74.92
2	Resident Individuals	3154238	18.86
3	Private Corporate Bodies	702484	4.2
4	NRI's	249223	1.50
5	Clearing Members	75115	0.45
6	Financial Institutions and Banks	12220	0.07
	<b>TOTAL</b>	<b>16720000</b>	<b>100.00</b>

**m. Dematerialisation of equity Shares:**

As on 31st March, 2016, 98% of the Company's total equity shares representing 16385456 shares are held in dematerialised form and the balance 2% representing 334544 shares are in physical form.

**n. Plant Locations (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

**o. Address for Correspondence:****Any query on Annual Report or Investors' Grievance Redressal:**

By email: info@rubymills.com

By telephone: 022-24387800

**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	Investor's concerned Depository Participant(s) and/or Bigshare Services Private Limited

**14. Unclaimed Dividends:**

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

Financial Year	Date of declaration of dividend	Dividend %	Dividend Per Share in (₹)	Amount (₹)#
2008-09	18th September, 2009	60	3.00	39,618
2009-10	25th September, 2010	80	4.00	50,288
2010-11	29th September, 2011	100	5.00	66,150
2011-12	24th September, 2012	100	5.00	44,680
2012-13	23rd September, 2013	40	2.00	44,936
2013-14	24th September, 2014	40	2.00	36,744
2014-15	30th September, 2015	50	2.50	94,155
2015-16	*15th March, 2016	25	2.50	11,12,059

Share of paid - up value of ₹ 5/- each from 2012-13.

# Amount unclaimed as at 31st March, 2016.

\* Interim Dividend.

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.

**15. Subsidiary Company:**

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



**ANNEXURE A**

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

**To the Members of The Ruby Mills Limited**

We have examined the compliance of the conditions of Corporate Governance by **The Ruby Mills Limited** ("the Company") for the year ended March 31, 2016, as stipulated in clause 49 of the Listing Agreement ("Listing Agreement") of the Company with The Stock Exchange for the period April 1, 2015 to November 30, 2015 and as required to in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") for the period December 1, 2015 to March 31, 2016.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implications thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information 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 the above mentioned Listing Agreement / Listing Regulations, as applicable.

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

For **B. S. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 106190W

**Place :** Mumbai  
**Date :** May 30, 2016

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



**ANNEXURE B**

**MANAGING DIRECTOR / CFO COMPLIANCE CERTIFICATE**

**Certifying by the Managing Director and Chief Financial Officer (CFO) pursuant to Regulation 17(8) of (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We, hereby certify that:-

- A. We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2016 and that to the best of their knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended 31st March, 2016 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 we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- 1) significant changes in internal control over financial reporting during the financial year ended 31st March, 2016;
  - 2) significant changes in accounting policies during the financial year ended 31st March, 2016 and that the same have been disclosed in the notes to the financial statements; and
  - 3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

This certificate is given by the undersigned with best of our knowledge and belief, that on its faith and strength, full reliance is placed by the Audit Committee / Board of Directors of the Company.

**For The Ruby Mills Limited**

**Place : Mumbai**

**Date : 30/05/2016**

**Bharat M. Shah**

**Jt. Managing Director**

**DIN 00071248**

**S. Jayaraman**

**Chief Financial Officer**





## **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, 2016, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its financial statements— Refer Note 29 to the financial statements;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.
- 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the Order.

For **B. S. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 106190W

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

**Place :** Mumbai  
**Date :** May 30, 2016



## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date to the members of the Company on the financial statements for the year ended March 31, 2016.

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

We have audited the internal financial controls over financial reporting of **The Ruby Mills Limited** ("the Company"), as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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



### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **B. S. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 106190W

**Place :** Mumbai  
**Date :** May 30, 2016

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

### ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date to the members of the Company on the financial statements for the year ended March 31, 2016

**Report on the Companies (Auditors' Report) Order, 2016, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of The Ruby Mills Limited ("the Company")**

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- b. The fixed assets have been physically verified by the management according to a phased programme designed to cover all the fixed assets over a period of three years, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year, and no material discrepancies have been noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as included in Note 12 on Fixed Assets to the financial statements are held in the name of the Company.
- ii. Inventories, other than stocks lying with third parties, have been physically verified by the management on half yearly basis. In case of stocks lying with third parties, certificates confirming such stocks have been received in respect of stocks held as at the year end. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.
- iii. The Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Company has not given any guarantee or provided any security in connection with a loan to any person or other body corporate and accordingly, the question of commenting on compliance with the provisions in respect thereof does not arise.
- v. In our opinion and according to the information and explanations given to us, as the Company has not accepted any deposit from the public. Accordingly, paragraph 3(v) of the Order to comment on whether the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government under Section 148 (1) of the Act in respect of the Company's products and



are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete.

- vii. a. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues as applicable to it with the appropriate authorities and there are no arrears of outstanding statutory dues on the last day of the financial year, for a period of more than six months from the date they become payable.
- b. According to the information and explanations given to us and on the basis of books and records examined by us, as may be applicable, given hereinbelow are the details of dues of Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess as on March 31, 2016 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 (₹)
<b>The Income tax Act, 1961</b>	Income Tax Appellate Tribunal	Income tax and interest	Assessment Year 1998-99	47,000
	Commissioner of Income Tax (Appeals)	Income tax and interest	Assessment Years 2006-07 to 2012-13	11,45,44,758 #
<b>The Central Excise Act, 1944</b>	Customs, Excise and Service Tax Appellate Tribunal	Interest and Penalty	Financial Years 2001-02 and 2005-06	20,08,705
	Commissioner of Central Excise, Mumbai IV	Excise Duty	Financial Years 2001-02 to 2002-03	3,26,73,717
	Assistant of Commissioner of Central Excise	Excise Duty	Financial Years 1980-81, 1993-94, 1995-96, 1996-97 to 2000-01, 2001-02	18,52,964

# Amount deposited or adjusted is ₹ 2,44,60,160

- viii. According to the information and explanations given to us and based on our examination of the books and records of the Company, there have been delays in repayment of Loans and Borrowings to banks in respect of installments and interest on TUF loans and Term Loans, however, those amount were paid on the Balance sheet date. 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 Default
Axis Bank Limited • TUF Loan Term Loan	1,25,00,000 42,12,50,000	1,65,81,615 7,88,61,836	From 29 to 90 days From 29 to 90 days
Allahabad Bank Limited • LRD	4,07,19,324	3,32,80,676	From 13 to 31 days
IDBI Bank Limited • TUF Loan	95,66,325	70,23,167	From 31 to 52 days

The Company has neither taken any loan from Financial Institutions, Government nor has issued any debenture.



- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order in respect thereof is not applicable. Moneys raised by way of term loans were applied for the purposes for which those were raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year in the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made a preferential allotment or private placement of shares fully paid or fully or partly convertible debentures during the year under review. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B. S. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 106190W

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

**Place :** Mumbai  
**Date :** May 30, 2016

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

	Note	₹	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	2	8,36,00,000		4,18,00,000
Reserves and Surplus	3	359,68,06,762		325,59,99,598
			<b>368,04,06,762</b>	<b>329,77,99,598</b>
<b>Non-Current Liabilities</b>				
Long-term Borrowings	4	314,72,82,292		292,64,97,919
Deferred Tax Liabilities (Net)	5	4,45,51,000		5,96,61,000
Other Long-term Liabilities	6	23,15,92,410		23,19,11,911
Long-term Provisions	7	22,62,093		23,25,051
			<b>342,56,87,795</b>	<b>322,03,95,881</b>
<b>Current Liabilities</b>				
Short-term Borrowings	8	45,10,02,078		66,48,34,952
Trade Payables	9			
Total outstanding dues of Micro Enterprises and Small Enterprises		79,94,527		24,40,179
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		28,05,73,042		19,64,19,287
Other Current Liabilities	10	177,13,81,560		276,60,44,906
Short-term Provisions	11	10,10,35,394		8,55,15,771
			<b>261,19,86,601</b>	<b>371,52,55,095</b>
<b>TOTAL</b>			<b>971,80,81,158</b>	<b>1023,34,50,574</b>
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Fixed Assets	12			
Tangible Assets		131,98,74,178		151,25,43,573
Capital Work-in-progress		32,03,34,208		30,25,57,579
		<b>164,02,08,386</b>		<b>181,51,01,152</b>
Non-current Investments	13	48,962		48,962
Long-term Loans and Advances	14	466,31,23,878		479,49,63,627
Other Non-current Assets	15	20,52,860		47,209
			<b>630,54,34,086</b>	<b>661,01,60,950</b>
<b>Current Assets</b>				
Inventories	16	38,24,53,151		39,64,80,699
Trade Receivables	17	18,52,22,677		16,55,35,105
Cash and Bank Balances	18	25,43,54,831		4,76,20,589
Short-term Loans and Advances	19	227,09,66,335		276,74,48,973
Other Current Assets	20	31,96,50,078		24,62,04,258
			<b>341,26,47,072</b>	<b>362,32,89,624</b>
<b>TOTAL</b>			<b>971,80,81,158</b>	<b>1023,34,50,574</b>
<b>Notes (including Significant Accounting Policies) Forming Part of the Financial Statements</b>				
	1-42			

As per our Report of even date attached

For and on behalf of the Board of Directors

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

**MANHARLAL C. SHAH**  
Executive Chairman  
DIN 00070771

**BHARAT M. SHAH**  
Jt. Managing Director  
DIN 00071248

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

**VIRAJ M. SHAH**  
Executive Director  
DIN 00071616

**HEENA JAYSINGHANI**  
Company Secretary

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2016

**S. JAYARAMAN**  
Chief Financial Officer

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2016



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

	Note	For the Year ended 31 <sup>st</sup> March, 2016 ₹	For the Year ended 31 <sup>st</sup> March, 2015 ₹
Revenue from Operations	21	212,55,89,834	197,72,79,732
Less : Excise Duty on Sales		NIL	NIL
Revenue from Operations (Net)		212,55,89,834	197,72,79,732
Other Income	22	16,51,14,337	41,74,90,502
<b>Total Revenue</b>		<b>229,07,04,171</b>	<b>239,47,70,234</b>
<b>Expenses</b>			
Cost of Materials Consumed	23	48,71,63,868	46,44,74,281
Changes in Inventories of Finished Goods and Work-in-Progress	24	2,68,74,342	(3,07,307)
Employee Benefits Expense	25	17,73,83,515	17,08,29,962
Finance Costs	26	13,04,73,511	14,89,56,019
Depreciation and Amortisation Expense	12	19,55,73,687	18,78,20,900
Other Expenses	27	77,28,24,326	76,35,23,476
<b>Total Expenses</b>		<b>179,02,93,249</b>	<b>173,52,97,331</b>
<b>Profit before Exceptional Items and Tax</b>		<b>50,04,10,922</b>	<b>65,94,72,903</b>
Less : Exceptional items		NIL	NIL
<b>Profit Before Tax</b>		<b>50,04,10,922</b>	<b>65,94,72,903</b>
Tax Expense			
Current Tax (Refer Note 11.1)		15,50,00,000	16,30,00,000
Less- MAT Credit Entitlement (Refer Note 11.1)		4,25,00,000	2,35,00,000
		11,25,00,000	13,95,00,000
Deferred Tax (Refer Note 5)		(1,51,10,000)	(1,04,41,000)
Current Tax Adjustments of Earlier Years		(47,40,976)	(90,25,276)
		9,26,49,024	12,00,33,724
<b>Profit for the Year</b>		<b>40,77,61,898</b>	<b>53,94,39,179</b>
Earnings Per Equity Share of ₹ 5 :	28		
Basic and Diluted (₹) per share		24.39	32.26
<b>Notes (including Significant Accounting Policies) Forming Part of the Financial Statements</b>	1-42		

