



**Bombay Rayon Fashions Limited**  
**Annual Report**  
2019 - 2020

## Corporate Information

### Board of Directors

Mr. Aman Agrawal	Chairman
Mr. Prashant Agrawal	Managing Director
Mr. A.R. Mundra	Executive Director- Finance
Ms. Prachi Deshpande	Director-Secretarial & Corporate Affairs
Mr. Suresh Vishwasrao	Director
Mr. John Mathew	Director
Mr. Jasmeet Sing Bhasin	Director (w.e.f. 21 <sup>st</sup> Dec.2019)
Mr. Vishal Sharma	Director (w.e.f. 21 <sup>st</sup> Dec.2019)

### Company Secretary & Compliance officer

Ms. Prachi Deshpande

### Auditors

P. R. Agarwal & Awasthi, Chartered  
Accountants,

### Registered Office

Bombay Rayon Fashions Limited  
3<sup>rd</sup> Floor, DLH Mangal Murti Building  
Near Arya Samaj Mandir, Linking Road,  
Santacruz(West)  
Mumbai – 400054  
Tel No.: 022 – 71068800/61068800  
Fax: 022 – 61068830  
CIN: L17120MH1992PLC066880  
E-mail: investors@bombayrayon.com  
Website: www.bombayrayon.com

### Registere & Share Transfer Agent

Link Intime India Pvt Ltd  
C 101, 247 Park,  
L B S Marg, Vikhroli West,  
Mumbai 400 083  
Tel No: +91 22 49186000  
Fax: +91 22 49186060  
Website: www.linkintime.co.in  
E-mail: rnt.helpdesk@linkintime.co.in

### Bankers/Term Lenders

Axis Bank Limited  
Corporation Bank  
Indian Bank  
Punjab National Bank  
JM Financial ARC Ltd.

### Listing of Equity Shares

The Company's shares are listed on:

- National Stock Exchange of India Limited ("NSE")  
and
- BSE Limited ("BSE")

## Directors' Report

Dear Members,

Your Directors are presenting the Twenty Seventh Annual Report of the Company together with the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2020.

### 1. FINANCIAL AND OPERATIONAL PERFORMANCE:

#### a. Financial Results

Financial and Operational Results of the Company for the year ended 31<sup>st</sup> March, 2020 as compared to the previous financial year, is summarized below:

(Rs. in crores)

Particulars	Standalone For the Financial Year Ended	
	31-03-2020	31-03-2019
Revenue from Operations	487.96	941.46
Profit / loss before Interest, Depreciation, exceptional item and Tax	(1918.97)	(1823.63)
Less: Interest	441.52	444.93
Less: Depreciation and Amortization	138.27	154.61
Profit/(Loss) before Exceptional item and Tax	(2498.76)	(2423.17)
Less: Exceptional item & tax	367.36	-
Profit / (Loss) before Tax	(2866.12)	(2423.17)
Tax Provisions	986.16	735.91
Profit / (Loss) after tax	(1879.96)	(1687.26)

#### b. Operations:

- The revenue of the company is Rs. 487.96 crores as compared to Rs. 941.46 crores for FY 2019-20 showing drop by almost 50%. This is due to continuous financial stress on the company and non – availability of working capital for the business. The net loss after tax for the year under review was Rs. 1879.96 crores. It was contemplated that the process of restructuring the debts of the company

which was initiated in FY 2018-19 would get completed during the year under review and also the disposal of non- core assets, but due to general economic conditions, it still remained incomplete which had an impact on the operations of the company. Outbreak of Coronavirus Disease (COVID-19) being declared as a global pandemic by World Health Organization (WHO) had an additional adverse impact on the business of the Company. The Company had to suspend the operations in all the units of the Company temporarily in compliance with the lockdown instructions issued by the Central and State Governments which had an impact on the normal business operations of the Company by way of interruption in production, unavailability of personnel, closure of production facilities etc. The production and supply of goods was commenced during the month of May 2020 only at Bangalore manufacturing facility of the Company.

- Assignment of Loans by the lenders of the company/ Settlement of debt:

During the year under review, few other lenders of the Company had opted for assignment of their debts to Asset Reconstruction Company once the account of the company turned into Non Performing Assets (NPA) in their Books. Lenders have opted for assignment of their outstanding debt of term loans, working capital loans and Optionally Convertible Debentures (OCDs) to J M Financial Asset Reconstruction Company Limited (JMFARC) instead of restructuring the debts as per the resolution plan submitted by the Company. Accordingly out of total borrowings from Banks approximately 84.76% of total debt is with JMFARC on assignment of loans.

During the year under review the Company had made the payment of entire outstanding of two of its term loan lenders which includes payment for Optionally Convertible Debentures at an agreed amount.

#### c. Report on Performance of Subsidiaries:

A report on the performance and financial position of each of the subsidiaries as on 31<sup>st</sup> March 2020 are provided as **Annexure - I** and forms part of this report. Additional information on Subsidiary companies is appended hereunder:

- Bombay Rayon Holdings Limited (BRHL):**

BRHL holds 100% Equity of foreign subsidiaries i.e. BRFL Italia S.R.L. & BRFL Italia Licensee S.R.L.

BRHL registered a net Profit of Rs. 30.96 crores for the year ended March 31, 2020.

**(ii) STI India Limited (STI):**

The Company is running the unit of STI on job work basis for the manufacturing of yarn and knitted fabric. The manufactured yarn is used for captive consumption and some part is sold in the open market. The operations of the Company have been temporarily suspended.

**(iii) DPJ Clothing Ltd, U.K.:**

DPJ Clothing Limited is engaged in business of wholesale marketing and distribution of clothing products. However there are no major activities due to global economic conditions.

**(iv) BRFL Italia S.R.L, Italy:**

The Company owns the brand 'GURU' for ready-made garments as well as for other accessories. The retail operations, being not viable in the current prevailing economic scenario, are totally closed and the company is in process of re-arrangements.

**(v) BRFL Italia Licensee S.R.L, Italy.**

BRFL Italia licensee S.R.L is presently having the licenses for brand 'GURU.' The operations continue to be suspended.

**(vi) BRFL Bangladesh Private Limited.**

The Company is yet to commence its operations.

**d. Consolidated Accounts:**

The Consolidated Financial Statements of your Company for the financial year 2019-20 have been prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, applicable Accounting Standards and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"). The consolidated financial statements have been prepared on the basis of audited financial statements of your Company and audited and/or provisional financial statements of its subsidiaries, as approved by the respective Board of Directors of the said Companies. The Consolidated Financial Statements do not include the financials of STI India Limited, BRFL Italia S.r.l, BRFL Italia Licensee S.r.l, DPJ Clothing Limited &

BRFL Bangladesh Private Limited as the financials statements of these companies are not available with the Company.

**e. Dividend:**

In view of the losses incurred during the year under review, the Board of Directors do not recommend any dividend for the financial year ended March 31, 2020.

**f. Transfer to reserve:**

In view of loss incurred during the year under review, the Board of Directors has not recommended any amount to be transferred to Reserves.

**2. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**

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

**3. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

Full Particulars of Loans & Guarantees Given, Investments made and Securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statements.

**4. PARTICULARS OF CONTRACTS/ ARRANGEMENTS/ TRANSACTIONS WITH RELATED PARTIES:**

All contracts / arrangements / transactions, falling within the purview of Section 188 of the Companies Act, 2013, entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year ended 31<sup>st</sup> March 2020, the Company did not enter into any material related party transactions.

The particulars of contracts or arrangements with related parties are provided in the Notes to the financial statements.

All Related party transactions are placed before the Audit Committee and subsequently before the Board for its approval. Prior Omnibus approval is obtained on yearly basis for related party transactions which are of repetitive nature as per the policy on Materiality of and Dealing with Related Party Transactions. The policy on related party transactions as approved by the Board of

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Directors has been uploaded on the website of the Company at the link:

## 5. PAYMENT TO BANKERS AND STATUTORY AUTHORITIES:

During the year under review, there were delays in payment of dues to bankers as well as to statutory authorities.

## 6. MATTERS RELATED TO CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL AND DECLARATION BY INDEPENDENT DIRECTORS:

### a. Changes in Board of Directors & Key Managerial Personnel:

#### (i) Changes in Directors:

The constitution of the Board of Directors is in accordance with Section 149 of the Companies Act and Listing Regulations. Mr. Arunchalam Arumugham (DIN: 00350163) and Mr. Naseer Ahmed (DIN: 00027095) resigned as Independent Directors of the Company w.e.f. 6<sup>th</sup> June 2019 and 10<sup>th</sup> June 2019 respectively due to personal reasons. Further, the nomination of Ms. Manjiri Bhalerao (DIN: 02300546) was withdrawn w.e.f. 16<sup>th</sup> July 2019 by EXIM on assignment of its debts to JMFARC. The Board places on record its deep appreciation for the services rendered by the aforesaid Directors during their respective tenure as Directors of the Company.

At the Annual General Meeting held on 27<sup>th</sup> September, 2019, Mr. Aman Agrawal, Mr. Prashant Agrawal, Mr. A. R. Mundra and Ms. Prachi Deshpande were re-appointed as the Whole-time Directors of the Company for a period of two years with effect from 1<sup>st</sup> June, 2019.

Mr. Jasmeet Singh Bhasin (DIN: 08641063) and Mr. Vishal Sharma (DIN: 08641245) were appointed as Additional Directors (Independent category) on the Board with effect from 21<sup>st</sup> December, 2019 and in terms of Section 161(1) of the Companies Act, 2013, they shall hold the office as Additional Directors upto the date of ensuing Annual General Meeting. The Board has received respective notices from members under Section 160(1) of the Companies Act, 2013 proposing their candidature for the office of Independent Directors of the Company. The Board of Directors recommend their re-appointment and the matters pertaining to

the same have been placed for seeking approval of members at the ensuing Annual General Meeting of the Company.

#### (ii) Changes in Key Managerial Personnel (KMP):

During the year under review, there was no change in the KMP of the Company.

### b. Directors Retiring by Rotation:

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Aman Agrawal (DIN: 00019534) & Mr. Prashant Agrawal (DIN: 00019464), Directors shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment. In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

### c. Declaration by Independent Directors:

The Company has received and taken on record the declarations received from all the Independent Directors of the Company in accordance to Section 149(6) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations, confirming their independence vis- a-vis the Company.

Independent Directors have also provided a declaration to the Board of Directors that they meet the criteria of Independence as prescribed in the Companies Act, 2013 and the Listing Regulations, and are not aware of any situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge duties as an Independent Director with an objective independent judgment and without any external influence.

The Independent Directors of the Company have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

All the Independent Directors of the Company have enrolled their names in the online database of Independent Directors by Indian Institute of Corporate Affairs in terms of the recently introduced regulatory requirements. Also, the online proficiency self-assessment test as mandated will be undertaken by those Independent Directors of the Company who are not exempted within the prescribed timelines.

## 7. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

### a. Board Meetings:

Seven (7) meetings of the Board of Directors were convened during the financial year under review. The details of the Board meetings and attendance

of each Director there at are provided in the Corporate Governance report forming part of this Annual report.

### **b. Board Committees:**

Details of all the following committees constituted by the Board along with their composition; terms of reference and meetings held during the year are provided in the Report of Corporate Governance which forms part of this Report:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

### **c. Director's Responsibility Statement:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited Annual Financial Statements of the Company for the financial year ended March 31, 2020, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors 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 March 31, 2020 and of the Loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **d. Policies:**

#### **(i) Vigil Mechanism Policy:**

In compliance with the requirements of section 177 of the Companies Act, 2013 & Regulation 22 of Listing Regulations and as measure of good Corporate Governance practice, the Board has formulated a Vigil Mechanism Policy. The policy comprehensively provides an opportunity for any employee/director of the Company to elevate any issue concerning breaches, accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy is adequate safeguard against victimization.

The Board of Directors of the Company has, pursuant to the provisions of Section 178(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., and the same is also hosted on the website of the Company.

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.

#### **(ii) Risk Management Policy:**

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

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### (iii) Corporate Social Responsibility Policy:

The Company has defined policy on Corporate Social Responsibility pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

The policy is hosted on the website of the Company i.e. [www.bombayrayon.com](http://www.bombayrayon.com). However, in view of losses, the Company was not required to spend any amount towards CSR activities during the year under review.

### (iv) Remuneration Policy:

The Company has adopted a Remuneration Policy pursuant to the provisions of section 178 of the Companies Act, 2013. The policy is hosted on the website of the Company i.e. [www.bombayrayon.com](http://www.bombayrayon.com).