As per our Report of even date attached

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

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

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

**MANHARLAL C. SHAH**  
Executive Chairman  
DIN 00070771

**VIRAJ M. SHAH**  
Executive Director  
DIN 00071616

**S. JAYARAMAN**  
Chief Financial Officer

**BHARAT M. SHAH**  
Jt. Managing Director  
DIN 00071248

**HEENA JAYSINGHANI**  
Company Secretary

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2016

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

	For the Year ended 31 <sup>st</sup> March, 2016 ₹	For the Year ended 31 <sup>st</sup> March, 2015 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit Before Tax	50,04,10,922	65,94,72,903
<b>Adjustments for :</b>		
Loss / (Profit) on Sale of Fixed Assets	(93,95,649)	(1,14,92,394)
Depreciation	19,55,73,687	18,78,20,900
Finance Costs	13,04,73,511	14,89,56,019
Dividend	(27,000)	(9,000)
Interest Income	(6,49,74,000)	(7,41,06,471)
Unrealised Loss / (Gain) on Foreign Exchange	3,50,519	45,819
Amounts written back	(20,59,332)	(48,09,033)
<b>Operating Profit Before Working Capital Changes</b>	<b>(a) 75,03,52,658</b>	90,58,78,743
<b>Adjustments for :</b>		
Trade Receivables	(1,96,87,572)	7,18,96,244
Short-term Loans and Advances	49,64,82,638	(5,49,29,555)
Inventories	1,40,27,548	1,98,06,181
Other Current Assets	(7,34,45,820)	(6,46,77,437)
Trade Payables, Other Current Liabilities and Short-term Provisions	(78,24,17,339)	(63,25,21,583)
Long-term Loans and Advances and Other Non-current Assets	(29,43,525)	(8,13,22,878)
Other Long-term Liabilities and Long-term Provisions	5,44,35,259	2,42,68,368
	<b>(b) (31,35,48,810)</b>	(71,74,80,660)
<b>Cash Generated From Operations</b>	<b>(a) + (b) 43,68,03,848</b>	18,83,98,083
Income Tax Paid	(5,50,00,000)	(9,49,50,000)
<b>Net Cash From Operating Activities</b>	<b>A 38,18,03,848</b>	9,34,48,083
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(3,62,99,699)	(5,51,68,990)
Sale of Fixed Assets	2,50,14,424	5,45,38,413
Long-term Loans and Advances - Capital Advances	(1,36,134)	9,56,937
Dividend Income	27,000	9,000
Interest Income	6,49,74,000	7,41,06,471
<b>Net Cash From Investing Activities</b>	<b>B 5,35,79,591</b>	7,44,41,831
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Long-term Borrowings	22,07,84,374	(40,91,15,949)
(Increase) / Decrease in Short-term Borrowings	(21,38,32,874)	4005,57,615
Finance Costs	(18,52,91,229)	(12,39,44,173)
Dividend Paid (Including Dividend Distribution Tax)	(5,03,09,468)	(1,95,61,600)
<b>Net Cash From Financing Activities</b>	<b>C (22,86,49,197)</b>	(15,20,64,107)
<b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>20,67,34,242</b>	1,58,25,807
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>4,76,20,589</b>	3,17,94,782
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>25,43,54,831</b>	4,76,20,589
<b>Components of Cash and Cash Equivalents :</b>		
Cash on hand	15,69,649	8,79,856
Balances with Banks		
On Current Accounts	99,03,587	1,17,97,224
On Unclaimed Dividend Accounts	14,88,630	4,24,967
Other Bank Balances	24,13,92,965	3,45,18,542
	<b>25,43,54,831</b>	4,76,20,589

**Notes :**

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

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

Place : Mumbai

Dated : 30<sup>th</sup> May, 2016**MANHARLAL C. SHAH**  
Executive Chairman  
DIN 00070771**VIRAJ M. SHAH**  
Executive Director  
DIN 00071616**S. JAYARAMAN**  
Chief Financial Officer**BHARAT M. SHAH**  
Jt. Managing Director  
DIN 00071248**HEENA JAYSINGHANI**  
Company Secretary

Place : Mumbai

Dated : 30<sup>th</sup> May, 2016



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016

### 1. Significant Accounting Policies

#### 1.1 Basis of Accounting :

These financial statements are prepared with the generally accounting principles in India ( Indian GAAP) under the historical cost convention as also on accrual basis. These financial statements have been prepared to comply with the accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies, (Accounts) Rules, 2014 ('the Accounting Standards) and the relevant provisions of the Act ( to the extent notified). In the light of Rule 4A of the Companies (Accounts) Rules 2014, the items contained in these financial statements are in accordance with the definition and other requirements specified in the Accounting Standards.

#### 1.2 Use of Estimates:

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

#### 1.3 Revenue Recognition:

- i. Domestic Sales is recognized on transfer of significant risks and rewards of ownership which is on the dispatch 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 & 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 purchases net of capital subsidy receivable, including non-refundable .
- iii. Borrowing costs, for the assets that necessarily take a substantial period of time to get ready for its intended use.
- iv. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "Capital Work in Progress".

#### 1.5 Depreciation :

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

#### 1.6 Investments :

- i. Investment, which are long-term, are stated at cost. A provision for diminution, if any, is made to recognize 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 realizable value.

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

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

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

### 1.14 Impairment of Assets :

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

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

- i. The Company recognises a Provision when there is a present obligation as a result of a past event, the settlement of which is probable to result in an outflow of resources and a reliable estimate can be made of the amount of obligation
- ii. Contingent Liability is disclosed by way of a note to the financial statements after careful evaluation by the management of the facts and legal aspects of the matters involved.
- iii. Contingent Assets are neither recognized 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, 2016 ₹	As At March 31, 2015 ₹
<b>2. Share Capital :</b>		
<b>Authorised :</b>		
2,00,00,000 (1,00,00,000) Equity Shares of ₹ 5 par value	10,00,00,000	5,00,00,000
	<u>10,00,00,000</u>	<u>5,00,00,000</u>
<b>Issued, Subscribed and Paid up :</b>		
1,67,20,000 (83,60,000) Equity Shares of ₹ 5 par value fully paid	8,36,00,000	4,18,00,000
	<u>8,36,00,000</u>	<u>4,18,00,000</u>

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

	As At 31st March, 2016		As At 31st March, 2015	
	No. of Shares	₹	No. of Shares	₹
Equity Shares of ₹ 5 par value				
At the beginning	83,60,000	4,18,00,000	83,60,000	4,18,00,000
Changes during the year-Bonus Shares Issued	83,60,000	4,18,00,000	NIL	NIL
At the end	<u>1,67,20,000</u>	<u>8,36,00,000</u>	<u>83,60,000</u>	<u>4,18,00,000</u>

**2.2 Rights, preferences and restrictions :**

- 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.
- 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 March 15, 2016, declared an interim dividend of ₹ 1.25 per equity share of ₹ 5 each which was paid on March 28, 2016. The total Interim Dividend amounted to ₹ 2,51,54,734 including corporate dividend tax of ₹ 42,54,734.

During the year ended March 31, 2015, the amount of per share dividend recognised as distribution to equity shareholders is ₹ 2.50 The Dividend appropriation for the year ended March 31, 2015 amounted to ₹ 2,51,54,822 including corporate dividend tax of ₹ 42,54,822.

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

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

	As At 31st March, 2016		As At 31st March, 2015	
Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
Manubhai and Sons Investment Company Private Limited	23,88,900	14.29	11,94,450	14.29
Hiren Brothers Investment Company Private Limited	23,88,900	14.29	11,94,450	14.29
M C Shah and Sons Investment Company Private Limited	<u>23,88,340</u>	<u>14.28</u>	<u>11,94,170</u>	<u>14.28</u>

**2.4 Shares allotted as fully paid up by way of Bonus Shares during the year**

	No. of shares
Equity Shares allotted as fully paid up Bonus Shares	83,60,000
during the year by capitalisation of the following amounts:	
Capital Reserve	29,81,291
Securities Premium	<u>3,88,18,709</u>
	<u>4,18,00,000</u>



	₹	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>3. Reserves and Surplus :</b>			
Capital Reserve			
As per last Balance Sheet	29,81,291		29,81,291
Less : Capitalised for Issue of Bonus Shares	<u>29,81,291</u>		<u>NIL</u>
		NIL	29,81,291
Securities Premium			
As per last Balance Sheet	20,83,38,100		20,83,38,100
Less : Capitalised for Issue of Bonus Shares	<u>3,88,18,709</u>		<u>NIL</u>
		16,95,19,391	20,83,38,100
General Reserve			
As per last Balance Sheet	2,54,39,35,256		155,64,22,576
Less : Adjustment as per Schedule II to the Companies Act, 2013 (Refer Note 12.2)	<u>NIL</u>		<u>1,24,87,320</u>
	2,54,39,35,256		154,39,35,256
Add : Transferred from Surplus	<u>46,00,00,000</u>		<u>100,00,00,000</u>
		3,00,39,35,256	254,39,35,256
Surplus			
As per last Balance Sheet	50,07,44,951		98,64,60,594
Add : Net Profit after Tax transferred from the Statement of Profit and Loss	<u>40,77,61,898</u>		<u>53,94,39,179</u>
	90,85,06,849		152,58,99,773
Less : Appropriations			
General Reserve	46,00,00,000		100,00,00,000
Interim Dividend	2,09,00,000		NIL
Tax on Interim Dividend	42,54,734		NIL
Proposed Dividend	NIL		2,09,00,000
Tax on Dividend	<u>NIL</u>		<u>42,54,822</u>
		42,33,52,115	50,07,44,951
		<u>3,59,68,06,762</u>	<u>325,59,99,598</u>
<b>4. Long-term Borrowings :</b>			
Term Loans (Refer Notes 4.1 and 4.3)			
Secured			
From Banks			
Under Textile Upgradation Fund Scheme (TUFS) (Refer Note 4.2)	26,09,90,779		44,42,80,276
Others (Refer Note 4.2)	253,39,52,296		203,88,05,721
From Other Parties	2,10,35,216		39,11,922
Deposits - Inter Corporate			
Unsecured		NIL	11,00,00,000
Loans and Advances from Related Parties			
Unsecured (Refer Notes 4.4 and 33.1)	33,13,04,000		32,95,00,000
	<u>314,72,82,292</u>		<u>292,64,97,919</u>