### e. Annual Evaluation of Directors, Committee and Board:

Independent Directors had carried out the annual evaluation of the Directors for the financial year 2019-20. The Board of Directors in their meeting has reviewed the contribution made by each Independent Director by way of their timely advice for better corporate governance and compliances under the provisions of the laws as applicable to the Company.

### f. Details with respect to the Program for Familiarisation of Independent Directors:\*

Independent Directors were made familiar with situation of the Company from time to time in duly held Board Meetings during the FY 2019-20. The policy of the Company on Familiarisation of Independent Directors is placed on the website of the Company i.e. [www.bombayrayon.com](http://www.bombayrayon.com).

### g. Internal Control Systems:

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

## 8. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Pursuant to the Provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the requisite details are annexed herewith vide **Annexure II**.

The Company has no employee coming under the preview of requirement as mentioned in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company. In terms of Section 136 (1) of the Companies Act, 2013, the report and the Accounts are being sent to the members. Any member interested in obtaining copy of the same any write to the Company Secretary at the Registered Office of the Company.

## 9. CHANGE IN CAPITAL:

During the year there was no change in capital structure of the Company.

## 10. AUDITORS AND REPORTS:

### a. **Statutory Auditors:**

The shareholders of the Company in the Annual General Meeting held on 26<sup>th</sup> September, 2017 had appointed M/s. PR Agrawal & Awasthi, Chartered Accountants (ICAI Firm Registration Number 117940 W) as the statutory auditors of the Company for the period of 5 years i.e. from FY 2017-18 till FY 2021-22.

*The Report of the Statutory Auditors on the financial statement for the year ended 31<sup>st</sup> March 2020 does not contain any qualification.*

### b. Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2020:

The Board had appointed M/s. Rathi & Associates, Company Secretaries, as Secretarial auditors for the financial year 2019-20. The Secretarial Audit Report issued by M/s. Rathi & Associates in Form MR-3 forms part of this report and has been marked as **Annexure III**.

The Report of the Secretarial Auditors on the financial statement for the year ended 31<sup>st</sup> March 2020 contains a qualification in respect of which, the Board of Directors would like to state that:

1. The accounts of foreign subsidiaries could not get consolidated due to non-availability of financial statement of respective foreign subsidiaries for the FY 2018-19 and as well as first three quarters of FY 2019-20;

2. The Board Meeting for approving unaudited financial results for the quarter ended 31<sup>st</sup> December, 2019 was held on Friday, 14<sup>th</sup> February, 2020 and was concluded after working hours hence the results could get published on 17<sup>th</sup> February, 2020;
3. The Company had received the letter from IDBI Bank (lender) confirming the receipt of entire amount as settlement of total dues. Due to technical error the company has to get the same corrected from the lender which amounts to delay in intimation to the Stock Exchanges;
4. One day delay for submitted the shareholding patten for the quarter ended 30<sup>th</sup> June, 2019 was due technical issue.
5. The company had intimated the Stock Exchanges the reason for the resignations of Mr. Naseer Ahmed and Mr. A. Arumugham within 24 hours of receipt of the same from the respective directors;
6. The company inadvertently delayed the declaration and submission of consolidated financial results for the quarter ended 30<sup>th</sup> June, 2019;
7. The company will be paying to the Stock Exchanges.

**c. Cost Auditors:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, as per the recommendation of the Audit Committee, the Board of Directors at their meeting held on date August, 2020, appointed M/s. K. S. Kamalakara & Company, Cost Accountants, as the Cost Auditors of the Company for the financial year 2020-21 at an audit fee of Rs. 2,00,000/- subject to ratification for payment of remuneration by shareholders.

**d. Internal Audit and Control:**

M/s. Venkatram & Co., Chartered Accountants (Firm Registration No. 004656S), appointed as Internal Auditors of the Company has carried out internal audit on the areas in consultation with the Audit Committee and the findings of the Internal Auditors in their reports are discussed regularly in the meetings of the Audit Committee and corrective actions have also been taken as per the directions of the Audit Committee members.

**11. FRAUD REPORTING:**

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

**12. OTHER DISCLOSURES:**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

**a. Extract of Annual Return:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March, 2020 made under the provisions of Section 92(3) of the Act is attached as **Annexure IV** which forms part of this Report and also placed on the website of the Company [www.bombayrayon.com](http://www.bombayrayon.com).

**b. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

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

**c. Corporate Governance and Management Discussion & Analysis Reports:**

The Company is committed to maintain the high standards of Corporate Governance and adheres to its requisites set out by the respective authorities. The report on Corporate Governance as stipulated under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed vide **Annexure VI** and forms an integral part of this Annual Report.

Management Discussion and Analysis Report for the year under review, as required pursuant to the provisions of Regulation 34 (Schedule V (B) of SEBI (LODR) Regulations, 2015) is annexed herewith vide **Annexure VII** and forms part of this Annual Report.

**d. General Disclosures:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to these matters during F.Y. 2019-20:

- a. Acceptance of deposits covered under Chapter V of the Companies Act, 2013.
- b. Issue of equity shares with differential rights as to dividend, voting or otherwise.

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- c. Issue of shares (including sweat equity shares and ESOS) to employees of the Company under any scheme.
- d. Instances with respect to voting rights not exercised directly by employees of the Company.
- e. Revision of the financial statements pertaining to previous financial years during the year under review.
- f. Maintenance of cost records as per sub-section (1) of Section 148 of the Companies Act, 2013;
- g. Frauds reported as per Section 143(12) of the Companies Act, 2013.

Your Directors further state that:

- h. Neither the Managing Director nor the Whole-time Directors of the Company have received any remuneration or commission from any of the subsidiary Company.
- i. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- j. Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Annual Report.
- k. There was no change in the nature of business of the Company during the financial year under review.
- l. Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee and there are no case pertaining to sexual harassment at workplace has been reported during F.Y.2019-20.
- m. The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by the Company.

### 13. CAUTIONARY STATEMENT:

Statements in the Directors' Report and Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations or predication may be "forward-looking statements" within the meaning of applicable securities laws and regulations, actual results could differ materially for those expressed or implied, important factors that could make difference to the company's operations include raw material availability and its prices, cyclical demand and pricing in the company's principle markets, changes in government regulations, tax regimes, economic developments within India and the countries in which the company conducts business and other ancillary factors.

### 14. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the business of Company.

Your Directors records with sincere appreciation the valuable contribution made by employees at all levels and looks forward to their continued commitment to achieve further growth and take up more challenges that the Company has set for the future.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Aman Agrawal**  
**Chairman**  
**(DIN: 00019534)**

**Place: Mumbai**

**Date: 2<sup>nd</sup> September 2020**

**Registered Office Address:**

3<sup>rd</sup> floor, DLH Mangal Murti Building,  
Linking Road, Santacruz (West), Mumbai-400054.

CIN: L17120MH1992PLC066880

TEL No: +91 22 61068800 Fax No: 61068830

mail: investors@bombayrayon.com

Website: www.bombayrayon.com

## Annexure I

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## Part A- Detail of Subsidiary Companies

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures:

	Particulars	Bombay Rayon Holding Limited	STI India Limited	DPJ Clothing Limited	BRFL Italia S.R.L.	BRFL Bangladesh	BRFL Italia Licenses.
1.	Date since when subsidiary was acquired	23 <sup>rd</sup> Feb, 2007	27 <sup>th</sup> Oct, 2010	22 <sup>nd</sup> Feb, 2007	5 <sup>th</sup> May, 2008	23 <sup>rd</sup> Nov, 2010	31 <sup>st</sup> Dec, 2015
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period (as available)	31st March, 2020	31st March, 2020	31st March, 2020	31st December, 2020	31st March, 2020	31st December, 2020
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	INR	INR	1 GBP = INR 93.61	1 Euro = INR 74.10	Taka = INR 0.88	1 Euro = INR 83.09
4.	Share capital	35.14	29.00	0.01	33.49	0.12	1.85
5.	Other Equity	57.10	-	-	-	-	-
6.	Total Assets	105.69	-	-	-	-	-
7.	Total Liabilities	32.63	-	-	-	-	-
8.	Investments	13.13	-	-	-	-	-
9.	Turnover	0.53	-	-	-	-	-
10.	Profit before taxation	42.15	-	-	-	-	-
11.	Provision for taxation	-	-	-	-	-	-
12.	Profit after taxation	42.15	-	-	-	-	-
13.	Proposed Dividend	0.00	-	-	-	-	-
14.	Extend of shareholding (in percentage)	100%	75%	70%	100%*	100%	100%*

\* Held by Bombay Rayon Holdings Limited

Notes:

- I. BRFL Bangladesh Pvt. Ltd. has not yet commenced operations
- II. There is no subsidiary which have been liquidated or sold during the year.
- III. The Consolidated Financial Statement does not include the financials of BRFL Italia Licensee S.R.L., BRFL Italia S.R.L., DPJ Clothing Limited & BRFL Bangladesh Private Limited, STI India Limited as the financials statements of these companies for the respective year end were not available.

## Annexure II

**The Companies Act, 2013, read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- I. Ration of the remuneration of each Director & Key Managerial Personnel (KMP) to the Median Remuneration of the Employees (MRE) of the company for the financial year 2019-20 against the performance of the Company is as under:

Name of Director/KMP and Designation	Remuneration Per Annum (INR)	Median Remuneration Per Annum (INR)	Ratio (Remuneration of Director to Median Remuneration)
Mr. Aman Agrawal, Chairman	25219883	149902	160:1
Mr. Prashant Agrawal, Managing	25219883	149902	160:1
Mr. A R Mundra, Executive Director-	5374503	149902	36:1
Ms. Prachi Deshpande, Director Secretarial & Corporate Affairs	3119137	149902	21:1

- II. The Median Remuneration of Employees (MRE) of the Company during the financial year 2019-20 was Rs. 1,49,902/- previous year it was Rs. 1,42,764/-.
- III. There is an average increase of 5% in the remuneration of employees of the Company in the F. Y. 2019-20;
- IV. There were 3645 permanent employees of the Company as on 31<sup>st</sup> March, 2020;
- V. The company affirms that the remuneration is as per the Remuneration Policy of the company;
- VI. During the FY 2019-20 there was no employee who is not director but received remuneration in excess of the highest paid director.

## Annexure III

# SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

*[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 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Members  
**Bombay Rayon Fashions Limited**  
Mumbai

Dear Sirs,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Bombay Rayon Fashions 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, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information and explanation 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 March 31, 2020 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, minutes books, forms and returns filed and other records maintained by **Bombay Rayon Fashions Limited** ("the Company") as given in **Annexure I**, for the Financial Year ended on March 31, 2020, 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 (as amended from time to time) 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 and Overseas Direct Investment *except the Annual Return on Foreign Liabilities and Assets for Financial Year 2019-20 pursuant to the Reserve Bank of India's Circular No. 145 dated 18<sup>th</sup> June 2014 in connection with which the management of the Company has informed to us that the audited financials for the year ended 31<sup>st</sup> March 2020 of the foreign subsidiary companies were not available and therefore the said Annual Return was pending for preparation as on the date of this report;* and
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

## Bombay Rayon Fashions Limited

- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015");

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-

- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 which was effective till November 9, 2018 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 with effect from November 10, 2018;
- ii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- iii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- v. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and;
- vi. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as stated in **Annexure II**;

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations/remarks stated below:

- (1) The Company had six subsidiary companies comprising of two Indian companies and four foreign entities. The consolidated financial statements prepared by the Company for the financial year 2018-19 did not include the financial statements of its foreign subsidiaries for the said period as required under Section 129(3) of the Companies Act, 2013. Further as regards submission of quarterly and annual consolidated financial results pursuant to First proviso to Regulation 33(3)(d) of the Listing Regulations, 2015, the Company did not submit audited consolidated financial results for the year ended 31st March 2019 and un-audited consolidated financial results for quarters ended 30th June 2019, 30th September 2019 and 31st December 2019 respectively after consolidating the financial results of its foreign subsidiary companies, with the stock exchanges.
- (2) It has been observed that the Financial Results for the quarter and nine months ended 31st December, 2019 were approved by the Board of Directors at their meeting convened on 14th February, 2020, however, said results were published in the newspapers on 17th February, 2020 which is beyond the time period of 48 hours as prescribed under Regulation 47 of the Listing Regulations, 2015.
- (3) Based on the information provided by the Company, One Time Settlement Letter dated 23rd December, 2019 was received by the Company on 24th December, 2019 from IDBI Bank. However, an intimation to the Stock Exchanges in this regard pursuant to Regulation 30(6) read with Schedule III Part A of the Listing Regulations, 2015, was given by the Company on 27th December, 2019, thereby causing a delay of two days in giving of the said intimation to the stock exchange(s).
- (4) It has been observed that disclosure of Shareholding Pattern for quarter ended June, 30, 2019 pursuant to Regulation 31 of the Listing Regulations, 2015, was submitted by the Company with the stock exchanges on 22nd July, 2019, thereby causing a delay of one day in filing.

- (5) In the matter of resignation of Mr. Arunachalam Arumugham and Mr. Naseer Ahmed, Independent Directors of the Company with effect from 6th June, 2019 and 10th June, 2019 respectively, their respective intimation for reason for cessation was received by the Company from Mr. Arunachalam Arumugham and Mr. Naseer Ahmed on 31st July, 2019 and 5th August, 2019 respectively which were submitted by the Company to the Stock exchange(s) on 1<sup>st</sup> August, 2019 and 5<sup>th</sup> August, 2019 respectively pursuant to Regulation 30 read with Part A of Schedule III of the Listing Regulations, 2015.
- (6) As regards submission of consolidated financial results pursuant to first proviso to Regulation 33(3) of the Listing Regulations, 2015, the consolidated Financial Results for quarter ended 30th June, 2019 were approved at the meeting of Board of Directors held 7th September, 2019 and subsequently filed with the Stock Exchanges on the same date, thereby causing a delay of 23 days.
- (7) BSE Limited and the National Stock Exchange of India Limited vide their respective letter dated 3rd February, 2020 had levied fine of Rs.6,69,060/- on the Company for non-compliance with the provisions of Regulations 17 (1), 19 (1)/(2) the Listing Regulations, 2015 for quarter ended 31st December, 2019. The Company is in the process of paying the said fine to each of the Stock exchange(s).

### **We further report that:**

As regards the constitution of the Board of Directors of the Company, our observations are as under:

- (1) As per the provisions of Section 149 (4) of Companies Act, 2013 and relevant rules made thereunder, every listed public company shall have at least one-third of the total number of Directors as Independent Directors. However, Mr. Arunachalam Arumugham and Mr. Naseer Ahmed, Independent Directors of the Company were disqualified under Section 164(2) of the Act and resigned from the directorship of the Company with effect from 6th June, 2019 and 10th June, 2019 respectively. Consequent to the resignation of said two Independent Directors, the Board of Directors of the Company consisted of four executive directors, three non-executive directors and two Independent Directors as on 10<sup>th</sup> June, 2019. The Board of Directors appointed Mr. Jasmeet Singh Bhasim and Mr. Vishal Kiran Sharma as Independent Directors of the Company with effect from 21st December, 2019. Thus, the composition of the Board of Directors of the Company did not consist of requisite number of Independent Directors during the period from 6th June, 2019 to 21st December, 2019.
- (2) The Chairman of the Company is Promoter & Executive Director. Hence, one half of the Board of Directors of the Company should comprise of Non-executive, Independent Directors pursuant to Regulation 17(1) (b) of Listing Regulations, 2015. However, Mr. Arunachalam Arumugham and Mr. Naseer Ahmed, Independent Directors of the Company resigned from the directorship of the Company with effect from 6th June, 2019 and 10th June, 2019 respectively. Consequent to the resignation of said two Independent Directors, the Board of Directors of the Company consisted of four executive directors, three non-executive directors and two Independent Directors as on 10th June, 2019. The Board of Directors appointed Mr. Jasmeet Singh Bhasim and Mr. Vishal Kiran Sharma as the Independent Directors of the Company with effect from 21st December, 2019. Hence during the period from 6th June, 2019 to 21st December, 2019 the Company's Board did not comprise of one half of its total strength as Non-executive, Independent Directors.
- (3) Mr. Naseer Ahmed, Independent Director and Member of the Nomination and Remuneration Committee, resigned with effect from 10th June, 2019. The Nomination and Remuneration Committee was reconstituted by induction of Mr. Jasmeet Singh Bhasim, Independent Director as its member with effect from 21st December, 2019. Thus, there has been violation of the requirement under Regulation 19(1)(a) of the Listing Regulations, 2015, due to the fact that the Nomination and Remuneration Committee comprised of only two members during the period from 10th June, 2019 to 21st December, 2019.
- (4) Mr. Arunachalam Arumugham, Independent Director and Member of the Corporate Social Responsibility Committee resigned from the Company with effect from 6th June, 2019. The Corporate Social Responsibility Committee was reconstituted by induction of Mr. Prashant Agrawal as its member with effect from 21st

## Bombay Rayon Fashions Limited

December, 2019. Thus there has been violation of the requirement of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2015 due to the fact that the Corporate Social Responsibility Committee comprised of only two members during the period from 6th June, 2019 to 21st December, 2019.

- (5) The respective term of Mr. Arunachalam Arumugham and Mr. Naseer Ahmed, Independent Directors of the Company expired on 31<sup>st</sup> March, 2019 on account of their disqualification as Directors. However Mr. Arunachalam Arumugham and Mr. Naseer Ahmed resigned as Independent Director of the Company on 6<sup>th</sup> June, 2019 and 10<sup>th</sup> June, 2019 respectively thereby exceeding their respective terms in contravention of Section 164 of the Companies Act, 2013.

Subject to the above observations, we report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally within time, 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.

None of the directors have communicated dissenting views, in the matters/agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence dissenting views were not required to be captured and recorded as part of the minutes.

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

We further report that during the audit period the specific events/actions having a major bearing on the Company's affairs, are as follows:

- (1) Sale of certain non-core assets comprising of part of plant and machinery vide resolutions passed by the Board of Directors on May 30, 2019 and August 14, 2019 respectively.

Notice dated 18th December, 2019 from JM Financial Asset Reconstruction Company Limited (JMFARC) under section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) raising demand for approx. Rs. 2251.74 Crores excluding Optionally Convertible Debentures (OCDs) (entire outstanding), originally availed by the Company from State Bank of India (SBI) and subsequently assigned to JMFARC, within a period of 60 days, and authority by the Company to JMFARC to sell the mortgaged assets of the Company for realization of dues of JMFARC.

**For RATHI & ASSOCIATES**  
COMPANY SECRETARIES

**HIMANSHU S. KAMDAR**  
PARTNER

**M. No. FCS 5171**

**C.P. No. 3030**

**UDIN: F005171B000647274**

Place : Mumbai

Date : **02<sup>nd</sup> September, 2020**

Note: This report should be read with our letter which is annexed as Annexure-III and forms an integral part of this report.

## Annexure I

### List of documents verified:

1. Memorandum of Association & Articles of Association of the Company;
2. Annual Report for the Financial Year ended March 31, 2019;
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Annual General Meeting and Extra-Ordinary General Meeting held during the Financial Year under report along with Attendance Register;
4. Statutory Registers viz.
  - Register of Directors & Key Managerial Personnel and their Shareholding;
  - Register of Contracts with Related Party and Contracts and Bodies etc. in which Directors' are interested (Form MBP-4);
  - Register of loans, guarantees and security and acquisition made by the Company (Form MBP-2); and
  - Register of Charges (Form CHG-7); and
  - Register of Investments (Form MBP-3).
5. Agenda papers circulated to all the Directors/members for the Board Meetings and the Committee Meetings;
6. Declarations and/or Disclosures received from the Directors and Key Managerial Personnel of the Company pursuant to the provisions of 184, 164 and 149(7) of the Companies Act, 2013;
7. Intimations received from Directors and Designated Employees under the Internal Code for Prevention of Insider Trading;
8. e-forms filed by the Company from time to time under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
9. Intimations, documents, reports and returns filed with the Stock Exchanges pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report;
10. Details of sitting fees paid to all Non-Executive & Independent Directors for attending the Meetings of the Board and Committees;
11. Intimations given to employees of the Company for closure of the trading window from time to time;
12. Form C received from the designated employees pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015;
13. Various Policies made under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
14. Documents related to Postal Ballot activity conducted during the year under review.

## Annexure II

1. Water (Prevention & Control of Pollution) Act, 1974;
2. Air (Prevention & Control of Pollution) Act, 1981;
3. Hazardous Waste (Management & Handling) Rules, 1989;
4. Factories Act, 1948;
5. Labour Laws and
6. Environment (Protection) Act, 1986;

# Bombay Rayon Fashions Limited

## Annexure III

To

The Members

**Bombay Rayon Fashions Limited**

Mumbai

Dear Sirs,

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that 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 happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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 RATHI & ASSOCIATES**  
COMPANY SECRETARIES

**HIMANSHU S. KAMDAR**  
PARTNER

**M. No. FCS 5171**

**C.P. No. 3030**

**UDIN: F005171B000647274**

Place : Mumbai

Date : **02<sup>nd</sup> September, 2020**

## Annexure IV

### Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2020  
[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:**

CIN	L17120MH1992PLC066880
Registration Date	21 / 05 / 1992
Name of the Company	BOMBAY RAYON FASHIONS LIMITED
Category / Sub-Category of the Company :	Company Limited by shares. / Indian Non-Government Company.
Address of the Registered office and contact details	3 <sup>rd</sup> Floor, DLH MangalMurti, Linking Road, Santacruz (West), Mumbai : 400 054. E-mail: investors@bombayrayon.com Web-site: www.bombayrayon.com Tel No.: 022-61068800/71068800 Fax No.: 022-61068830
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. 101, 247 Park, L B S Marg, Vikhroli West Mumbai 400 083 Tel No: +91 22 49186000 Fax: +91 22 49186060 Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> E-mail: rnt.helpdesk@linkintime.co.in

**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 products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	BRFL is a vertically integrated textile company, engaged in the manufacture of a wide range of fabrics and garments from state of the art production facilities.	14101	100%

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

Sr. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
1	<b>Bombay Rayon Holdings Limited,</b> <b>Add:</b> , DLH MangalMurti, 4 <sup>th</sup> floor above Jack n Jones Showroom, Near Arya Samaj Mandir, Santacruz (West), Mumbai : 400 054.	U17291MH2007PLC168067	Subsidiary Company	100%	2(87)
2	<b>STI India Ltd.,</b> <b>Add:</b> Rau-Pithampur Link Road, Tehsil Mhow, Indore - 453332	L27105MP1984PLC002521	Subsidiary Company	75%	2(87)
3	<b>DPJ Clothing Ltd.,</b> <b>Add:</b> 17-19, Church Road, Northfield, Birmingham, B31 2JZ	-	Subsidiary Company	70%	2(87)
4	<b>BRFL Bangladesh Pvt. Ltd.,</b> <b>Add:</b> Siaam Tower, Level - 12, Plot - 5, Sector - 3, Uttara, Dhaka - 1230 (Bangladesh)	-	Subsidiary Company	100%	2(87)

# Bombay Rayon Fashions Limited

## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

### i. Category-wise Share Holding as on 31st March, 2020:

Sr. No	Category of Shareholders	Shareholding at the beginning of the year 2019				Shareholding at the end of the year 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	15499626	0	15499626	4.8821	15499626	0	15499626	4.8821	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Persons Acting In Concert	5148680	0	5148680	1.6218	5148680	0	5148680	1.6218	0.0000
	Bodies Corporate	43309783	0	43309783	13.6419	42163212	0	42163212	13.2807	-0.3612
	Sub Total (A)(1)	63958089	0	63958089	20.1458	62811518	0	62811518	19.7846	-0.3612
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Bodies Corporate	50215233	0	50215233	15.8170	50215233	0	50215233	15.8170	0.0000
	Sub Total (A)(2)	50215233	0	50215233	15.8170	50215233	0	50215233	15.8170	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	114173322	0	114173322	35.9628	113026751	0	113026751	35.6016	-0.3612
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	271147	0	271147	0.0854	271147	0	271147	0.0854	0.0000
(f)	Financial Institutions / Banks	174688394	0	174688394	55.0240	173872973	0	173872973	54.7672	-0.2568
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Foreign Bank	6132022	0	6132022	1.9315	6132022	0	6132022	1.9315	0.0000
	Sub Total (B)(1)	181091563	0	181091563	57.0409	180276142	0	180276142	56.7841	-0.2568
[2]	Central Government/ State Government(s)/ President of India									