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





		As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>4.2</b>	<b>Period and amount of continuing default in repayment of above loans (reflected in Note 10 on "Other Current Liabilities" being current in nature)</b>	<b>Due from</b>	<b>Due from</b>
	Principal amounts		
	Term Loan from UCO Bank (Under TUFs)	NIL	NIL
	Term Loan from Axis Bank Limited (Under TUFs)	NIL	NIL
	Term Loan from Axis Bank Limited (RE Loan)	NIL	NIL
	Term Loan from Allahabad Bank (LRD)	NIL	31-Mar-15 91,95,093
		<b>NIL</b>	<b>91,95,093</b>
	Interest Amounts		
	Term Loan from UCO Bank (Under TUF)		NIL
	Term Loan from IDBI (Under TUFs)	NIL	1-Mar-15 14,75,281
	Term Loan from Axis Bank Limited (Under TUFs)	NIL	1-Mar-15 27,78,643
	Term Loan from Axis Bank Limited (RE Loan)	NIL	1-Mar-15 1,63,64,545
	Term Loan from Axis Term Loan ₹ 85,00,00,000	NIL	1-Mar-15 91,41,704
	Term Loan from Allahabad Bank (LRD)	NIL	31-Mar-15 93,04,907
		<b>NIL</b>	<b>3,90,65,080</b>
	Principal and interest amounts due and remaining unpaid	<b>NIL</b>	<b>4,82,60,173</b>
<b>4.3</b>	<b>Nature of Security and Terms of Repayment of Long-term Borrowings (including of those Current maturities shown in Note 10):</b>		
	<b>Nature of Security and Terms of RepaymentRate of Interest Secured</b>		
	<b>Term Loan from Banks:</b>		
i.	Term Loan from UCO Bank of ₹ 25,00,00,000 for TUFs repayable in 84 monthly instalments commencing from April 2008 is secured by :	13.00% p.a.	NIL 46,81,041
a.	First charge on pari passu basis on the entire Fixed Assets of the Company, present and future, including Plant and Machinery acquired out of this Term Loan.		
b.	Second pari passu charge on the Current Assets of the Company, present and future, at Mumbai, Dhamni.		
c.	Charge on the Properties of the Company at Dadar and Dombivali.		
d.	Personal guarantee of two promoter directors of the Company.		
ii.	Term Loan from IDBI Bank of ₹ 18,75,00,000 for TUFs repayable in 98 equal monthly instalments commencing from May 2012 is secured by :	Ranging from 14.25% p.a. to 14.50% p.a.	9,89,49,960 12,37,39,456
a.	First charge on the machinery acquired out of this Term Loan.	(14% p.a. in previous year)	
b.	First charge on pari passu basis on the Fixed Assets of the Company situated at Dhamni and Kharsundi.		
c.	Personal guarantee of two promoter directors of the Company.		



	Rate of Interest	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
iii. Term Loan from Axis Bank of ₹ 46,00,00,000 for TUFs repayable in 33 equal quarterly instalments commencing from September 2009 is secured by:	Ranging from 13.75% p.a. to 14.50% p.a.	18,50,00,000	24,75,00,000
a. First pari passu charge on the Fixed Assets of the Company excluding land at Dadar.			
b. Second pari passu 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 equal monthly instalments commencing from October 2011 is secured by :	Ranging from 14.40% p.a. to 16.00% p.a.	14,60,00,000	23,60,00,000
a. First pari passu charge by way of Equitable Mortgage on the land at Dhamni and Kharsundi, along with Factory Building, Plant and Machinery and other Fixed Assets thereat.			
b. Second pari passu 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 Axis Bank of ₹ 337,00,00,000 repayable in 8 equal quarterly instalments commencing from January 2014 is secured by :	Ranging from 12.00% p.a. to 13.75% p.a.	NIL	125,86,39,887 (Including overdraft facilities of ₹ 19,69,77,304 as a sub-limit)
a. First pari passu charge on the Land and Building and other immovable Fixed Assets of 'The Ruby', IT Park, Dadar, Mumbai of the "second mortgaged property" referred to in Schedule II as specified in the mortgage deed.			
b. First pari passu charge on the Development Rights of "second mortgaged property" referred in (a) above.			
c. First pari passu charge on the movable properties and movable Fixed Assets, both present and future, in relation to the "second mortgaged property" including but not limited to moveable plant and machinery equipments, appliances, furniture, vehicles, machinery, spares, and stores, tools and accessories and other movables whether or not installed or whether lying loose or in cases or which are lying or stored in or about or may hereafter from time to time during the currency of the indenture be brought into or upon or be stored in or about the "second mortgaged property".			
d. First pari passu charge on the Current Assets in respect of "second mortgaged property" incurred but not limited to stock of raw materials and semi-finished goods which are lying or stored in or which may from time to time during the continuance of the security be lying or stored in or brought into or be in or about the "second mortgage property".			
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			



	Rate of Interest	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹	
<p>the Mortgagor, and which are now due and owing or accruing and which may at anytime hereafter during the continuance of the security become due and owing to the Mortgagor on account of the "second mortgaged property".</p> <p>f. All the rights, title, interest, benefits, claims and demands of whatsoever of the Mortgagor in, to under and / or in respect of the insurance policies, both present and future, and all rights, claims and benefits to all monies receivable there under and all other claims there under, in so far as related to the "second mortgaged property".</p> <p>g. All amounts owing to and received by the Mortgagor in the Escrow Account and other account hereinafter opened for the collection of revenues generated out of the "second mortgaged property".</p> <p>h. Personal guarantee of two promoter directors of the Company and Corporate Guarantee of Mindset Estate Priavte Limited.</p>				
vi.	Term Loan from Allahabad Bank of ₹ 110,00,00,000 under Lease Rental Discounting Scheme repayable in 101 monthly instalments commencing from October 2011 is secured by :	Ranging from 12.20% p.a. to 13.25% p.a.	NIL	85,84,91,709
	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 / Licenser / occupant of the said premises.			
	b. Personal guarantee of two promoter directors of the Company.			
vii.	Foreign Currency Term Loan from HDFC Bank of USD 55,66,031 (₹26,16,00,000) under Lease Rental Discounting Scheme repayable in 34 quarterly instalments commencing from April 2007 is secured by :	LIBOR + 500 bps.	NIL	2,04,64,996
	a. Registered mortgage of premises given on lease situated at 'Ruby House', Dadar, Mumbai.			
	b. Assignment of lease rental receivables from the lessees.			
	c. Personal guarantee of two promoter directors of the Company.			
viii.	Term Loan from IndusInd Bank of ₹10,50,00,000 under Lease Rental Discounting Scheme repayable in 91 monthly instalments commencing from February 2014 is secured by :	Ranging from 11.10% p.a. to 11.50% p.a. (11.85% p.a. in the previous year)	8,78,15,161	9,62,97,479
	a. Assignment of lease rental of the property situated at "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra. from the lessee - Sharekhan Limited.			
	b. Registered mortgage of premises on 18th Floor given on leave and Licence basis to Sharekhan Limited of "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra.			
	c. Personal guarantee of two promoter directors of the Company.			



	Rate of Interest	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
ix. Term Loan from Axis Bank of ₹ 85,00,00,000 under Loan Against Property repayable in 10 equal quarterly instalments commencing from December 2016 is to be secured by (as the necessary documents for the creation of the charges in favour of the lender are yet to be executed) :	Ranging from 12.00% p.a. to 13.65% p.a.	84,13,34,348	85,00,00,000
a First pari passu Charge EM/RM over land and building of The Ruby except for area for which NOC has been issued by the bank for Term Loan of ₹ 337,00,00,000 as covered in Appendix -I of loan agreement.			
b First pari passu Charge over development rights of the project sold by Ruby Mills Limited to Mindset Estate Private Limited (Developer).			
c First pari passu hypothecation charge on entire movable fixed assets and current assets (including cash flows) of Project both present and future except area already leased / sold.			
d Pari passu Escrow and charge of cash flows from additional sales / Leasing of area LRD Loans against leased area (over and above sales / Leasing / Lease securitisation loans already completed) by way of agreement between Borrower, Escrow Bank (representing Lender) and Developer.			
e. First pari passu charge on balance open land with Mill structure and FSI there on in the Mill compound from which additional FSI for "The Ruby" is being used for the enhanced scope of the project. The release of charge of the balance open land with Mill structure may be done on receipt of certificate from the Company's Architect that the conditions as specified in the revised IOD/IOA for the project are being complied with. The Company's Architect shall issue further confirmation that the FSI from the vacant plot with Mill structure is utilized in the plan/approval to be issued & such further FSI thus generated has been proposed to be utilized on obtaining revised OC from MCGM for "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra.			
f First pari passu charge by way of hypothecation/ mortgage/ assignment, as the case may be of all the FSI, rights, title, interest, benefit, claims and demands whatsoever of the Company in respect of the Project.			
g Personal guarantee of two promoter directors of the Company.			
x. Term Loan from IndusInd Bank of ₹19,00,00,000 under Lease Rental Discounting Scheme repayable in 114 monthly instalments commencing from December 2014 is secured by :	Ranging from 11.30% p.a. to 11.75% p.a.	17,12,98,394	17,79,19,290
a. Assignment of lease rentals of the property situated at "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra from lessees - Panoramic Universal Limited and Sannam S4 Consulting Private Limited.			
b. Registered mortgage of premises on the 9th Floor given on Leave and Licence basis to Sannam S4 Consulting Private Limited and the 6th Floor given on Leave and Licence basis to Panoramic Universal Limited of "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra			



	Rate of Interest	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
c. Personal guarantee of two promoter directors of the Company.			
xi. Term Loan from Allahabad Bank of ₹ 138,00,00,000 (including overdraft facilities of ₹ 1,00,00,00,000 as a sub-limit on reducing balance) under Lease Rental Discounting Scheme repayable in 120 monthly instalments commencing from January 2016 is secured by : a. Assignment of receivables from respective lessee applicable as per the Leave & License and other agreements executed for 14th, 15th and 16th floors of the building "The Ruby" in IT park at Dadar, Mumbai, Maharashtra, b. Existing exclusive mortgage charge on 14th, 15th and 16th floor of the building "The Ruby" to continue c. Additional security by mortgage charge on 11th floor at "The Ruby" and 4th, 7th & 9th floor, North East Wing at "The Ruby". d. Personal guarantee of two promoter directors of the Company.	10.25% p.a.	<b>128,65,10,473</b> (Including overdraft facilities of ₹ 97,98,09,441, as a Sub-limit at 10.75%)	NIL
xii. Term Loan from Allahabad Bank of ₹ 17,20,00,000 under Lease Rental Discounting Scheme repayable in 120 monthly instalments commencing from January 2016 is secured by : a. Exclusive charge by way of Assignment of receivables as per Leave and License agreement with respective lessee of the 11th floor of the building "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra. b. Collateral by way of exclusive mortgage charge on the said premises c. Personal guarantee of two promoter directors of the Company. d. Corporate Guarantee of the Developer- M/s. Mindset Estates Private Limited.	10.25% p.a.	<b>17,09,56,823</b>	NIL
xiii. Term Loan from Allahabad Bank of ₹ 8,25,00,000 under Lease Rental Discounting Scheme repayable in 120 monthly instalments commencing from January 2016 is secured by : a. Exclusive charge by way of Assignment of receivables as per Leave and License agreement with respective lessee of the 4th floor, North East Wing of the building "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra. b. Collateral by way of exclusive mortgage charge on the said premises c. Personal guarantee of two promoter directors of the Company. d. Corporate Guarantee of the Developer- M/s. Mindset Estates Private Limited.	10.25% p.a.	<b>8,20,07,396</b>	NIL
xiv. Term Loan from Allahabad Bank of ₹ 9,25,00,000 under Lease Rental Discounting Scheme repayable in 120 monthly instalments commencing from January 2016 is secured by : a. Exclusive charge by way of Assignment of receivables as per Leave and License agreement with respective lessee of the 9th floor, North East	10.25% p.a.	<b>9,18,71,174</b>	NIL