Sr. No	Category of Shareholders	Shareholding at the beginning of the year 1.04.2019				Shareholding at the end of the year 31.03.2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Central Government / State Government(s)	10	0	10	0.0000	10	0	10	0.0000	0.0000
	Sub Total (B)(2)	10	0	10	0.0000	10	0	10	0.0000	0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	10273960	4304	10278264	3.2375	9893819	4304	9898123	3.1178	-0.1197
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	6690704	0	6690704	2.1075	9638799	0	9638799	3.0361	0.9286
(b)	NBFCs registered with RBI	21785	0	21785	0.0069	0	0	0	0.0000	-0.0069
	Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Depositories(holding DRs) (balancing figure)									
(e)	Any Other (Specify)									
	Hindu Undivided Family	983027	0	983027	0.3096	1081128	0	1081128	0.3405	0.0309
	Non Resident Indians (Non Repat)	97924	0	97924	0.0308	113748	0	113748	0.0358	0.0050
	Other Directors	75	0	75	0.0000	75	0	75	0.0000	0.0000
	Non Resident Indians (Repat)	264709	0	264709	0.0834	276860	0	276860	0.0872	0.0038
	Clearing Member	1094489	0	1094489	0.3447	124917	0	124917	0.0393	-0.3054
	Bodies Corporate	2780607	0	2780607	0.8758	3039926	0	3039926	0.9575	0.0817
	Sub Total (B)(3)	22207280	4304	22211584	6.9963	24169272	4304	24173576	7.6143	0.6180
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	203298853	4304	203303157	64.0372	204445424	4304	204449728	64.3984	0.3612
	Total (A)+(B)	317472175	4304	317476479	100.0000	317472175	4304	317476479	100.0000	0.0000
(C)	Non Promoter - Non Public (C1) Shares Underlying DRs									
[1]	Custodian/DR Holder (C2) Shares Held By Employee Trust	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	317472175	4304	317476479	100.0000	317472175	4304	317476479	100.0000	

## ii : Shareholding of Promoters:

Shareholders Name	Shareholding at the beginning of the year 1.4.2019			Shareholding at the end of the year 31.03.2020			% change in shareholding during the year
	No. of Shares Held	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares Held	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
AAA UNITED B V	50215233	15.8170	0.0000	50215233	15.8170	0.0000	0.0000
ASHWELL HOLDING COMPANY PRIVATE LIMITED	26293637	8.2821	8.1498	25147066	7.9209	7.7886	-0.3612
REYNOLD SHIRTING LIMITED	12628914	3.9779	3.7798	12628914	3.9779	3.7798	0.0000
JANARDAN AGARWAL	7576140	2.3864	2.0652	7576140	2.3864	2.0652	0.0000
PRASHANT AGARWAL	4585082	1.4442	1.2905	4585082	1.4442	1.2905	0.0000
VINITA AGRAWAL	3815980	1.2020	1.1969	3815980	1.2020	1.1969	0.0000
AMAN AGARWAL	3338404	1.0515	0.7051	3338404	1.0515	0.7051	0.0000
B R MACHINE TOOLS PRIVATE LIMITED	2500000	0.7875	0.7371	2500000	0.7875	0.7371	0.0000

## Bombay Rayon Fashions Limited

Shareholders Name	Shareholding at the beginning of the year 1.4.2019			Shareholding at the end of the year 31.03.2020			% change in shareholding during the year
	No. of Shares Held	% of total Shares of the company	%of Shares Pledged /encumbered to total shares	No. of Shares Held	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
BOMBAY RAYON CLOTHING LTD	1887232	0.5944	0.2764	1887232	0.5944	0.2764	0.0000
BIMLADEVI AGARWAL	413200	0.1302	0.0000	413200	0.1302	0.0000	0.0000
VEDANT AMAN AGRAWAL	320000	0.1008	0.0000	320000	0.1008	0.0000	0.0000
PAYAL CHAUDHARY	179300	0.0565	0.0000	179300	0.0565	0.0000	0.0000
JANARDHAN BISESHWARLAL AGARWAL	156000	0.0491	0.0000	156000	0.0491	0.0000	0.0000
AAYUSH PRASHANT AGRAWAL	120000	0.0378	0.0000	120000	0.0378	0.0000	0.0000
SUSHILA MUKESH AGARWAL	100000	0.0315	0.0000	100000	0.0315	0.0000	0.0000
PRIYANKA AGARWAL	44200	0.0139	0.0000	44200	0.0139	0.0000	0.0000
Total	114173322	35.9628	17.8396	113026751	35.6016	17.8396	-0.3612

### iii : Change in Promoters Shareholding (Please Specify, If there is no Change):

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
1	AAA UNITED B V	50215233	15.8170			50215233	15.8170
	AT THE END OF THE YEAR					50215233	15.8170
2	ASHWELL HOLDING COMPANY PRIVATE LIMITED	26293637	8.2821			26293637	8.2821
	Transfer			19 Apr 2019	(211964)	26081673	8.2153
	Transfer			19 Jul 2019	(36104)	26045569	8.2039
	Transfer			09 Aug 2019	(25625569)	420000	0.1323
	Transfer			23 Aug 2019	25625569	26045569	8.2039
	Transfer			27 Sep 2019	(363743)	25681826	8.0894
	Transfer			18 Oct 2019	(57219)	25624607	8.0713
	Transfer			25 Oct 2019	(312761)	25311846	7.9728
	Transfer			01 Nov 2019	(164780)	25147066	7.9209
	AT THE END OF THE YEAR					25147066	7.9209
3	REYNOLD SHIRTING LIMITED	12628914	3.9779			12628914	3.9779
	AT THE END OF THE YEAR					12628914	3.9779
4	JANARDAN AGARWAL	7576140	2.3864			7576140	2.3864
	AT THE END OF THE YEAR					7576140	2.3864
5	PRASHANT AGARWAL	4585082	1.4442			4585082	1.4442
	Transfer			09 Aug 2019	(1829200)	2755882	0.8681
	Transfer			23 Aug 2019	1829200	4585082	1.4442
	AT THE END OF THE YEAR					4585082	1.4442
6	VINITA AGRAWAL	3815980	1.2020			3815980	1.2020
	Transfer			09 Aug 2019	(2100000)	1715980	0.5405
	Transfer			23 Aug 2019	2100000	3815980	1.2020
	AT THE END OF THE YEAR					3815980	1.2020
7	AMAN AGARWAL	3338404	1.0515			3338404	1.0515
	AT THE END OF THE YEAR					3338404	1.0515
8	B R MACHINE TOOLS	2500000	0.7875			2500000	0.7875
	AT THE END OF THE YEAR					2500000	0.7875
9	BOMBAY RAYON CLOTHING LTD	1887232	0.5944			1887232	0.5944
	Transfer			09 Aug 2019	(477622)	1409610	0.4440
	Transfer			23 Aug 2019	477622	1887232	0.5944
	AT THE END OF THE YEAR					1887232	0.5944
10	BIMLADEVI AGARWAL	413200	0.1302			413200	0.1302

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The
	AT THE END OF THE YEAR					413200	0.1302
11	VEDANT AMAN AGRAWAL	320000	0.1008			320000	0.1008
	AT THE END OF THE YEAR					320000	0.1008
12	PAYAL CHAUDHARY	179300	0.0565			179300	0.0565
	AT THE END OF THE YEAR					179300	0.0565
13	JANARDHAN BISESHWARLAL	156000	0.0491			156000	0.0491
	AT THE END OF THE YEAR					156000	0.0491
14	AAYUSH PRASHANT	120000	0.0378			120000	0.0378
	AT THE END OF THE YEAR					120000	0.0378
15	SUSHILA MUKESH AGARWAL	100000	0.0315			100000	0.0315
	AT THE END OF THE YEAR					100000	0.0315
16	PRIYANKA AGARWAL	44200	0.0139			44200	0.0139
	AT THE END OF THE YEAR					44200	0.0139

**iv : Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr No.	Name & Type of Transaction	Shareholding At The Beginning Of The Year 1.4.2019		Transactions During The Year		Cumulative Shareholding At The End Of The Year 31.03.2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
1	STATE BANK OF INDIA	92954532	29.2792			92954532	29.2792
	Transfer			20 Mar 2020	(18000)	92936532	29.2735
	Transfer			27 Mar 2020	(6000)	92930532	29.2716
	AT THE END OF THE YEAR					92930532	29.2716
2	AXIS BANK LIMITED	25520689	8.0386			25520689	8.0386
	Transfer			30 Aug 2019	(10)	25520679	8.0386
	Transfer			20 Sep 2019	(15)	25520664	8.0386
	Transfer			27 Sep 2019	(180)	25520484	8.0385
	AT THE END OF THE YEAR					25520484	8.0385
3	UNION BANK OF INDIA	10628614	3.3478			10628614	3.3478
	AT THE END OF THE YEAR					10628614	3.3478
4	EXPORT- IMPORT BANK OF INDIA	7316189	2.3045			7316189	2.3045
	AT THE END OF THE YEAR					7316189	2.3045
5	BANK OF INDIA	7032853	2.2152			7032853	2.2152
	Transfer			09 Aug 2019	(23)	7032830	2.2152
	Transfer			23 Aug 2019	23	7032853	2.2152
	AT THE END OF THE YEAR					7032853	2.2152
6	PUNJAB NATIONAL BANK	6967184	2.1946			6967184	2.1946
	AT THE END OF THE YEAR					6967184	2.1946
7	STANDARD CHARTERED BANK	6132022	1.9315			6132022	1.9315
	AT THE END OF THE YEAR					6132022	1.9315
8	CENTRAL BANK OF INDIA	5642459	1.7773			5642459	1.7773
	AT THE END OF THE YEAR					5642459	1.7773
9	ALLAHABAD BANK	5111680	1.6101			5111680	1.6101
	AT THE END OF THE YEAR					5111680	1.6101
10	JM FINANCIAL ASSET RECONSTRUCTION COMPANY	3018989	0.9509			3018989	0.9509
	AT THE END OF THE YEAR					3018989	0.9509

# Bombay Rayon Fashions Limited

## V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr No.	Name	Shareholding at the beginning of the year 1.4.2019		Transactions during the year		Shareholding at the end of the year 31.3.2020	
		No. of Shares Held	% of Total Shares Of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares Of the Company
1.	Mr. Aman Agrawal	3338404	1.0515	-	-	3338404	1.0515
2.	Mr. Prashant Agrawal	4585082	1.4442	-	-	4585082	1.4442
3.	Ms. Prachi Deshpande	75	0	-	-	75	0
4.	Mr. Jasmeet Singh Bhasin	-	-	-	-	3350	0.001

Note: 1) Except mentioned above none of the other Directors and Key Managerial Personnel are holding any shares in the company.

2) There was no Increase / Decrease in Shareholding of Directors and Key Managerial Personnel during the year

## VI. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment. 31.03.2020

(Rs. In Crores)

Particulars	Financial Year-01/04/2019 to 31/03/2020			
	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial	4282.68	207.81	-	4490.49
I) Principal Amount	4237.15	204.48	-	4441.63
II) Interest Due but not paid	45.53	3.33	-	48.86
III) Interest accrued but not due	-	-	-	-
Total(I+II+III)	4282.68	207.81	-	4490.49
Change in Indebtedness during the Financial Year				
. Addition	183.5	235.61		419.11
. Reduction	471.18	12.23		483.41
Net Change	-287.68	223.38		-64.30
Indebtedness at the end of the Financial Year- 31/03/20	4673.67	430.37		419.11
I) Principal Amount	3949.47	427.86		483.41
II) Interest Due but not Paid	724.2	2.51		-64.30
III) Interest accrued but not due	-	-	-	-
Total (I+II+III)	4673.67	430.37		419.11

## VII. 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/ WTD/ Manager				Total Amount
		Mr. Aman Agrawal (Whole-Time Director)	Mr. Prashant Agrawal (Managing Director/ CEO)	Mr. A.R. Mundra (Whole-Time Director-CFO)	Ms. Prachi Deshpande (Whole-Time Director/Company Secretary )	
1	Gross salary					
	(c) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14391000	14391000	2880000	1680000	33342000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	© 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	–	–	–	–	–
	Leave Travel Allowance	1199256	1199256	240000	140004	2778516
	Medical Allowance	15000	15000	15000	15000	60000
	Bonus	–	–	240000	140000	380000
	House Rent Allowance	7195500	7195500	1440000	840000	16671000
	Special Allowance	–	–	75375	21725	97100
	Other Allowance	–	–	–	–	–
	Total (A)	24000006	24000006	4890375	2836729	53328616
	Ceiling as per the Act	Ceiling is as per Section 197 and Schedule V of the Companies Act, 2013				

Mr. A. R. Mundra Executive Director- Finance& (Chief Financial Officer) and Ms. Prachi Deshpande Director-Secretarial & Corporate affairs (Company Secretary) being Whole-time Directors respectively, their remuneration details have been disclosed above

## B. Remuneration to Other Directors:

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Suresh Vishwasrao	Mr. Naseer Ahmed	Mr. A. Arumugham	Mr. Jasmeet Singh Bhasin	Mr. John Mathew	Mr. Vishal Sharma	
1.	Independent Directors							
	• Fee for attending board / committee meetings	300000	-	-	40000	300000	20000	660000
	Total	–	–	–	–	–	–	–
2.	Other Non-Executive Directors	N. A	N. A	N. A	N. A	N. A	N. A	N. A
	Total	300000	-	-	40000	300000	20000	660000

Note : 1) Mr. A. Arumugham, Mr. Naseer Ahmed has not attended any Board Meeting, Audit Committee and Nomination & Remuneration Committee Meeting during the period under review. They both have resigned as a Director of the Company on 6<sup>th</sup> June, 2019 & 10<sup>th</sup> June, 2019 respectively.

2) The Independent Directors are not paid any remuneration/fees/commissions except sitting fees Rs. 20,000/- per Board Meeting and Audit Committee meeting and Nomination & Remuneration Committee Meeting.

3) There are no other Non-Executive Directors then Independent Directors on the Board of the Company

## VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

The Company had paid Rs. 75,000/- to Ministry of Corporate Affairs for the registration of form CHG - 1 in favour of one of the Lender.

## Annexure V

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2020 is given below and forms part of the Directors Report.

### A. CONSERVATION OF ENERGY

I. Steps taken or impact on conservation of energy. In line with the Companys commitment towards conservation of energy, all units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. Some of the measures taken by the Company in this direction at its textile units located at Bangalore, Tarapur, Islampur, Latur, are asunder:

- i. Reducing power consumption in cooling towers.
- ii. Replacement of inefficient motors.
- iii. Installation of LEDs at several locations.
- iv. Installation of plant condensate recovery system for water conservation.
- v. Installation of automatic cut-off in suction motor of Gill Box in Combing and lighting system in Yarn room.
- vi. Installing efficient recovery equipment for cooling water for steaming machines.

### II. The steps taken by the company for utilizing alternate sources of energy.

During the year under review, the Company utilized solar energy for water heating. In order to save water, the Company made its efforts to reuse cooling water in Ash handling plant.

### III. The Capital investment on energy conservation equipment.

No Capital Investment of last year 2019-20 on energy conservation equipment.

### B. TECHNOLOGY ABSORPTION

- I. The efforts made by the Company towards technology absorption. Innovation and Technology are synonymous with BRFL. The investment in technology acts as a catalyst and enables the Company to be innovative and regularly launch world-class textile products.
- II. The benefits derived like product improvement, cost reduction, product development or import substitution.
- III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - NOT APPLICABLE
- IV. The expenditure incurred on Research and Development. NIL

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company exports its textile products. All efforts of the Company are geared to increase the business of textile exports in different products and markets.

A detailed bifurcation on the Foreign Exchange earnings and outgo is contained in note Nos. 36, 37 & 38 of Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2020.

## Annexure VI

### Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020, in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

#### 1. Company's Philosophy on code of Corporate Governance:

Your Company is continuously committed to the principles of good Corporate Governance in upholding fair and ethical business/corporate practices and for that is continuously an endeavor to review, strengthen and upgrade its systems and processes in its business segments.

The Company has always aimed to maintain transparency in its financial reporting and keep all its stakeholders informed about its policies, performance and developments. Bombay Rayon Fashions Limited ("BRFL") has contributed and will always contribute to sustain stakeholders confidence by continuing and adopting new good practices, which is at the temperament of effective corporate governance.

The Board has always empowered responsible persons to implement policies and guidelines related to the key elements of corporate governance viz. transparency, disclosure, supervision, internal controls, risk management, internal and external communications, high standards of safety, accounting fidelity, product and service quality including setting up of adequate review processes.

#### 2. Board of Directors:

##### a) Composition of the Board:

The Company has proper combination of Executive and Non-Executive Directors. As on March 31, 2020, the Board comprised of eight Directors, of which four Directors were Executive Directors and four Directors are Non-Executive Directors. Out of four non – executive directors four are Independent Directors. Since, the Chairman of the Company is a Promoter & Executive Director; one half of the Board of the company is consist of Independent Director pursuant to Regulation 17(1) of the Listing Regulations as on 31<sup>st</sup> March 2020.

During the year Mr. Arunchalam Arumugham resigned as Independent Director with effect from 6<sup>th</sup> June 2019 and Mr. Naseer Ahmed resigned as Independent Director with effect from 10<sup>th</sup> June 2019 due to personal reasons. Further, Ms. Manjiri Bhalerao resigned as Nominee Director with effect from 16<sup>th</sup> July 2019 due to withdrawal of nomination by Export Import bank of India (EXIM Bank). The concerned Directors have confirmed that there are no other material reasons other than those provided above.

Further, in the opinion of the Board all the Independent Directors of the Company fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

##### b) Board Meetings:

During the year under review, 7 (Seven) Meetings of the Board of Directors of the Company were held on 15<sup>th</sup> April, 2019, 30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 7<sup>th</sup> September, 2019, 14<sup>th</sup> November, 2019, 21<sup>st</sup> December, 2019, 14<sup>th</sup> February, 2020.

The Company Secretary prepares the agenda and the explanatory notes, in consultation with the Managing Director and Executive Director – Finance and circulates the same in advance to the Directors. Every Director is free to suggest inclusions of items in the agenda. The Board meets at least once in every quarter to review, inter alia, the quarterly results together with the operations and performance of the Company. Additional Meetings are held, whenever considered necessary. The draft minutes containing the proceedings of the Meeting of the Board, after incorporating the comments, if any, of the Directors are confirmed by the Board Members and signed by the Chairman as per rules of Companies Act, 2013. Senior Management Personnel are called to provide additional inputs for the items being discussed by the Board of Directors whenever necessary. The items in the Agenda are backed by comprehensive background information so as to enable the Board to take appropriate decisions. In addition to the information required as per Regulation 17 of listing regulation, approvals of the Board are taken for all major events. The Board also reviews the Compliance report of all laws applicable to the Company. The Managing Director keeps the Board appraise of the overall performance of the Company.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 (seven) Listed Companies. Further, none of the Directors on the Company's Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary

## Bombay Rayon Fashions Limited

disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31<sup>st</sup> March, 2020.

The other Directorship of Board of Directors & Committee membership is given hereunder:

Name of Director & DIN	Category	No. of Board meetings attended during the year	Whether previous AGM attended	No. of other			Details of other listed entity where the person is director	
				Director-ships*	Committee Memberships#	Committee Chairmanships \$	Name	Category of Directorship
Mr. Aman Agrawal DIN:00019534	Chairman, Promoter, Executive; Non-Independent	4	Yes	2	-	1	STI India Ltd	Non -Executive - Non Independent Director,
Mr. Naseer Ahmed* DIN: 00027095	Joint Vice Chairman Non-Executive; Independent	-	No	1	-	-	-	-
Mr. Prashant Agrawal DIN: 00019464	Managing Director, Promoter, Executive; Non-Independent	6	Yes	2	1	-	STI India Ltd	Non -Executive, Non Independent Director
Mr. A. R. Mundra DIN: 00019234	Whole-time Director, Executive; Non-Independent	7	Yes	2	4	-	STI India Ltd	Non -Executive - Non Independent Director
Mr. Suresh Vishwasrao DIN: 00837235	Non-Executive; Independent	7	No	3	3	2	STI India Ltd	Non-Executive - Independent Director
Mr. A. Arumugham** DIN: 00350163	Non-Executive; Independent	-	No	2	-	2	STI India Ltd	Non-Executive - Independent Director
Mr. John Mathew DIN: 01632626	Non-Executive; Independent	7	Yes	2	2	-	STI India Ltd	Non-Executive - Independent Director
Ms. Prachi Deshpande DIN: 02975271	Whole-time Director; Executive; Non-Independent	7	Yes	2	2	-	STI India Ltd	Non -Executive - Non Independent Director
Mr. Jasmeet Singh Bhasin\$\$ DIN : 08641063	Non-Executive; Independent	1	N.A	2	-	-	STI India Ltd	Non-Executive - Independent Director
Mr. Vishal Sharma\$\$ DIN: 08641245	Non-Executive; Independent	1	N.A.	2	-	-	STI India Ltd	Non-Executive - Independent Director
Ms. Manjiri Bhalerao*** DIN : 02300546	Non-Executive; Nominee Director	-	No	-	-	-	-	-

**NOTE :**

- Except that Mr. Aman Agrawal & Mr. Prashant Agrawal being brothers, no other directors are related whether directly or indirectly to any other director listed above.
- + Directorships in Private Companies, Foreign Companies and the Companies under Section 8 of the Companies Act, 2013 are excluded.
- # \$ Memberships and Chairmanships of Audit Committee and Stakeholders Relationship Committee have been

considered.

- d) \* Mr. Naseer Ahmed Independent Director-resigned from the Board of Director of the Company with effect from 10<sup>th</sup> June, 2019.
- e) \*\*Mr. A. Arumugham Independent Director -resigned from the Board of Directors of the Company with effect from 6<sup>th</sup> June, 2019.
- f) \*\*\*Ms. Manjiri Bhalerao ceased to be Nominee Director on account of withdrawal of nomination by Export Import Bank of India (EXIM) from the Board of the Company with effect from 16<sup>th</sup> July, 2019.
- g) \$\$ Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma were appointed as Independent Directors of the Company with effect from 21<sup>st</sup> December, 2019.

## C) Appointment / Re-appointment of Director:

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Aman Agrawal and Mr. Prashant Agrawal shall retire by rotation at the ensuing Annual General Meeting and the necessary details of the said directors have been provided in the Notice of AGM.

## d) Details pertaining to the Non-Executive Directors Shareholding and Compensation and disclosures:

Apart from sitting fees for attending Board & Committee meetings, no other fees or commission is paid to the Non- Executive Independent Directors during the financial year.

None of the non-executive directors hold any equity shares or convertible securities of the Company except Mr. Jasmeet Singh Bhasin who holds 3350 equity shares of the Company.

## e) Familiarisation Program for Directors:

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company.

In addition to the above, the familiarization program for Independent Directors forms part of the Board process. At the quarterly Board meetings of the Company held during the financial year 2019-20, the Independent Directors were updated on the developments in the Company and the Companys performance. The details of the familiarization program for Independent Directors are available on the Companys website at and the web link for the same is as [www.bombayrayon.com](http://www.bombayrayon.com).

In the opinion of the Board, the Independent directors fulfill the conditions specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are independent to the management.

## f) Skills, Expertise and Competencies of Directors

The Board of the Company comprises qualified members with the required skills, competence and expertise for effective contribution to the Board and its Committee. The Board members are committed to ensure that the Company is in compliance with the highest standards of Corporate Governance. The table below summarises the list of core skills/ expertise/ competencies identified by the Board of Directors for effectively conducting the business of the Company and are available with the Board. The table also mentions the specific areas of expertise of individual Director against each skill/ expertise/ competence:

Name of Director	Skills / competencies / experience possessed
Mr. Aman Agrawal	Manufacturing operations, implementation of information technology within the organization.
Mr. Prashant Agrawal	Operations, marketing, finance & restructuring
Mr. A. R. Mundra	Fund raising and corporate compliances.
Ms. Prachi Deshpande	Companys act and legal compliances
Mr. Suresh Vishwasrao	Banking regulations & capital market activities
Mr. John Mathew	Corporate and structured finance & financial modeling
Mr. Vishal Kiran Sharma	in photography, advertisement, marketing & Graphics, Multimedia, Indo American Society.
Mr. Jasmeet Singh Bhasin	Graphics, Multimedia, VFX & Animation

## 3. Committees of the Board:

The Board has constituted the following committees to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference.

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders Relationship Committee
- iv. Corporate Social Responsibility Committee

## Bombay Rayon Fashions Limited

### v. Risk Management Committee

#### i) **Audit Committee:**

##### a. Brief Description:

The Board has constituted Audit Committee with well-qualified members. All Members of the Audit Committee possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process.

All the recommendations of the Audit Committee have been accepted by the Board of Directors. As on March 31, 2020 Audit Committee of the Company has been constituted and its composition is in accordance with the provisions of Section 177 of the Companies Act, 2013 and in terms with Regulation 18 of Listing Regulations.