## Hundredth Annual Report 2015-2016

	Rate of Interest	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
Wing of the building "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra.			
b. Collateral by way of exclusive mortgage charge on the said premises			
c. Personal guarantee of two promoter directors of the Company.			
d. Corporate Guarantee of the Developer- M/s. Mindset Estates Private Limited.			
xv Term Loan from Allahabad Bank of ₹ 25,30,00,000 under Lease Rental Discounting Scheme repayable in 120 monthly instalments commencing from January 2016 is secured by :	10.25% p.a.	9,79,71,173	NIL
a. Exclusive charge by way of Assignment of receivables as per Leave and License agreement with respective lessee of the 7th floor, North East Wing of the building "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra.			
b. Collateral by way of exclusive mortgage charge on the said premises			
c. Personal guarantee of two promoter directors of the Company.			
d. Corporate Guarantee of the Developer- M/s. Mindset Estates Private Limited.			
<b>II Term Loan From Other Parties:-</b>	16.00% p.a.	20,00,00,000	20,00,00,000
I Term Loan from Reliance Capital Limited of (*) ₹ 20,00,00,000 (₹ 40,00,00,000) sanctioned under Loan Against Property repayable in 12 equal monthly instalments to be commenced from (*) May 15, 2016 (April 15, 2015) is secured by :	(17.75% p.a. upto Feb 2016)		
a. First pari passu charge on the 'A' wing Basement, Ground Floor, 'A' wing 7th to 10th Floor and 'B' wing Ground Floor of the 'Ruby House', Dadar, Mumbai.			
*Terms and conditions of the Term Loan have been revised since the date of the Balance Sheet.			
ii. Loan from Daimler Financial Services India Private Limited of ₹ 50,11,891 repayable in 48 equal monthly instalments commencing from May 22, 2014, is secured against hypothecation of specified vehicle in the relevant agreement.	11.39% p.a.	38,37,752	44,90,701
Total of (I) and (II)		346,35,52,654	407,82,24,559
Less : Current Maturities of Long-term debt (Refer Note 10)		64,75,74,362	159,12,26,643
		<u>281,59,78,292</u>	<u>281,59,78,292</u>
4.4 Terms of repayment of unsecured borrowings : "Loans and Advances from Related Parties "	Ranging from 12.00% p.a. to 14.00% p.a.	33,13,04,000	32,95,00,000
4.5 During the year, the Company had taken a loan of ₹ 50,00,00,000 from Axis Finance Limited, pending the creation of charge, the said loan was repaid before March 31, 2016.			



	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
<b>5 Deferred Tax Liabilities (Net) :</b>		
<b>Items of Timing Difference</b>		
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets		
- Depreciation (Refer Note 5.1)	5,26,99,000	7,60,26,000
- Foreign Exchange Gain / (Loss) on revaluation of Creditors on Capital Account (Refer Note 5.1)	(41,93,000)	(41,93,000)
Lease Income (Refer Note 5.1)	NIL	NIL
	<u>4,85,06,000</u>	<u>7,18,33,000</u>
<b>Deferred Tax Assets</b>		
Provision for Leave Encashment	(12,14,000)	(12,00,000)
Voluntary Retirement Scheme	NIL	(87,89,000)
Disallowances under section 43B of the Income-tax Act, 1961	(22,70,000)	(17,12,000)
Expenses Disallowable for doubtful debts	(4,71,000)	(4,71,000)
	<u>(39,55,000)</u>	<u>(1,21,72,000)</u>
	<u>4,45,51,000</u>	<u>5,96,61,000</u>
<b>5.1 Deferred Tax Liabilities (Net) is arrived at after considering the tax effect of Prior Period items of timing differences:</b>		
Reversal of Deferred Tax liabilities		
Foreign Exchange Loss / (Gain) on Revaluation of Creditors on Capital Account	NIL	NIL
Depreciation	NIL	88,45,000
Recognising of Deferred Tax Liabilities:		
Rate difference	NIL	NIL
Recognising of Deferred Tax Assets:		
Expenses Disallowable for doubtful debts	NIL	4,71,000
	<u>NIL</u>	<u>93,16,000</u>
<b>6. Other Long-term Liabilities :</b>		
Trade and Security Deposits	23,15,92,410	23,19,11,911
	<u>23,15,92,410</u>	<u>23,19,11,911</u>
<b>7. Long-term Provisions :</b>		
Provision for Employee Benefits (Refer Note 31)		
For Leave Encashment	22,62,093	23,25,051
	<u>22,62,093</u>	<u>23,25,051</u>
<b>8. Short-term Borrowings :</b>		
Loans repayable on demand (Refer Note 8.1)		
Secured		
From Banks		
Cash Credit and Overdraft Facilities	13,93,07,079	16,21,24,952
Unsecured		
Deposits - Inter Corporate	13,00,00,000	38,00,00,000
Loans and Advances from Related Parties	18,16,95,000	12,27,10,000
	<u>45,10,02,079</u>	<u>66,48,34,952</u>





	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015
₹	₹	₹

## 8.1 Cash Credit and Overdraft Facilities are secured by :

- i. Bank of India - ₹ 3,81,12,772 (Previous Year ₹ 4,07,30,422)
- State Bank of India - ₹ 9,23,22,184 (Previous year ₹ 8,88,69,737)
- Bank of Baroda - ₹ 80,19,057 (Previous Year ₹ 3,25,24,793)
- a. First pari passu charge on entire Current Assets, both present and future, of the Company.
- b. Second pari passu charge on Land and Building and Plant and Machinery on Company's Assets at Dhamini and Kharsundi.
- c. Personal guarantee of two promoter directors of the Company.
- ii. Indusind Bank - ₹ 8,53,066 (Previous Year ₹ NIL )
- a. Primary Security by way of Assignment of receivables from respective lessees of the property situated at "The Ruby" in IT Park at Dadar, Mumbai, Maharashtra.
- b. Collateral Security by way of registered mortgage on the said property.
- c. Personal guarantee of two promoter directors of the Company.

## 9. Trade Payables :

Total outstanding dues of Micro Enterprises and Small Enterprises	79,94,527	24,40,179
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	28,05,73,041	19,64,19,287
	<u>28,85,67,567</u>	<u>19,88,59,466</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	79,94,527	24,40,179
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.



	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>10. Other Current Liabilities :</b>		
Current maturities of Long-term Borrowings		
Term Loans		
Secured		
From Banks		
Under Textile Upgradation Fund Scheme (Refer Note 4.2)	16,89,59,180	16,76,40,221
Others (Refer Note 4.2)	29,58,12,646	122,30,07,643
From Other Parties	18,28,02,536	20,05,78,779
	<b>64,75,74,362</b>	159,12,26,643
Interest accrued and due on Borrowings (Refer Note 4.2)	NIL	3,90,65,080
Interest accrued but not due on Borrowings	2,05,68,408	3,63,21,046
Unclaimed Dividends	14,88,630	4,24,967
Trade and Security Deposits	1,95,92,900	1,91,02,900
Advance against Sale of Property (Refer Note 10.1)	101,06,00,000	101,63,83,100
Other Payables		
For Capital Expenses	18,52,098	26,13,430
Others (Refer Note 10.2)	6,97,05,161	6,09,07,740
	<b>7,15,57,260</b>	6,35,21,170
	<b>177,13,81,560</b>	276,60,44,906

**10.1** Sum of ₹ 1,01,00,000 is advance against Sale of property from a prospective buyer for proposed Sale of premises on Freehold land under "Buildings". Out of the total consideration, the balance amount receivable is in excess of the advance. Meanwhile certain disputes and differences have arisen between the prospective buyer and their bankers on account of which the Company is indirectly affected. however, to safe guard the Company's interest an Attorney is appointed who has opined that this is a matter between the prospective buyer and thier banker and the Company is not even contingently liable in the said matter.

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

**11. Short-term Provisions :**

Provision for Employee Benefits (Refer Note 31)		
For Gratuity	59,56,324	43,14,794
For Leave Encashment	12,45,931	11,42,267
	<b>72,02,255</b>	54,57,061
Others		
For Proposed Dividend	NIL	2,09,00,000
For Tax on Dividend	NIL	42,54,822
Provision for Income Tax (Refer Note 11.1)	35,45,07,956	33,20,07,956
Less : Income Tax paid	26,06,74,817	27,71,04,068
	<b>9,38,33,139</b>	5,49,03,888
	<b>10,10,35,394</b>	8,55,15,771

**11.1** During the year, the Company has recognised MAT Credit Entitlement of ₹ 4,25,00,000 (Previous Year ₹ 2,35,00,000) in respect of earlier years to the extent it is entitled to utilise such credit against the normal tax as per the provisions of Income-tax Act, 1961. The MAT Credit Entitlement so recognised has also been utilised at the same time and accordingly, Provision for Tax is net of the utilisation of MAT Credit Entitlement of ₹ 4,25,00,000 (Previous Year ₹ 2,35,00,000).