##### b. Terms of Reference:

The term of reference of the Audit Committee has been reviewed by the Board of Directors at its meeting held on 14<sup>th</sup> February, 2020 on implementation of amendments to the Listing Regulations. The term of reference of the Audit Committee is as follows:

- I. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- II. Recommendation for appointment, remuneration and terms of appointment of auditors;
- III. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- IV. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Directors Responsibility Statement to be included in the Boards 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 and 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;
  - g. Modified opinion(s) in the draft audit report;
- V. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- VI. 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- VII. Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process;
- VIII. Approval or any subsequent modification of transactions of the listed entity with related parties;
- IX. Scrutiny of inter-corporate loans and investments;
- X. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- XI. Evaluation of internal financial controls and risk management systems;
- XII. Monitoring the end use of funds raised through public offers and related matters;
- XIII. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- XIV. 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;
- XV. Discussion with internal auditors of any significant findings and follow up thereon;
- XVI. 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;
- XVII. Discussion with 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;
- XVIII. To look 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;
  - XIX. To review the functioning of the whistle blower mechanism;
  - XX. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  - XXI. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  - XXII. Reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments.
  - XXIII. Review the compliance of the provision of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal controls are adequate and operating sufficiently and forward the said report with the comments/observations to the Board of Directors of the Company.

**The Audit Committee shall mandatorily review the following information:**

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- vi. Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
  - c. Composition and Number of Meetings Attended:

Five meetings of the Audit Committee were held during the financial year. These were held on 30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 7<sup>th</sup> September, 2019, 14<sup>th</sup> November, 2019, 14<sup>th</sup> February, 2020. The attendance each of the Committee Member is under:

Sr. No.	Name of the Committee Members	Designation	No. of meeting held during the year	No. of meetings attended
1.	Mr. A. Arumugham*	Chairman	-	-
2.	Mr. John Mathew	Chairman	5	5
3.	Mr. Suresh Vishwasrao	Member	5	5
4.	Mr. A. R. Mundra	Member	5	5

\*Mr. A. Arumugham, Audit Committee Chairman and Independent Director - resigned from the Audit Committee of the Company with effect from 6<sup>th</sup> June, 2019.

The Audit Committee invites Senior Executives, Representatives of the Statutory Auditors of the Company & Head of the Internal Audit Department, whenever it considers appropriate, in the meetings. The Company Secretary of the Company acts as a secretary to the Audit Committee.

**ii. Nomination and Remuneration Committee ("NRC"):**

**a) Brief description:**

The Nomination and Remuneration Committee of the Company has been constituted in accordance with the provisions pursuant to Regulation 19 of Listing Regulations and Section 178 of the Companies Act, 2013.

**b) Terms of reference:**

The Committee has the mandate to review and recommend compensation/ remuneration payable to the Managing Director, Whole-time Directors and Senior Management of the Company. Its function also includes administering the Company's Stock Option Plans, if any, including the review and grant of the Stock Options to eligible employees under plans, as and when

## Bombay Rayon Fashions Limited

necessary. The Committee reviews the performance of the Managing Director, Whole-time Directors, committees of the Board and Senior Management of the Company for the abovementioned purpose and may have requisite parameters as it may deem fit.

In addition to the above role, the term of reference of the Nomination and Remuneration Committee has been reviewed by the Board of Directors at their meeting held on 14<sup>th</sup> February, 2020 on implementation of amendments to the Listing regulations.

- I. to formulate criteria for determining qualifications, positive attributes and independence of a Director and oversee the succession management process for the Board and senior management employees;
- II. to formulate criteria for evaluation of performance of Independent Directors and the Board;
- III. to devise a policy on Diversity of Board of Directors;
- IV. to identify persons who are qualified to become Director and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- V. Whether to extend or continue the terms of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- VI. To recommend to the board, all remuneration, in whatever form, payable to senior management.

### c) Composition and the number of meetings attended:

During the financial year ended 31<sup>st</sup> March, 2020, 3 (three) meetings on May 30, 2019 and 21<sup>st</sup> December 2019 February 14, 2020 were held in which following members of the Committee were present:

Sr. No.	Name of the Committee Member	Designation	Presence
1.	Mr. Naseer Ahmed*	Chairman	-
2.	Mr. John Mathew**	Chairman	3
3.	Mr. A. Arumugham***	Member	-
4.	Mr. Suresh Vishwasrao	Member	3
5	Mr. Jasmeet Singh Bhasin****	Member	2

1. \*Mr. Naseer Ahmed Independent Director-resigned from the Nomination and Remuneration Committee the Company with effect from 10<sup>th</sup> June, 2019.
2. \*\*Mr. John Mathew, Independent Director - was appointed as Chairman of Nomination and Remuneration Committee of the Company with effect from 14<sup>th</sup> August, 2019.
3. \*\*\*Mr. A. Arumugham Independent Director-resigned from the Nomination and Remuneration Committee of the Company with effect from 6<sup>th</sup> June, 2019.
4. \*\*\*\*Mr. Jasmeet Singh Bhasin, Independent Director was appointed as member of Nomination and Remuneration Committee of the Company with effect from 21<sup>st</sup> December 2019.

### d) Performance Evaluation Criteria for Independent Directors:

The Board of Directors has formulated performance evaluation criteria of Independent Directors of the Company. The Performance Evaluation of Independent Directors is carried out on the basis of the said performance evaluation criteria and their role, expertise, skills, leadership qualities, strategic direction to align company's value and standards, effective decision making ability, Initiative on knowledge updates and internal controls.

As required under Section 149 of the Companies Act, 2013 read with Schedule IV to the Act and Regulation 25 of Listing Regulations, the Meeting of Independent Directors of the Company was held on 14<sup>th</sup> February, 2020 inter- alia to review the performance of non-independent Directors, the Chairman of the Company and Board as a whole and to assess the quality, quantity and flow of information between the management and the Board. The said meeting was attended by the Independent Directors of the Company.

### iii. Stakeholders Relationship Committee:

#### a) Brief description:

The Stakeholders Relationship Committee of the Company has been constituted in accordance with the provisions pursuant to Regulation 20 of Listing Regulations and Section 178 of the Companies Act, 2013.

#### b) Terms of reference:

The Committee is responsible for matters related to transfer/transmission of shares, satisfactory redressal of investors complaints and recommends measures for overall improvement in the quality of investor services. The Committee is

headed by Mr. Suresh Vishwasrao, Chairman and Ms. Prachi Deshpande, Company Secretary is the Compliance Officer of the Company.

c) Composition and the number of meetings attended:

During the financial year ended 31<sup>st</sup> March, 2020, this Committee had 4 (Four) meetings i.e. on May 30, 2019, August 14, 2019, November 14, 2019 and February 14, 2020 in which following members of the Committee were present

Name of Committee Members	Designation	No. of meetings held during the year	No. of meetings attended
Mr. Suresh Vishwasrao	Chairman	4	4
Mr. Prashant Agrawal	Member	4	4
Mr. A. R. Mundra	Member	4	4
Ms. Prachi Deshpande	Member	4	4

d) Details of Investors Grievances received, solved and pending during the year.

Quarter Ended	Pending at the beginning of the quarter	Received during the quarter	Disposed of during the quarter	Remaining during the quarter
30 <sup>th</sup> June, 2019	Nil	Nil	Nil	Nil
30 <sup>th</sup> September, 2019	Nil	Nil	Nil	Nil
31 <sup>st</sup> December, 2019	Nil	Nil	Nil	Nil
31 <sup>st</sup> March, 2020	Nil	Nil	Nil	Nil

iv. Corporate Social Responsibility Committee:

a) Brief description:

The Corporate Social Responsibility (the CSR) Committee is constituted in accordance with Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

b) Terms of reference:

- Formulating and recommending to the Board, the CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Making recommendation on the amount of expenditure to be incurred on CSR activities;
- Instituting a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by the Company;
- Such other functions as may be entrusted to it by the Board of Directors, from time to time

c) Composition:

The Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as under:

- |    |                         |          |
|----|-------------------------|----------|
| 1. | Mr. Suresh Vishwasrao - | Chairman |
| 2. | Mr. Prashant Agrawal -  | Member   |
| 3. | Mr. A. R. Mundra -      | Member   |

However, in view of losses, the Company was not required to spend any amount towards CSR activities during the year under review.

v. Risk Management Committee

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The Board has constituted Risk Management Committee with following Directors as its members:

- |                       |          |
|-----------------------|----------|
| Mr. Aman Agrawal-     | Chairman |
| Mr. Prashant Agrawal- | Member   |
| Mr. A R Mundra-       | Member   |

The Company has laid down procedures for risk assessment and its minimization. These are reviewed by the Board to ensure that the management manages the risk through a properly defined framework.

## Bombay Rayon Fashions Limited

### 4. Remuneration of Director:

- i. There are no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company, except otherwise stated in the Report;

All the Non-executive Directors receives sitting fees for attending Board Meetings, Audit Committee Meetings and Nomination and Remuneration Committee Meetings.

The sitting fees paid to Non-Executive Directors are within the limits prescribed under the Companies Act, 2013 read with the relevant Rules. The non - executive directors, has been paid sitting fees of Rs. 20,000/- each per meeting for attending Board Meetings, Audit Committee Meetings and Nomination & Remuneration Committee Meetings.

Details of the sitting fees paid during the financial year 2019-20 are as under:

Name of the Director	Sitting fees paid ](Amount in Rs.)		
	Boar Meeting	Nomination and Remuneration Committee	Audit Committee
Mr. Suresh Vishwasrao	1,40,000	60,000	100,000
Mr. John Mathew	1,40,000	60,000	100,000
Mr. Jasmit Singh Bhasin	20000	20000	-
Mr. Vishal Sharma	20000	-	-

- i. Remuneration to Executive Directors:

Mr. Aman Agrawal, Chairman, Mr. Prashant Agrawal, Managing Director, Mr. A.R Mundra, Executive Director – Finance and Ms. Prachi Deshpande, Director-Secretarial and Corporate Affairs are the Executive Directors of the Company.

Details of remuneration paid to the Executive Directors of the Company during the year ended March 31, 2020 are as under:

(Rs in crores)

Name of the Executive Directors	Designation	Salary & Allowances	Contribution to PF	Total
Mr. Aman Agrawal	Chairman	2.28	0.17	2.45
Mr. Prashant Agrawal	Managing Director	2.28	0.17	2.45
Mr. A R Mundra	Executive Director-Finance	0.46	0.03	0.49
Ms. Prachi Deshpande	Director-Secretarial and Corporate Affairs	0.26	0.02	0.28

None of the above mentioned Directors of the Company is receiving any fixed components and performance linked incentives on the basis of the performance criteria or by way of services contract. Further, no Stock options have been issued to any of the Directors during the period.

### 5. General Body Meetings.

- i) Venue, time and date of holding of the last three Annual General Meetings (AGM) together with the Special resolutions passed thereat are as under:

Financial Year	Date, Time and Venue of AGM	Special Resolutions passed
2018-19	<p>a. 27/09/2019</p> <p>b. 12.30 p.m.</p> <p>c. Sheila RahejaHall” Rotary Service Centre, Rotary Chowk, Juhu Tara Road, Santacruz (West), Mumbai - 400049</p>	<p>a) Re-appointment of Mr. Suresh Vishwasrao (DIN: 00837235) as an Independent Director of the Company for a second term of five years commencing from 1st April 2019 to 31st March 2024.</p> <p>b) Re-appointment of Mr. Aman Agrawal (DIN: 00019534) as Whole-Time Director designated as Chairman of the Company for a period of two years i.e. from June 1, 2019 to May 31, 2021.</p> <p>c) Re-appointment of Mr. Prashant Agrawal (DIN: 00019464) as Managing Director of the Company for a period of two years i.e. from June 1, 2019 to May 31, 2021.</p> <p>d) Re-appointment of Mr. A.R. Mundra (DIN: 00019234) as Whole-Time Director designated as Executive Director-Finance of the Company for a period of two years i.e. from June 1, 2019 to May 31, 2021</p> <p>e) Re-appointment of Ms. Prachi Deshpande (DIN: 02975271) as Whole- Time</p>

		Director designated as Director-Secretarial and Corporate Affairs of the Company for a period of two years i.e. from June 1, 2019 to May 31, 2021.
2017-18	a. 28/09/2018 b. 11.30 a.m. c. Sheila RahejaHall” Rotary Service Centre, Rotary Chowk, Juhu Tara Road, Santacruz (West), Mumbai - 400049	No Special resolution
2016-17	a. 26/09/2017 b. 11.30 a.m. c. Sheila RahejaHall” Rotary Service Centre, Rotary Chowk, Juhu Tara Road, Santacruz (West), Mumbai -400049	a. issue of Equity Shares upto 1,93,10,061 and Optionally Convertible Debentures upto 106,732 in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and pursuant to implementation of the BRFL S4A Scheme.

## (ii) Extra Ordinary General Meeting & Postal Ballot:

During the year under review no Extra- Ordinary General Meeting was held and neither postal ballot was conducted.

## 6. Means of Communication

The quarterly, half-yearly and yearly financial results of the Company are published in newspapers in compliance with the Regulation 33 of Listing Regulations.

Details of publication of financial results for the year under review are given below:

Description	Date of Board Meeting	Date of Publication	Name of Newspaper	Language
Audited Financial Results for the quarter and financial year ended March 31, 2019	30/05/2019	01/06/2019	The Financial Express	English
			Navshakti	Marathi
Un-audited Financial Results for the quarter ended June 30, 2019	14/08/2019	15/08/2019	The Financial Express	English
			Navshakti	Marathi
Un-audited consolidated Financial Results for the quarter ended June 30, 2019	7/09/2019	10/09/2019	The Financial Express	English
			Navshakti	Marathi
Un-audited Financial Results for the quarter / half year ended September 30, 2019	14/11/2019	16/11/2019	The Financial Express	English
			Navshakti	Marathi
Un-audited Financial Results for the quarter ended December 31, 2019	14/02/2020	17/02/2020	The Financial Express	English
			Navshakti	Marathi

- The Financial results, official news releases and the presentations made to Institutional Investors and Analysts, if any, are also displayed on the Company's website [www.bombayrayon.com](http://www.bombayrayon.com) in addition to same being disseminated by the National Stock Exchange of India Limited (NSE) on [www.nseindia.com](http://www.nseindia.com) and BSE Limited (BSE) on [www.bseindia.com](http://www.bseindia.com).
- Management Discussion and Analysis Report forms a part of this Annual Report.

# Bombay Rayon Fashions Limited

## 7. General Shareholder Information:

### a) Annual General Meeting

<b>Day &amp; Date</b>	Wednesday, 30th September, 2020
<b>Time</b>	12.30 p.m.
<b>Mode</b>	Through Video Conferencing/Other Audio Visual Means as set out in the notice convening the meeting.
<b>Financial Year</b>	1 <sup>st</sup> April 2019 to 31 <sup>st</sup> March 2020
<b>Book Closure date</b>	19th September, 2020 to 30th September, 2020
<b>Registered Office</b>	3 <sup>rd</sup> floor ,DLH MangalMurti Building, Linking Road, Santacruz(West) Mumbai-400054 E-mail: investors@bombayrayon.com Web-site: www.bombayrayon.com Tel No.: 022-61068800 Fax No.: 022-61068830
<b>List of Stock Exchanges</b>	<b>1) National Stock Exchange of India Limited(NSE)</b> Address: Exchange Plaza, 5th Floor, Plot No. C/1, G. Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051. <b>2) BSE Limited(BSE)</b> Address: Phiroze Jeejeebhoy Tower, Dalal Street Mumbai - 400 001
<b>Listing Fees</b>	The Company has paid Annual Listing Fees for FY 2019-20 to both the Stock Exchanges.
<b>Custodian Fees to Depositories</b>	The Company has paid fees for year ended 2019-20 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
<b>Stock Code</b>	NSE: BRFL BSE: 532678
<b>ISIN of Company Equity Shares:</b>	INE589G01011
<b>Corporate Identification Number (CIN)</b>	L17120MH1992PLC066880

### b) Financial reporting for the quarter/year ending (tentative and subject to change)

For the Quarter ended	Tentative Date
June 30, 2020	By September 15, 2020*
September 30, 2020	By November 14, 2020
December 31, 2020	By February 14, 2020
March 31, 2021	By May 30, 2021

### c) Stock Market Price Data:

Monthly high and low prices of the Companys Equity Shares and performance in comparison to BSE Sensex and NSE Nifty from April, 2019 to March, 2020.

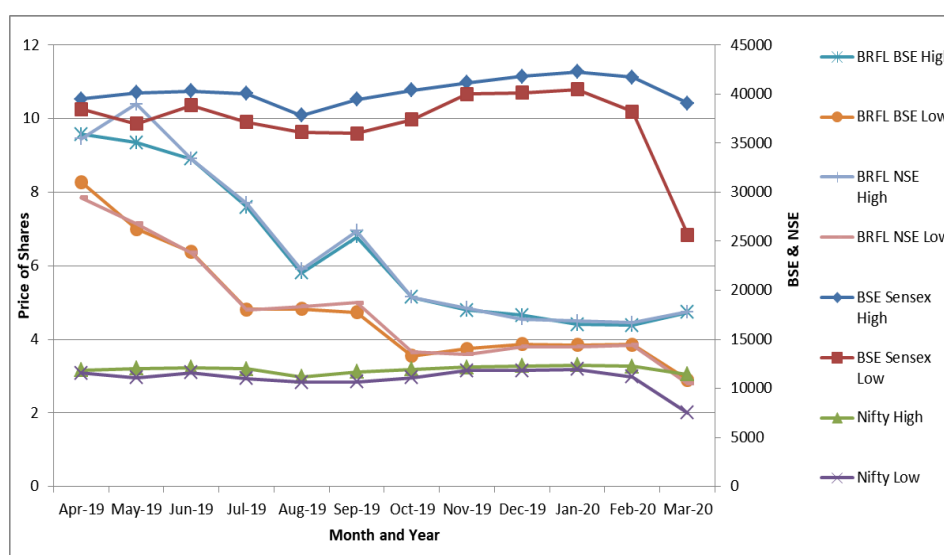
#### A. BSE Limited & National Stock Exchanges of India Limited Sensex and Nifty 1<sup>st</sup> April 2019 and 31<sup>st</sup> March 2020 Monthly High Low Nifty and Sensex

Month	BSE Sensex High	BSE Sensex Low	Nifty High	Nifty Low
Apr-19	39487.45	38460.25	11856.15	11550.55
May-19	40124.96	36956.1	12041.15	11108.3
Jun-19	40312.07	38870.96	12103.05	11625.1
Jul-19	40032.41	37128.26	11981.75	10999.4
Aug-19	37807.55	36102.35	11181.45	10637.15
Sep-19	39441.12	35987.8	11694.85	10670.25
Oct-19	40392.22	37415.83	11945	11090.15
Nov-19	41163.79	40014.23	12158.8	11802.65
Dec-19	41809.96	40135.37	12293.9	11832.3
Jan-20	42273.87	40476.55	12389.05	11929.6
Feb-20	41709.3	38219.97	12246.7	11175.05
Mar-20	39083.17	25638.9	11433	7511.1

## Monthly High- Low Share Price

Month	BSE High Price	BSE Low Price	Nifty High Price	Nifty Low Price
Apr-19	9.58	8.28	9.45	7.85
May-19	9.35	7	10.4	7.15
Jun-19	8.9	6.38	8.9	6.35
Jul-19	7.59	4.82	7.7	4.8
Aug-19	5.81	4.83	5.9	4.9
Sep-19	6.78	4.73	6.95	5
Oct-19	5.15	3.55	5.15	3.65
Nov-19	4.79	3.74	4.85	3.6
Dec-19	4.65	3.87	4.55	3.8
Jan-20	4.41	3.85	4.5	3.8
Feb-20	4.38	3.86	4.45	3.85
Mar-20	4.73	2.9	4.75	2.8

## d) Performance in comparison to broad-based indices viz. BSE Sensex



## e. Registrar and Share TransferAgent:

For both Physical and Demat (Common Registry)

Link Intime India Pvt Ltd

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083

Tel No: +91 22 49186000 Fax: +91 22 49186060

Website: [www.linkintime.co.in](http://www.linkintime.co.in) E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## f. Share Transfer System:

Shares sent for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are in order. The Stakeholder Relationship Committee meets as often as required. As per the requirements Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(hereinafter referred to as Listing Regulations) and to expedite the process of share transfers, the Board has delegated powers of share transfer to the Stakeholder Relationship Committee (erstwhile Share Transfer Committee) comprising of Mr. Suresh Vishwasrao Independent Director, Mr. Prashant Agrawal, Mr. A.R. Mundra, and Ms. Prachi Deshpande Whole-time Director who attend to matters pertaining to share transfer once in a quarter, as may be required.

## Bombay Rayon Fashions Limited

g. Distribution of Shareholding:

- Distribution of Shareholding as at March 31, 2020

Sr.No.	Shareholding Of Nominal Shares			Shareholder	Percentage Of Total	Total Shares
1	1	to	5000	22130	82.5931	28146370
2	5001	to	10000	2051	7.6547	16745540
3	10001	to	20000	1136	4.2398	17389730
4	20001	to	30000	403	1.5041	10349240
5	30001	to	40000	188	0.7016	6746000
6	40001	to	50000	194	0.724	9145680
7	50001	to	100000	318	1.1868	23642390
8	100001	to	and above	374	1.3958	3062599840
Total				26794	100	3174764790

- Category wise Shareholding as at March 31, 2020:

Category	Total_Shares	Total_Percent
Corporate Bodies (Promoter Co)	43309783	13.6419
Central Government	10	0
Clearing Members	1094489	0.3447
Other Bodies Corporate	2780607	0.8758
Foreign Banks	6132022	1.9315
Financial Institutions	10335178	3.2554
Foreign Promoter Company	50215233	15.817
Hindu Undivided Family	983027	0.3096
Nationalised Banks	138413550	43.598
Non Nationalised Banks	25939666	8.1706
Non Resident Indians	264709	0.0834
Non Resident (Non Repatriable)	97924	0.0308
Persons Acting In Concert	5148680	1.6218
Public	16966075	5.344
Promoters	15499626	4.8821
Relatives Of Director	2893	0.0009
Other Directors/Relatives	75	0
Foreign Portfolio Investors (Corporate)	271147	0.0854
NBFCs registered with RBI	21785	0.0069
TOTAL :	317476479	100

h. Dematerialization of Shares and Liquidity:

The Equity Shares of the Company are compulsorily traded in dematerialized form as mandated by the Securities and Exchange Board of India (SEBI). The Company has connectivity with National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL) for Demat facility. As on 31<sup>st</sup> March, 2020, except 4304 Equity shares, entire equity share capital is held in the demat form with NSDL and CDSL.

Physical and Demat Shares as on March 31, 2020		
	No of Shares	Percent
Held in dematerialised form in NSDL	27,85,09,503	87.726
Held in dematerialised form in CDSL	3,89,62,672	12.273
Physical Shares	4,304	0.001
<b>Total</b>	<b>31,74,76,479</b>	<b>100.00</b>

- i. Outstanding Global Depository receipt (GDRs)/American Depository Receipt (ADRs) /Warrants or any Convertible Instruments, conversion date, likely impact on equity:-

There are no GDRs/ADRs/Warrants or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company except 40,55,511 Optionally Convertible Debentures ("OCDs") were issued by the Company to the consortium member bankers in May, 2017 and September, 2017 on implementation of Scheme for Sustainable Structuring of Stressed Assets (S4A).

- j. Plant Locations: –Tarapur, Silvasa, Islampur, Bangalore

k. Address for Correspondence:

**For any other query relating to shares: For general correspondence:**

**Link Intime India Pvt Ltd**

C 101, 247 Park,  
L B S Marg, Vikhroli West, Mumbai 400 083  
Tel No: +91 22 49186000,  
Fax: +91 22 49186060  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**Secretarial & Legal Department**

Bombay Rayon Fashions Limited,  
3<sup>rd</sup> floor ,DLH Mangal Murti Building, Linking  
Road, Santacruz (West), Mumbai-400054 .  
Tel: 022 – 6106 8800,Fax: 022 – 61068830  
Web-site: [www.bombayrayon.com](http://www.bombayrayon.com)  
E-mail: [investors@bombayrayon.com](mailto:investors@bombayrayon.com)

**8. Other Disclosures.**

**i. Related Party Transactions:**

During the year under review, apart from the transactions reported in Notes to accounts, there were no material significant related party transactions with the Promoters, Directors, Management, Subsidiaries and other Related Parties. None of the contracts/transactions with Related Parties had a potential conflict with the interest of the Company at large. The interest of Director, if any, in the transactions are disclosed at Board Meetings and the interested Director does not participate in the discussion or vote on such transactions. Details of transactions with related parties are placed before the Audit Committee on a quarterly basis. All transactions entered into between the Company and Related Parties were in the ordinary course of business and at arms length.

**ii. Compliances by the Company:**

The Company has complied with the requirements of the Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years and no material penalties, strictures have been imposed against it by such authorities during such period.

**iii. Whistle Blower Policy and Access of personnel to the Audit Committee:**

The Company has set up a Vigil mechanism by way of a Whistle Blower Policy as required under Section 177(9) of the Companies Act, 2013. The Companys personnel have access to the Chairman of the Audit Committee in exceptional circumstances. No person of the Company has been denied access to the Audit Committee and there are no instances of any compliant received under the said mechanism.