12. Fixed Assets :

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK			
	As At 1 <sup>st</sup> April, 2015	Additions	During the year Other Adjustments	Sale	As At 31 <sup>st</sup> March, 2016	Upto 1 <sup>st</sup> April, 2015	Adjustments against the Retained (Refer Note No12.2)	For the Year	Deduction/ Other Adjustments	Upto 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>Current Year</b>												
<b>Tangible assets</b>												
Land	10,44,99,654	-	-	-	10,44,99,654	-	-	-	-	-	10,44,99,654	10,44,99,654
Freehold Land	92,912	-	-	-	92,912	-	-	-	-	-	92,912	92,912
Freehold Land -under Development (Note 14.2)	18,29,611	1,06,172	-	-	19,35,783	-	-	-	-	-	19,35,783	18,29,611
Buildings	73,16,49,780	51,71,280	-	67,45,580	73,00,75,480	31,55,66,355	-	3,53,12,563	12,44,832	34,96,34,086	38,04,41,392	41,60,83,423
On Freehold Land	1,35,08,387	-	-	-	1,35,08,387	97,98,704	-	21,20,655	-	1,19,19,360	15,89,027	37,09,683
On Leasehold Land	44,05,60,114	-	-	-	44,05,60,114	8,88,60,448	-	1,60,12,272	-	10,48,72,720	33,56,87,394	35,16,99,666
Given on Lease	196,39,07,952	24,19,589	1,78,17,208	-	194,85,10,333	136,50,13,546	-	13,50,37,775	1,71,02,883	148,29,48,438	46,55,61,894	59,88,94,406
Plant and Equipments	33,90,790	-	-	-	33,90,790	30,17,304	-	2,25,250	-	32,42,554	1,48,236	3,73,486
Owned (Refer Note 12.3)	8,91,98,485	54,000	-	-	8,92,52,485	6,88,22,452	-	11,08,981	-	6,99,31,434	1,93,21,051	2,03,76,033
Given on lease	9,72,314	-	-	-	9,72,314	6,61,727	-	26,599	-	6,88,326	2,83,988	3,10,587
Vehicles	1,98,11,569	-	-	5,48,675	1,92,62,894	1,10,39,004	-	31,09,939	3,95,072	1,37,53,872	55,09,022	87,72,565
Office Equipments-Computers	4,54,66,005	15,21,930	-	-	4,69,87,935	4,00,17,985	-	26,19,656	-	4,26,37,641	43,50,295	54,48,020
Live stock	4,53,528	-	-	-	4,53,528	-	-	-	-	-	4,53,528	4,53,528
<b>Total</b>	<b>341,53,41,102</b>	<b>92,72,970,83</b>	<b>1,78,17,207.77</b>	<b>72,94,255.00</b>	<b>339,95,02,609</b>	<b>190,27,97,526</b>	<b>-</b>	<b>19,55,73,690</b>	<b>1,87,42,787</b>	<b>207,96,28,429</b>	<b>131,98,74,178</b>	<b>151,25,43,573</b>
<b>Intangible assets</b>												
Technical know how fees	33,11,201	-	-	-	33,11,201	33,11,201	-	-	-	33,11,201	-	-
<b>Total</b>	<b>33,11,201</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,11,201</b>	<b>33,11,201</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,11,201</b>	<b>-</b>	<b>-</b>
Capital Work-in-Progress (Refer Note 12.1)	30,25,57,579	2,70,26,728	92,50,099	-	32,03,34,208	-	-	-	-	-	32,03,34,208	30,25,57,579
<b>Total</b>	<b>30,25,57,579</b>	<b>2,70,26,727.90</b>	<b>92,50,098.86</b>	<b>-</b>	<b>32,03,34,208</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,03,34,208</b>	<b>30,25,57,579</b>
<b>Previous Year</b>												
<b>Tangible assets</b>												
Land	10,44,99,654	-	-	-	10,44,99,654	-	-	-	-	-	10,44,99,654	10,44,99,654
Freehold Land	92,912	-	-	-	92,912	-	-	-	-	-	92,912	92,912
Freehold Land -under Development (Note 14.2)	6,96,419	11,33,192	-	-	18,29,611	-	-	-	-	-	18,29,611	6,96,419
Buildings	73,17,17,449	77,30,651	-	77,98,320	73,16,49,780	27,71,58,749	-	3,94,31,360	10,23,754	31,55,66,355	41,60,83,423	45,45,58,700
On Freehold Land	1,35,08,387	-	-	-	1,35,08,387	84,75,793	-	13,22,911	-	97,98,704	37,09,683	50,32,594
On Leasehold Land	44,05,60,114	-	-	-	44,05,60,114	7,19,93,786	-	1,68,66,662	-	8,88,60,448	35,16,99,666	36,85,66,328
Given on Lease	196,29,23,665	66,62,865	-	56,78,577	196,39,07,952	124,48,78,674	-	11,65,47,142	54,34,051	136,50,13,546	59,88,94,406	71,80,44,991
Plant and Equipments	33,90,790	-	-	-	33,90,790	29,89,293	-	28,011	-	30,17,304	3,73,486	4,01,497
Owned	8,74,52,224	17,46,261	-	-	8,91,98,485	5,64,95,279	-	33,20,590	-	6,88,22,452	2,03,76,033	3,09,56,945
Given on lease	9,72,314	-	-	-	9,72,314	6,53,400	-	8,327	-	6,61,727	3,10,587	3,18,914
Vehicles	1,39,19,044	67,56,568	-	8,64,043	1,98,11,569	69,22,362	-	48,16,411	7,01,939	1,10,39,004	87,72,565	69,96,682
Office Equipments-Computers	4,12,25,947	42,40,058	-	-	4,54,66,005	3,36,51,720	-	54,79,485	-	4,00,17,985	54,48,020	75,74,227
Live stock	4,53,528	-	-	-	4,53,528	-	-	-	-	-	4,53,528	4,53,528
<b>Total</b>	<b>340,14,12,447</b>	<b>2,82,69,595</b>	<b>-</b>	<b>1,43,40,940</b>	<b>341,53,41,102</b>	<b>170,32,19,056</b>	<b>1,89,17,315</b>	<b>18,78,20,899</b>	<b>71,59,743</b>	<b>190,27,97,526</b>	<b>151,25,43,573</b>	<b>169,81,93,391</b>
<b>Intangible assets</b>												
Technical know how fees	33,11,201	-	-	-	33,11,201	33,11,201	-	-	-	33,11,201	-	-
<b>Total</b>	<b>33,11,201</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,11,201</b>	<b>33,11,201</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,11,201</b>	<b>-</b>	<b>-</b>
Capital Work-in-Progress (Refer Note 12.1)	29,26,05,692	4,58,16,710	3,58,64,823	-	30,25,57,579	-	-	-	-	-	30,25,57,579	29,26,05,692
<b>Total</b>	<b>29,26,05,692</b>	<b>4,58,16,710</b>	<b>3,58,64,823</b>	<b>-</b>	<b>30,25,57,579</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,25,57,579</b>	<b>36,42,70,979</b>

12.1 Borrowing cost capitalised during the year ₹ NIL (Previous Year ₹ NIL).

12.2 For the year ended March 31, 2015, the Company has provided depreciation on its tangible fixed assets as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013. Accordingly, in respect of the tangible fixed assets as on April 1, 2014, the carrying amount, net of residual value, has been depreciated over the revised remaining useful life as on date. As a result, the charge for depreciation for the year ended March 31, 2015 is lower by ₹ 3,81,74,185. In cases where the remaining useful life has been completed as on April 1, 2014, the carrying amount of assets, after retaining residual value, amounting to ₹ 1,24,87,320 (net deferred tax credit of ₹ 64,29,995) has been recognised in the opening balance of Retained Earnings.

12.3 Deductions and Other Adjustments include ₹ 7,14,325 in respect of machinery destroyed by fire.



	As At 31 <sup>st</sup> March, 2016	As At 31 <sup>st</sup> March, 2015		
	₹	₹		
<b>13. Non-current Investments :</b>				
Long-term Investments - valued at cost less provision for other than temporary diminution				
Other than Trade				
In equity instruments of Other Companies				
Unquoted				
Fully paid Equity shares				
Quantity Investee Company				
90 (90) Shares of The New Piece Goods Bazar Company Limited (₹ 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		
	<u>48,962</u>	<u>48,962</u>		
	<b>Cost (₹)</b>	<b>Market Value</b>	<b>Cost (₹)</b>	<b>Market Value</b>
Aggregated amount of Unquoted Investments	48,962	Not Applicable	48,962	Not Applicable

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

Unsecured, Considered Good		
Capital Advances	4,20,17,487	4,21,53,620
Deposits-Inter Corporate	50,00,00,000	NIL
Deposits	1,20,64,982	1,18,69,072
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)	397,58,41,949	461,92,99,493
Advance to Gratuity Trust	26,99,053	46,33,138
Other Loans and Advances (Refer Note 14.3)		
Advances recoverable in cash or in kind or for value to be received	13,50,097	57,08,299
Tax Paid	11,86,75,502	10,08,25,198
Less : Provision for Income Tax	1,66,237	1,66,237
	<u>11,85,09,265</u>	<u>10,06,58,961</u>
	11,98,59,362	10,63,67,260
	<u>466,31,23,878</u>	<u>479,49,63,627</u>

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

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

b. In terms of the DA and further agreements / understandings between the Company and the Developer, any cost of construction incurred by the Company and such further costs (including interest on borrowings for the said construction) that may be incurred by the Company for the development of the above referred to area is to be reimbursed by the Developer. Accordingly, the cost incurred by the Company upto March 31, 2016 for the construction (net of amounts received from the developer in terms of the DA) amounting to ₹ 397,58,41,949 (Previous Year ₹ 461,92,99,493) is shown as "Due from developer" under Note 14 and ₹ 225,00,00,000 (Previous Year ₹ 225,00,00,000 ) is shown as "Advances recoverable in cash or in kind or for value to be received" under Note 19.



- c. Subsequently, the Company has received from the Government of Maharashtra, the approval for the development of additional constructed area of approximately 5,000 square metres over and above the area covered under the DA ; the Developer and the Company have agreed that such additional area is to be owned by the Company. The related cost of such area to be owned by the Company is mutually agreed upon with the Developer on an appropriate basis. As on March 31, 2016, 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 ₹ 26,50,53,050 (Previous Year ₹ 23,24,88,599) in Capital Work-in-progress. The said cost may be adjusted / increased when the Developer completes the construction of the total area including the construction of the common areas.
- d. The proportionate carrying cost of 12,204 square meters of land of ₹ 92,912 (Previous Year ₹ 92,912), in respect of which the Development Rights are granted, is shown as "Freehold Land (under development)" under "Fixed Assets" in Note 12.
- e. Further, the consideration for the Grant of the Development Rights is based on the specified percentage of the revenue received by the Developer (in terms of the DA in force), irrespective of the completion of construction / handing over the possession of the said constructed area to the Purchasers / Licensees and reflected as "Grant of Development Rights" in the Statement of Profit and Loss. The DA does not contemplate a transfer or an intention to transfer the ownership or possession of the said property at present and the same continues to remain with the Company.
- 14.3 Other Loans and Advances are in the nature of Advances recoverable in cash or in kind or for the value to be received which include Sales tax set off receivable and Prepaid expenses.

	As At 31 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
<b>15. Other Non-current Assets :</b>		
Cash and Bank Balances		
Other Bank Balances		
On Fixed Deposit Accounts	20,52,860	47,209
With maturity beyond 12 months from Balance Sheet date (Held as margin money)	<u>20,52,860</u>	<u>47,209</u>
<b>16. Inventories :</b>		
Raw Materials	4,36,55,417	4,12,86,118
Work-in-Progress	25,35,61,446	27,01,32,314
Finished Goods	4,82,99,869	5,90,03,717
Fuel	60,68,008	46,31,148
Stores and Spares	3,05,55,866	2,08,11,935
Waste	3,12,545	6,15,467
	<u>38,24,53,151</u>	<u>39,64,80,699</u>
<b>16.1 Details of Inventories :</b>		
a. Work-in-Progress		
Fabric	18,44,22,022	22,23,05,416
Yarn	6,91,39,424	4,78,26,898
	<u>25,35,61,446</u>	<u>27,01,32,314</u>
b. Finished Goods		
Fabric (packed)	4,82,99,869	5,90,03,717
	<u>4,82,99,869</u>	<u>5,90,03,717</u>
<b>17. Trade Receivables :</b>		
Unsecured, Considered doubtful		
- Outstanding for a period exceeding six months from the date they are due for payment	13,61,435	13,61,435
Less: Provision for doubtful debts	<u>(13,61,435)</u>	<u>13,61,435</u>
	NIL	NIL
Unsecured, Considered good		
- Outstanding for a period exceeding six months from the date they are due for payment	3,21,44,572	19,90,514
- Others	15,30,78,105	16,35,44,591
	<u>18,52,22,677</u>	<u>16,55,35,105</u>
	<u>18,52,22,677</u>	<u>16,55,35,105</u>



	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>18. Cash and Bank Balances :</b>		
Cash and Cash Equivalents		
Cash on hand	15,69,649	8,79,856
Balances with Banks		
On Current Accounts	99,03,587	1,17,97,224
On Unclaimed Dividend Accounts	14,88,630	4,24,967
	1,13,92,217	1,22,22,191
Other Bank Balances		
On Fixed Deposit Accounts		
With maturity within 12 months from		
Balance Sheet date (Held as margin money)	24,13,92,965	3,36,26,517
Others	NIL	8,92,025
	24,13,92,965	3,45,18,542
	25,43,54,831	4,76,20,589
<b>19. Short-term Loans and Advances :</b>		
Unsecured, Considered Good		
Deposits - Inter Corporate (Refer Note 41)	NIL	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)	225,00,00,000	225,00,00,000
Advances to Suppliers	1,23,21,381	1,26,00,946
Others	86,44,952	48,48,027
	227,09,66,334	226,74,48,973
	227,09,66,334	276,74,48,973
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, Advances to Employees and Provident Fund Receivable.		
<b>20. Other Current Assets :</b>		
Interest Receivable on Security / Fixed / Inter Corporate Deposits	23,19,48,594	18,26,02,928
Capital Subsidy Receivable under TUFS	29,46,997	29,46,997
Interest Subsidy Receivable under TUFS	5,36,46,245	2,95,46,091
Foreign Exchange Subsidy Receivable	3,11,08,242	3,11,08,242
	31,96,50,078	24,62,04,258



	For the Year ended 31 <sup>st</sup> March, 2016	For the Year ended 31 <sup>st</sup> March, 2015
	₹	₹
<b>21. Revenue From Operations :</b>		
Sale of Products - Manufactured Goods (Refer Note 21.1)	179,77,81,283	163,77,91,993
Sale of Services		
Processing Charges	22,18,784	16,82,872
License Fees and Other Amenities	31,76,01,379	33,03,65,671
	31,98,20,163	33,20,48,543
Other Operating Revenues		
Sale of Scrap	16,64,642	13,96,325
Duty Drawback	49,39,591	39,81,025
Insurance Recovery	12,67,942	10,21,421
Freight Recovery	1,16,213	10,40,425
	79,88,388	74,39,196
	212,55,89,834	197,72,79,732
Less : Excise Duty on Sales	NIL	NIL
	212,55,89,834	197,72,79,732
<b>21.1 Details of Sale of Products :</b>		
Fabric	177,42,49,442	161,67,32,696
Yarn	NIL	NIL
Waste	68,44,301	83,83,817
Others	1,66,87,540	1,26,75,480
	179,77,81,283	163,77,91,993
<b>22. Other Income :</b>		
Interest Income		
On Deposits	6,28,73,588	6,30,92,352
From Customers on Amounts Overdue	21,00,412	1,10,14,119
	6,49,74,000	7,41,06,471
Dividend on Long-term Investments	27,000	9,000
Grant of Development Rights (Refer Note 14.2)	7,94,12,109	32,27,53,451
Amounts / Excess Provisions written back	27,73,657	48,09,033
Foreign Exchange Subsidy	NIL	NIL
Profit on sale of asset (Net)	93,95,649	1,14,92,394
Sales Tax Refund	84,00,168	NIL
Miscellaneous Income (Refer Note 27.2)	1,31,754	43,20,153
	16,51,14,337	41,74,90,502
<b>23. Cost of Materials Consumed :</b>		
Raw Materials		
Opening Stock	4,12,86,118	5,03,58,278
Add : Purchases	48,95,33,167	45,54,02,121
	53,08,19,285	50,57,60,399
Less : Closing Stock	4,36,55,417	4,12,86,118
	48,71,63,868	46,44,74,281





		For the Year ended 31 <sup>st</sup> March, 2016	For the Year ended 31 <sup>st</sup> March, 2015
	₹	₹	₹
<b>24. Changes in Inventories of Finished Goods and</b>			
<b>Finished Goods</b>			
Closing Stock	4,82,99,869		5,90,03,717
Less : Opening Stock	5,90,03,717		2,53,13,616
		107,03,848	(3,36,90,101)
<b>Work-in-progress</b>			
Closing Stock	25,42,64,742		27,01,32,314
Less : Opening Stock	27,01,32,314		30,33,73,074
		1,58,67,572	3,32,40,760
<b>Waste</b>			
Closing Stock	3,12,545		6,15,467
Less : Opening Stock	6,15,467		7,57,501
		3,02,922	1,42,034
		<u>268,74,342</u>	<u>(3,07,307)</u>
<b>25. Employee Benefits Expense :</b>			
Salaries, Wages and Benefits		16,89,75,868	15,78,32,087
Contribution to Provident Fund and Other Funds		49,65,818	49,34,828
Staff Welfare Expenses		34,41,829	80,63,047
		<u>17,73,83,515</u>	<u>17,08,29,962</u>
<b>26. Finance Costs :</b>			
Interest Expense			
On Cash Credit Facilities / Buyers' Credit	1,63,63,442		1,39,95,447
On Term Loans - Under TUFS (Refer Note 26.1)	8,10,85,730		11,47,74,557
On Interest on Income Tax	NIL		NIL
On Others	2,43,92,129		1,50,73,323
		12,18,41,301	14,38,43,327
Other Borrowing Costs			
Bank Charges		86,32,210	51,12,692
		<u>13,04,73,511</u>	<u>14,89,56,019</u>
<b>26.1</b>	Interest on Term Loans - Under TUFS is after reducing Interest Subsidy	<u>1,76,84,256</u>	<u>2,37,74,604</u>
		<u>1,76,84,256</u>	<u>2,37,74,604</u>



	For the Year ended 31 <sup>st</sup> March, 2016	For the Year ended 31 <sup>st</sup> March, 2015
	₹	₹
<b>27. Other Expenses :</b>		
Stores and Spares Consumed	22,02,64,252	20,52,25,515
Weaving and Processing Charges	1,31,96,544	1,78,97,289
Hydraulic Charges	5,04,414	6,34,157
Power and Fuel	29,59,41,881	29,06,19,659
Rent	18,46,703	31,85,417
Repairs and Maintenance (Refer Note 27.2)		
Building	2,75,65,791	2,85,31,320
Machinery	81,95,215	65,85,695
Others	1,38,44,748	1,60,03,044
	<b>4,96,05,754</b>	<b>5,11,20,059</b>
Insurance	24,07,887	26,52,460
Rates and Taxes (Refer Note 27.2)	1,20,30,103	1,55,20,313
Brokerage and Commission	6,56,24,100	7,06,04,271
Directors' Fees	12,01,448	6,40,452
Foreign Exchange Loss (Net)	7,62,589	2,87,589
Auditors' Remuneration		
Audit fees	9,00,000	10,11,240
Tax Audit Fees	1,20,000	1,62,922
Other For Taxation Matters	45,800	NIL
Other Services	2,13,525	3,37,080
	<b>12,79,325</b>	<b>15,11,242</b>
Corporate Social Responsibility Expense (Refer Note 27.1)	50,00,000	10,52,345
Cost Audit Fees	1,56,842	1,24,720
Labour Contractor Charges	2,87,06,242	3,51,81,434
Waste Water Treatment Charges	NIL	7,45,940
Discount on Sales	1,18,67,068	1,07,69,694
Freight and Forwarding	84,41,391	1,02,39,748
Travelling, Conveyance and Vehicle Expenses (Refer Note 27.2)	1,62,00,829	1,25,31,603
Legal and Professional Fees	1,32,26,892	1,46,64,951
Loss by fire of Work-in-progress inventories and Fixed Assets	14,17,621	NIL
Donations	54,002	49,832
Amounts / Excess Provisions written back	NIL	NIL
Miscellaneous Expenses (Refer Notes 27.2)	2,30,88,439	1,82,64,786
	<b>77,28,24,326</b>	<b>76,35,23,476</b>
<b>27.1 Expenditure towards Corporate Social Responsibility (CSR) activities:</b>		
a. Gross amount required to be spent by the Company during the year	41,24,920	18,60,000
b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year		
<b>Nature of Expenses</b>		
Preventive Health Care	NIL	10,52,345
Contribution to rural development project	25,00,000	NIL
Promoting Education	25,00,000	NIL
	<b>50,00,000</b>	<b>10,52,345</b>
<b>27.2 Details of (Income) / Expenses for prior period :</b>		
Income		
Other Income		
Miscellaneous Income	NIL	3,19,851
Total	NIL	3,19,851
Expenses		
Repairs and Maintenance :		
Building	NIL	NIL
Others	NIL	NIL
	<b>NIL</b>	<b>NIL</b>
Travelling, Conveyance and Vehicle Expenses	NIL	NIL
Miscellaneous Expenses	51,124	6,467
Total	<b>51,124</b>	<b>6,467</b>
(Income) / Expenses for prior period	<b>51,124</b>	<b>(3,13,384)</b>



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

Particulars		For the Year ended	For the Year ended
		31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
		₹	₹
<hr/>			
<b>Numerator for Basic and Diluted earnings per Share</b>			
Net Profit / (Loss) after tax for the year	(a)	40,77,61,898	53,94,39,179
<b>Denominator for Basic and Diluted earnings per Share</b>			
Weighted average number of Shares	(b)	1,67,20,000	1,67,20,000
<b>Basic and Diluted Earnings per share</b>	<b>[(a) / (b)]</b>	<b>24.39</b>	<b>32.26</b>
Face Value per share (₹)		5	5

**29. Contingent Liabilities and Commitments :**

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

I. Matters under disputes / appeals :			
a. Claims against the Company by Ex-employees pending in Labour Court not acknowledged as debts		<b>Amount unascertainable</b>	<b>Amount unascertainable</b>
b. Income Tax		9,23,02,877	8,46,51,302
c. Excise Duty / Service Tax		3,65,35,387	3,65,36,454
d. Amount paid under protest in respect of Employees' PF under section 8F of EPF Act, 1952		NIL	15,65,934
e. Property Tax under dispute		NIL	4,34,52,348
ii. Bank Guarantees ( In Lieu of Cash Deposits)		2,88,12,645	2,22,93,745

**29.2** Commitments :

i. Related to contracts :			
Estimated amount of contracts remaining to be executed on capital account		4,50,73,400	12,18,23,417
Less : Advances		3,25,00,000	3,96,12,552
Net Estimated Amount		1,25,73,400	8,22,10,865
ii. Other Commitments		NIL	NIL

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



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

Particulars	For the Year ended 31 <sup>st</sup> March, 2016	For the Year ended 31 <sup>st</sup> March, 2015	For the Year ended 31 <sup>st</sup> March, 2016	For the Year ended 31 <sup>st</sup> March, 2015
	Gratuity (Funded)		Compensated Absences (Unfunded)	
	₹	₹	₹	₹
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>				
<b>Change in present value of obligations</b>				
Present value of obligation at the beginning of the year	2,10,01,885	1,93,06,124	34,67,318	28,16,516
Adjustment to opening balance	NIL	NIL	NIL	NIL
Current Service Cost	27,33,502	28,44,736	73,22,843	66,44,243
Interest Cost	15,22,628	14,08,880	2,34,308	1,96,234
Past service cost - (Vested benefits)	NIL	NIL	NIL	NIL
Actuarial (Gain) / Loss	37,139	8,32,388	(66,12,908)	(54,62,503)
Benefits Paid	(28,11,270)	(33,90,243)	(9,03,537)	(7,27,172)
<b>Present value of obligation at the end of the year</b>	<b>2,24,83,884</b>	<b>2,10,01,885</b>	<b>35,08,024</b>	<b>34,67,318</b>
<b>Change in plan assets</b>				
Fair value of plan assets as at the beginning of the year	2,13,20,229	2,12,38,122	NIL	NIL
Adjustment to opening balance	NIL	NIL	NIL	NIL
Expected return on plan assets	11,94,876	11,72,580	NIL	NIL
Actuarial Gain / (Loss)	(4,77,222)	22,99,770	NIL	NIL
Contributions	NIL	NIL	9,03,537	7,27,172
Benefits paid	(28,11,270)	(33,90,243)	(9,03,537)	(7,27,172)
<b>Fair value of plan assets as at the end of the year</b>	<b>1,92,26,613</b>	<b>2,13,20,229</b>	<b>NIL</b>	<b>NIL</b>
<b>Reconciliations of present value of the obligation and the fair value of plan assets</b>				
Fair value of plan assets at the end of the year	1,92,26,613	2,13,20,229	NIL	NIL
Present value of the defined benefit obligations at the end of the year	2,24,83,884	2,10,01,885	35,08,024	34,67,318
<b>Liability / (Asset) recognised in the Balance Sheet*</b>	<b>32,57,271</b>	<b>(3,18,344)</b>	<b>35,08,024</b>	<b>34,67,318</b>
* The above is reflected as Advance to Gratuity Trust for Staff - ₹46,33,138 (Previous Year ₹ 45,94,906) under Note 14 "Long-term Loans and Advances" and as Provision for Gratuity for Workers - ₹ 43,14,794 (Previous Year ₹ 26,62,908) under Note 11 "Short-term Provision".				
<b>Cost for the year</b>				
Current service cost	27,33,502	28,44,736	73,22,843	66,44,243
Interest cost	15,22,628	14,08,880	2,34,308	1,96,234
Expected return on plan assets	(11,94,876)	(11,72,580)	NIL	NIL
Actuarial (Gain) / Loss	5,14,360	(14,67,382)	(66,12,908)	(54,62,503)
Past service cost - (Vested benefits)	NIL	NIL	NIL	NIL
<b>Net Cost recognised in the Statement of Profit and Loss</b>	<b>35,75,614</b>	<b>16,13,654</b>	<b>9,44,243</b>	<b>13,77,974</b>

31.1 Category of Assets

Insurer Managed Funds	1,91,66,883	2,10,88,303	N.A	N.A
Government Traded Bonds	NIL	NIL	N.A	N.A
Cash and bank balances	59,730	2,31,926	N.A	N.A

Assumptions used to determine the benefit obligations :

	IALM (2006-08) Ult.		IALM (2006-08) Ult.	
Mortality				
Interest / discount rate	7.77%	7.77%	7.46%	7.77%
Estimated rate of return on plan assets	6.00%	6.00%	NIL	NIL
Expected rate of increase in compensation	5.00%	5.00%	5.00%	5.00%

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

31.3	2016	2015	2014	2013	2012
Experience Adjustments					
On Plan Liability (gain) / loss	37,139	8,32,388	14,06,483	21,58,298	(6,63,958)
On Plan asset gain / (loss)	(4,77,222)	22,99,770	9,40,213	8,91,589	(11,48,724)
Present value of Obligation	2,24,83,884	2,10,01,885	1,93,06,124	1,66,20,767	1,82,71,777
Fair value of Plan assets	1,92,26,613	2,13,20,229	2,12,38,122	2,14,04,659	2,26,44,535
Excess of obligation over plan assets (Net)	32,57,271	(3,18,344)	(19,31,998)	(47,83,892)	(43,72,758)



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

Particulars	Textiles		Real Estate		Total
Segment Information	For the Year ended 31 <sup>st</sup> March, 2016 ₹	For the Year ended 31 <sup>st</sup> March, 2015 ₹	For the Year ended 31 <sup>st</sup> March, 2016 ₹	For the Year ended 31 <sup>st</sup> March, 2015 ₹	For the Year ended 31 <sup>st</sup> March, 2015 ₹
<b>32.1</b>					
<b>Segment Revenue</b>					
External Revenue	180,79,88,455	164,69,14,061	31,76,01,379	33,03,65,671	212,55,89,834
Inter Segment Revenue	NIL	NIL	NIL	NIL	NIL
Total Revenue	180,79,88,455	164,69,14,061	31,76,01,379	33,03,65,671	197,72,79,732
<b>32.2</b>					
<b>Segment Results</b>					
Unallocated Corporate Income /					
(Corporate Expenses) Net					
Finance Charges	24,56,46,557	13,03,53,118	27,14,95,624	27,63,79,849	40,67,32,967
Current Tax Adjustments of Earlier Years					
Provision for taxes	24,56,46,557	13,03,53,118	27,14,95,624	27,63,79,849	40,67,32,967
<b>Net Profit</b>					
					40,77,61,898
<b>32.3</b>					
<b>Other Information</b>					
Segment Assets	148,48,35,278	164,71,78,755	39,60,53,764	41,35,88,503	188,08,89,042
Unallocated Assets					811,78,71,076
<b>Total Assets</b>	148,48,35,278	164,71,78,755	39,60,53,764	41,35,88,503	1048,56,21,647
Segment Liabilities	32,84,48,879	22,08,76,279	21,43,38,844	21,71,49,024	43,80,25,303
Unallocated Liabilities					577,55,65,142
<b>Total Liabilities</b>	32,84,48,879	22,08,76,279	21,43,38,844	21,71,49,024	718,78,22,006
<b>32.4</b>					
<b>Capital Expenditure</b>					
Segment Capital Expenditure	1,77,35,250	5,94,44,729	1,85,64,449	1,46,41,576	3,62,99,699
Unallocated Capital Expenditure	NIL	NIL	NIL	NIL	NIL
<b>Total Capital Expenditure</b>	1,77,35,250	5,94,44,729	1,85,64,449	1,46,41,576	7,40,86,305
<b>32.5</b>					
<b>Depreciation and Amortisation</b>					
Segment Depreciation and Amortisation	17,93,09,567	17,09,17,900	1,62,64,120	1,69,03,000	19,55,73,687
Unallocated Depreciation and Amortisation	NIL	NIL	NIL	NIL	NIL
<b>Total Depreciation and Amortisation</b>	17,93,09,567	17,09,17,900	1,62,64,120	1,69,03,000	18,78,20,900



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

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

Particulars	For the Year ended 31 <sup>st</sup> March, 2016 ₹	For the Year ended 31 <sup>st</sup> March, 2015 ₹	For the Year ended 31 <sup>st</sup> March, 2016 ₹	For the Year ended 31 <sup>st</sup> March, 2015 ₹
	Key Managerial Personnel and their relatives [with 33.2 (I) and 33.2 (II) below]		Enterprise on which Key Managerial Personnel has Control [with 33.2 (III) below]	
<b>Loans and Advances (Unsecured)</b>				
<b>Loans received</b>				
Shri Manaharlal C. Shah ( Executive Chairman)	1,50,00,000	1,63,75,000	NIL	NIL
Smt Aruna M Shah (Director)	43,50,000	58,50,000	NIL	NIL
Shri Hiren M. Shah ( Managing Director)	1,84,15,000	3,39,00,000	NIL	NIL
Shri Bharat M. Shah (Jt. Managing Director)	76,50,000	98,00,000	NIL	NIL
Shri Viraj M. Shah ( Executive Director)	21,00,000	63,00,000	NIL	NIL
Manubhai & Sons Investment Co. Pvt. Ltd.	NIL	NIL	90,25,000	56,50,000
Hiren Bros. Investment Co. Pvt. Ltd.	NIL	NIL	1,73,00,000	46,00,000
M C Shah & Sons Investment Co. Pvt. Ltd.	NIL	NIL	1,25,50,000	16,50,000
Risha Dying & Printing Pvt. Ltd	NIL	NIL	58,00,000	37,50,000
Ruby Sales & Services Pvt. Ltd.	NIL	NIL	5,75,000	5,85,000
	4,75,15,000	7,22,25,000	4,52,50,000	1,62,35,000
<b>Loans repaid</b>				
Shri Manaharlal C. Shah ( Executive Chairman)	4,50,000	50,000	NIL	NIL
Smt Aruna M Shah (Director)	9,00,000	4,50,000	NIL	NIL
Shri Hiren M. Shah ( Managing Director)	15,00,000	84,00,000	NIL	NIL
Shri Bharat M. Shah (Jt. Managing Director)	41,00,000	NIL	NIL	NIL
Shri Viraj M. Shah ( Executive Director)	27,00,000	NIL	NIL	NIL
Manubhai & Sons Investment Co. Pvt. Ltd.	NIL	NIL	66,00,000	14,50,000
Hiren Bros. Investment Co. Pvt. Ltd.	NIL	NIL	55,00,000	1,50,000
M C Shah & Sons Investment Co. Pvt. Ltd.	NIL	NIL	77,00,000	22,50,000
Risha Dying & Printing Pvt. Ltd	NIL	NIL	42,30,000	15,00,000
Ruby Sales & Services Pvt. Ltd.	NIL	NIL	1,00,000	50,000
	96,50,000	89,00,000	2,41,30,000	54,00,000
<b>Expenses</b>				
<b>Rent</b>				
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
<b>Interest</b>				
Shri Manaharlal C. Shah ( Executive Chairman)	1,21,43,941	1,03,90,790	NIL	NIL
Smt Aruna M Shah (Director)	45,47,808	40,34,378	NIL	NIL
Shri Hiren M. Shah ( Managing Director)	1,03,65,441	73,02,496	NIL	NIL
Shri Bharat M. Shah (Jt. Managing Director)	47,66,362	40,17,732	NIL	NIL
Shri Viraj M. Shah ( Executive Director)	15,08,471	10,19,929	NIL	NIL
Manubhai & Sons Investment Co. Pvt. Ltd.	NIL	NIL	82,40,270	80,39,251
Hiren Bros. Investment Co. Pvt. Ltd.	NIL	NIL	96,31,377	90,79,240
M C Shah & Sons Investment Co. Pvt. Ltd.	NIL	NIL	1,16,45,515	1,17,07,740
Risha Dying & Printing Pvt. Ltd	NIL	NIL	16,54,016	14,44,167
Ruby Sales & Services Pvt. Ltd.	NIL	NIL	6,25,715	5,79,579
	3,33,32,023	2,67,65,325	3,17,96,893	3,08,49,976
Director's Fees - Smt Aruna M Shah	1,36,672	62,500	NIL	NIL
<b>Remuneration</b>				
Shri Manaharlal C. Shah ( Executive Chairman)	1,50,00,000	1,50,00,000	NIL	NIL
Shri Hiren 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)	55,67,402	57,04,800	NIL	NIL
Shri Rishabh V Shah (Vice President)	27,50,946	22,22,848	NIL	NIL
	5,57,18,349	5,55,90,769	NIL	NIL



Particulars	For the Year ended 31 <sup>st</sup> March, 2016 ₹	For the Year ended 31 <sup>st</sup> March, 2015 ₹	For the Year ended 31 <sup>st</sup> March, 2016 ₹	For the Year ended 31 <sup>st</sup> March, 2015 ₹
	Key Managerial Personnel and their relatives [with 33.2 (I) and 33.2 (II) below]		Enterprise on which Key Managerial Personnel has Control [with 33.2 (III) below]	
<b>Outstanding Balance As At 31st March, 2015</b>				
Shri Manaharlal C. Shah ( Executive Chairman)	9,65,75,000	8,20,25,000	NIL	NIL
Smt Aruna M Shah (Director)	3,50,50,000	3,16,00,000	NIL	NIL
Shri Hiren M. Shah ( Managing Director)	8,19,25,000	6,50,10,000	NIL	NIL
Shri Bharat M. Shah (Jt. Managing Director)	3,72,50,000	3,37,00,000	NIL	NIL
Shri Viraj M. Shah ( Executive Director)	1,03,00,000	1,09,00,000	NIL	NIL
Manubhai & Sons Investment Co. Pvt. Ltd.	NIL	NIL	6,30,60,000	6,06,35,000
Hiren Bros. Investment Co. Pvt. Ltd.	NIL	NIL	7,88,25,000	6,70,25,000
M C Shah & Sons Investment Co. Pvt. Ltd.	NIL	NIL	8,90,00,000	8,41,50,000
Risha Dying & Printing Pvt. Ltd.	NIL	NIL	1,43,20,000	1,27,50,000
Ruby Sales & Services Pvt. Ltd.	NIL	NIL	48,90,000	44,15,000
<b>Total</b>	<b>26,11,00,000</b>	<b>22,32,35,000</b>	<b>25,00,95,000</b>	<b>22,89,75,000</b>

**33.2 Relationships :**

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

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

**34.1 Where the company is a 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 <sup>st</sup> March, 2016 ₹	As At 31 <sup>st</sup> March, 2015 ₹
Within 1 year	29,95,65,460	32,64,38,110
After 1 year but before 5 years	91,54,73,179	1,20,25,08,265
After 5 years	NIL	1,25,30,375





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

Particulars	As At 1 <sup>st</sup> April, 2015	Additions during the year	Amount paid / reversed during the year	As At 31 <sup>st</sup> March, 2016
	₹	₹	₹	₹
Leave encashment	34,67,318	73,22,843	72,82,137	35,08,024
Gratuity	2,10,01,885	27,33,502	12,51,503	2,24,83,884
Proposed Dividend	2,09,00,000	NIL	2,09,00,000	NIL
Tax on Proposed Dividend	42,54,822	NIL	42,54,822	NIL

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

Particulars	For the Year ended 31 <sup>st</sup> March, 2016	For the Year ended 31 <sup>st</sup> March, 2015
	Percentage ₹	Percentage ₹
<b>Raw Materials</b>		
Imported	0.16% 7,88,929	0.79% 36,59,014
Indigenous	99.84% 48,63,74,939	99.21% 46,08,15,267
<b>Total</b>	100.00% 48,71,63,868	100.00% 46,44,74,281
<b>Stores and Spares</b>		
Imported	4.28% 94,24,979	4.39% 90,03,253
Indigenous	95.72% 21,08,39,273	95.61% 19,62,22,262
<b>Total</b>	100.00% 22,02,64,252	100.00% 20,52,25,515

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

Raw Materials	1,39,428	30,16,732
Stores and Spares	2,05,88,986	1,33,34,163
Capital Goods	22,49,100	15,78,215
Yarn	NIL	NIL
<b>Total</b>	2,29,77,514	1,79,29,110

**38. Expenditure in Foreign Currency :**

Miscellaneous Expenses		
Miscellaneous Expenses		
Travelling Expenses	72,68,012	22,87,516
Subscription, Books and Periodicals	NIL	4,97,110
Membership and Subscription	8,13,923	11,31,515
Consultancy Fees	4,53,410	3,02,224
<b>Total</b>	85,35,345	42,18,365

**39. Earnings in Foreign Currency :**

Export of Goods at F.O.B. Value	5,21,16,584	4,51,47,485
<b>TOTAL</b>	5,21,16,584	4,51,47,485



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

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

Particulars	Balance As At 31 <sup>st</sup> March, 2016		Balance As At 31 <sup>st</sup> March, 2015	
	In Foreign Currency	₹	In Foreign Currency	₹
5,88,55,877 Foreign Currency Term Loan - USD	NIL	NIL	3,27,414	2,04,64,995
Trade Receivables - USD	NIL	NIL	20,659	12,91,394
Advance from Customer - USD	42,397	28,42,411	46,445	29,03,277
Advances to Supplier - USD	208	14,352	23,415	14,75,145
Advances to Supplier - EURO	1,38,868	1,04,33,908	48,498	34,79,016
Advances to Supplier - CHF	8,322	5,66,837	4,015	2,70,017
Advances to Supplier - JYP	7,844	4,81,698	30,263	15,86,386
Advances to Supplier - GBP	NIL	NIL	723	68,772
Buyers Credits				
Buyers Credits - USD	NIL	NIL	NIL	NIL
Buyers Credits - EURO	NIL	NIL	NIL	NIL
Interest on Buyers' Credits - USD	NIL	NIL	NIL	NIL
Interest on Buyers' Credits - EURO	NIL	NIL	NIL	NIL

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

Name of the Company	Rate of Interest	As At March 31, 2016 ₹	As At March 31, 2015 ₹
i. Rohan Developers Private Limited (Refer Note 19)	12%	50,00,00,000	50,00,00,000

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

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

As per our Report of even date attached

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

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

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

**MANHARLAL C. SHAH**  
Executive Chairman  
DIN 00070771

**VIRAJ M. SHAH**  
Executive Director  
DIN 00071616

**S. JAYARAMAN**  
Chief Financial Officer

**BHARAT M. SHAH**  
Jt. Managing Director  
DIN 00071248

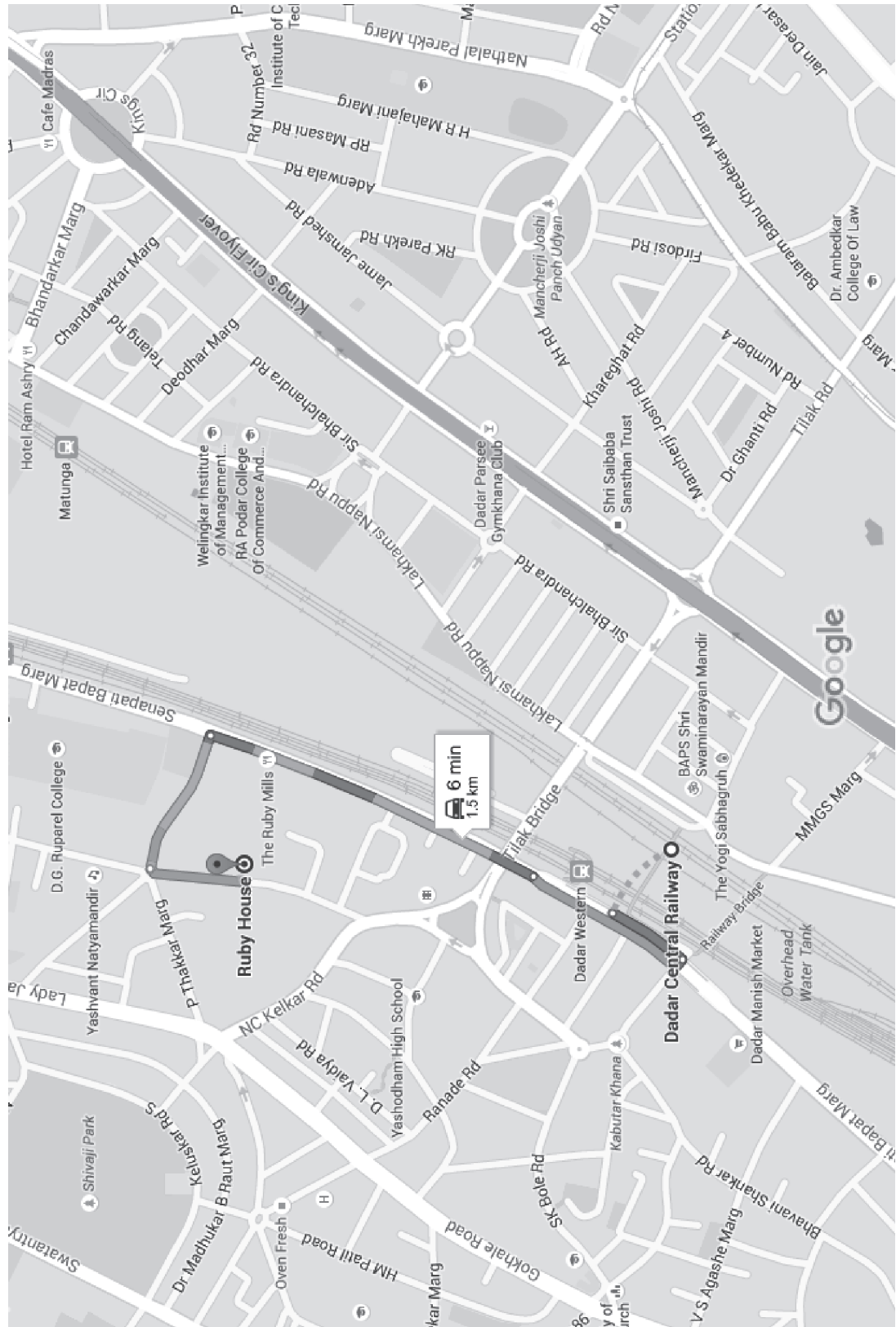
**HEENA JAYSINGHANI**  
Company Secretary

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2016



## Dadar Central Railway to Ruby House

ROUTE MAP OF VENUE FOR ANNUAL GENERAL MEETING





**THIS PAGE LEFT BLANK INTENTIONALLY**

**Continuous Bleaching Range**



**Airjet Loom**



**Process House-Kharsundi**







Form No. MGT-11

PROXY FORM

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

Name of the Member(s)	
Registered Address	
Email-Id	
Folio No. / DP ID – Client ID	

I/We, being Member(s) of The Ruby Mills Limited holding \_\_\_\_\_ Equity Shares of the Company, hereby appoint:

1. Name : \_\_\_\_\_ Address : \_\_\_\_\_  
Email- Id : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him/her;
2. Name : \_\_\_\_\_ Address : \_\_\_\_\_  
Email- Id : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him/her;
3. Name : \_\_\_\_\_ Address : \_\_\_\_\_  
Email- Id : \_\_\_\_\_ Signature : \_\_\_\_\_, or failing him/her;

as my/our proxy and to attend and vote (through Ballot Paper) for me/us on my/our behalf at the Hundredth Annual General Meeting of the Company scheduled to be held on Monday, 19th September, 2016 at 4.30 p.m. (IST) at the Registered Office of the Company, Ruby House, J. K. Sawant Marg, Dadar (W), Mumbai-400 028 and at any adjournment thereof.

ATTENDANCE SLIP

Hundredth Annual General Meeting

Registered Folio No. / DP ID _____ and Client ID
Name and Address of the _____ Member(s)

I / We, hereby record my / our presence at the Hundredth Annual General Meeting of the Company at the Ruby House, J. K. Sawant Marg, Dadar (W) Mumbai - 400 028 on, Monday 19th September, 2016 at 4.30 p.m. (IST)

Member's Folio / DP ID- Client ID

Member's / Proxy's  
Name in BLOCK Letters

Member's / Proxy's Signature

Notes:

- Please fill up the details of the Folio / DP ID- Client ID and Name and sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
- Members are requested to bring this slip along with them as duplicate slips will not be issued at the venue of the Meeting.**
- Please read carefully the instructions given in the Notice of the Hundredth Annual General Meeting under the heading "E-voting" (Item No.4).