**iv. Discretionary Requirements under Regulation 27 of Listing Regulation:**

The status of compliance with discretionary recommendations of the Regulation 27 of the Listing Regulations with Stock Exchanges is provided below:

- **Non-Executive Chairmans Office:** Chairmans office is separate from that of the Managing Director & CEO;
- **Shareholders Rights:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Companys website, the same are not being sent to the shareholders;
- **Modified Opinion in Auditors Report:** The Auditor report of the Companys financial statement for the year 2019-20 does not contain any modified opinion.
- **Separate posts of Chairman and Managing Director:** The position of chairman is separate from that of the Managing Director.
- **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.

**v. Web-site:**

The Companys Web-site [www.bombayrayon.com](http://www.bombayrayon.com) contains a special dedicated section Investor Relations where the information pertaining to the Financial Results, Shareholding Pattern, Corporate Governance, Annual Reports, Listing Information, policies etc. is available and can be downloaded.

**vi. Web Links for Policies:**

Sr. No.	Name of Policy	Web-Link
1.	Policy for determining material subsidiaries	<a href="http://www.bombayrayon.com">www.bombayrayon.com</a>
2.	Policy on dealing with related party transactions	<a href="http://www.bombayrayon.com">www.bombayrayon.com</a>

**vii. Commodity price risk/ foreign Exchange Risk and Hedging:**

The Company is not dealing in commodities and hence disclosure relating to Commodity price risks and commodity hedging activities is not required.

viii. A total fee for all services rendered by the Statutory Auditors of the Company on consolidated basis was Rs. 21 lacs.

## Bombay Rayon Fashions Limited

- ix. The Company has complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act, 2013. No Sexual Harassment complaints were filed or pending for disposal with Company during the year under review;
- x. Compliance with regulations 17 to 27 and clause (b) to (i) of sub-regulations (2) of Regulation 46 of listing regulations:  
The Company has complied with corporate governance requirement specified in regulation 17 to 27 and clause (b) to (i) of sub-regulations (2) of Regulation 46 of listing .

### 9. Code of Conduct:

The Company has laid down a Code of Conduct for the Members of the Board and the Senior Management in accordance with the Regulation 17(5) of Listing Regulations. All the members of the Board and the Senior Management have affirmed compliance with the Code of Conduct as on 31<sup>st</sup> March, 2020 and a declaration to that effect signed by the Managing Director is enclosed and marked as Annexure VI-B of this report.

The code of conduct has been hosted on the website of the Company at [www.bombayrayon.com](http://www.bombayrayon.com).

### 10. CEO/CFO Certification:

A Certificate signed by Mr. Prashant Agrawal, Managing Director & Chief Executive Officer and Mr. A.R Mundra, Executive Director Finance & Chief Financial Officer was placed before the Board of Directors at its meeting held on 28th July, 2020 in compliance with Regulation 17(8) of Listing Regulations is attached to this report and marked as Annexure VI-C.

### 11. Certificate Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Directors of the company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as a Directors of Companies. A certificate to this effect issued by M/s Rathi & Associates, Practicing Company Secretaries is attached to this report as Annexure VI- D.

### 12. Certificate on Corporate Governance:

Certificate from the confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations, forms part of this report and is marked as Annexure VI- E.

### 13. Detail of shares lying in Suspense account:

Pursuant to Schedule V (F) of Listing Regulations the details are as following:

Unclaimed Shares as on April 1, 2017		Details of Shareholders approached during the Financial Year 2018-19 for the claiming of shares		Details of Shareholders to whom the shares have been transferred during the Financial Year 2018-19		Unclaimed Shares as on March 31, 2019*	
No. of share holders	No. of Shares	No. of share holders	No. of Shares	No. of share holder s	No. of Share s	No. of share holders	No. of Shares
6	634	-	-	-	-	6	634

\*Note: The Shareholders may please note that the voting rights on the said shares shall remain frozen till the rightful owner of such shares claims the same.

### 14.(a) Shares held in Electronic Form:

The members holding shares in electronic mode should address their correspondence to their respective Depository Participant regarding change of address, change of bank account mandate and nomination. While opening Accounts with Depository Participants (DPs), you may have given your Bank Account details, which will be used by the Company for printing on dividend warrants for remittance of dividend. However, members who wish to receive dividend in a Bank Account, other than the one specified while opening the Depository Account, may notify DPs about any change in bank account details. Members are requested to furnish complete details of their bank accounts including MICR codes of their Banks to their DPs.

### 14 (b) Shares held in Physical Form:

The members are requested to provide, if not provided earlier, the updated address their bank Account numbers, names and address of the Bank, quoting Folio numbers to the Company's Registrar and Transfer Agent to incorporate the same on the dividend warrants.

**For Bombay Rayon Fashions Limited**

Place: Mumbai

Aman Agrawal

Date: 2<sup>nd</sup> September, 2020

Chairman

DIN: 00019534

## Annexure VI A

### CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(Pursuant to Schedule V read with Regulation 34 (3) of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members,

**Bombay Rayon Fashions Limited**

I have examined all the compliance of conditions of Corporate Governance by Bombay Rayon Fashions Limited having its registered office at Premises 3rd floor, DLH mangal murti building Linking road, Santacruz (west) Mumbai- 400054 ("the Company"), for the year ended 31<sup>st</sup> March, 2020, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. The examinations have been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me and the representations made by the Directors and Management of the Company, I certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in the Chapter IV of the Listing Regulations except:

1. The Chairman of the Company is Promoter & Executive Director. Hence, one half of the Board of Directors of the Company should comprise of Non-executive, Independent Directors pursuant to Regulation 17(1) (b) of Listing Regulations, 2015. However, Mr. Arunachalam Arumugham and Mr. Naseer Ahmed, Independent Directors of the Company resigned from the directorship of the Company with effect from 6th June, 2019 and 10th June, 2019 respectively. Consequent to the resignation of said two Independent Directors, the Board of Directors of the Company consisted of four executive directors, three non-executive directors and two Independent Directors as on 10<sup>th</sup> June, 2019. The Board of Directors appointed Mr. Jasmeet Singh Bhasim and Mr. Vishal Kiran Sharma as the Independent Directors of the Company with effect from 21st December, 2019. Hence during the period from 6th June, 2019 to 21st December, 2019 the Company's Board did not comprise of one half of its total strength as Non-executive, Independent Directors.
2. Mr. Naseer Ahmed, Independent Director and Member of the Nomination and Remuneration Committee, resigned with effect from 10th June, 2019. The Nomination and Remuneration Committee was reconstituted by induction of Mr. Jasmeet Singh Bhasim, Independent Director as its member with effect from 21st December, 2019. Thus, there has been violation of the requirement under Regulation 19(1)(a) of the Listing Regulations, 2015, due to the fact that the Nomination and Remuneration Committee comprised of only two members during the period from 10th June, 2019 to 21st December, 2019.
3. BSE Limited and the National Stock Exchange of India Limited vide their respective letter dated 3rd February, 2020 had levied fine of Rs. 6,69,060/- on the Company for non-compliance with the provisions of Regulations 17 (1), 19 (1)/(2) the Listing Regulations, 2015 for quarter ended 31st December, 2019.

The Company is in the process of paying the said fine to each of the Stock exchange(s).

I further state that such compliance 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 RATHI & ASSOCIATES**  
COMPANY SECRETARIES

**HIMANSHU S. KAMDAR**  
PARTNER

**M. No. FCS 5171**

**C.P. No. 3030**

**UDIN: F005171B000647274**

Place : Mumbai

Date : 02<sup>nd</sup> September, 2020

### Annexure VI B

#### **DECLARATION REGARDING COMPLIANCE OF COMPANYS CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL OF COMPANY:**

This is to confirm that the Company has adopted a Code of Conduct for its Directors and Senior Management Personnel of the Company.

I confirm on the basis of declarations received, that the Directors and Senior Management Personnel of the Company have complied with the Code of Conduct of company in respect to Financial Year ended on 31<sup>st</sup> March, 2020.

For the purpose of this declaration, Senior Team Management Members comprise of the category of General Manager and above including all functional heads.

Place: Mumbai

Date: : 2<sup>nd</sup> September, 2020

**Prashant Agrawal**

**Managing Director**

## Annexure VI C

### CEO & CFO CERTIFICATE

We, Prashant Agrawal, Managing Director and A. R. Mundra, Executive Director- Finance of BOMBAY RAYON FASHIONS LIMITED, to the best of our knowledge and belief, certify that:

I. We have reviewed Financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2020 and that to the best of our knowledge and belief :

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
- These statements together present a true and fair view of the Companys affairs and are in compliance with existing accounting standards, applicable laws and regulations.

II. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Companys code of conduct.

III. We accept responsibility for establishing and maintaining internal controls for financial reporting and the 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 we have taken or propose to take to rectify these deficiencies.

- We have indicated to the Auditors and audit committee;
- Significant changes in internal control over financial reporting during the year;
- Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
- 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 Companys internal control system over financial reporting.

Prashant Agrawal  
**Managing Director**

A. R. Mundra  
**Executive Director- Finance**

Place: Mumbai

Date: 28<sup>th</sup> July, 2020

## Annexure VI D

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

**The Members of**

**BOMBAY RAYON FASHIONS LIMITED**

3rd floor, DLH Mangal Murti Building Linking road,  
Santacruz (West),  
Mumbai- 400054.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bombay Rayon Fashions Limited having CIN: L17120MH1992PLC066880, and having registered office at 3rd floor, DLH Mangal Murti Building Linking road, Santacruz (west) Mumbai - 400054(hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) readwith Schedule V - Para C - Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status on the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2020, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of Appointment
1.	Mr. Asharam Mundra	00019234	01/06/2010
2.	Mr. Prashant Janardan Agrawal	00019464	01/06/2010
3.	Mr. Aman Agrawal	00019534	31/01/2003
4.	Mr. Suresh Shankar Vishwasrao	00837235	31/03/2009
5.	Mr. John Mathew	01632626	25/05/2015
6.	Ms. Prachi Amit Deshpande	02975271	29/09/2015
7.	Mr. Jasmeet Singh Bhasim	08641063	21/12/2019
8.	Mr. Vishal Kiran Sharma	08641245	21/12/2019

Note:

- (1) Mr. Jasmeet Singh Bhasin has been appointed as an Independent Director w.e.f. 21<sup>st</sup> December, 2019
- (2) Mr. Vishal Kiran Sharma has been appointed as an Independent Director w.e.f. 21<sup>st</sup> December, 2019
- (3) Mr. Arunachalam Arumugham (DIN 00350163) and Mr. Naseer Ahmed (00027095), Independent Directors of the Company were disqualified under Section 164(2) of the Act and resigned from the directorship of the Company with effect from 6th June, 2019 and 10th June, 2019 respectively.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company..

**For RATHI & ASSOCIATES**  
COMPANY SECRETARIES

**HIMANSHU S. KAMDAR**  
PARTNER

**M. No. FCS 5171**  
**C.P. No. 3030**

**UDIN: F005171B000647274**

Place : Mumbai  
Date : 02<sup>nd</sup> September, 2020

## ANNEXURE VII

### Management Discussion and Analysis

#### Industry Structure and Development

The economic development of India is greatly dependent on export earning of Textile Industry. Textiles represent nearly 30% of the countrys total exports, providing direct employment to over 45 million persons in the mill, power loom and handloom sectors making it the biggest employer in the country after the agricultural sector. India is the worlds second-largest producer of textiles after China. It is also the worlds third-largest producer of cotton after China and the USA.

Indias total exports of textiles and apparel are expected to grow at a CAGR of 12.03% to reach \$82 billion by 2021. At present, a third of Indias textile production is exported. India is the worlds second-largest exporter of textiles and apparel, and the textile industry contributes significantly to the countrys economy, making up 7% of industry output, 2% of the national GDP, and 15% of the countrys total exports earnings. The US and the European Union are the two largest markets for Indian textile exporters. With all the export promotion & development planning it is expected to grow to US\$2,600 billion by 2025.

However, the pandemic of COVID- 19 has affected all over the world economy. Due to Covid-19, The Indian Textile Industry fell as the yarn and ready-made garments exports fell by 90% during April as per the report.

Till the quarter of March, the export of ready-made garments declined by 16% and by April further to 91%, whereas yarn exports fell about 30% during the quarter of March and further to 80-90% in April. China accounts for a third of Indias yarn export and Bangladesh which accounts for a fifth of Indias yarn export. Under the impact of Covid-19 garment, units were shuttered in these countries so their imports declined, as a result, the Indian export of yarn.

#### Opportunities & Threats

##### Opportunities –

The black swan event has affected the Indian textile & apparel industry, in terms of both trade and domestic consumption. With the steep reduction in demand due to sudden halt of global trade and domestic sales due to the closure of retail stores, the industry is likely to face unprecedented and severe losses. The spread of the virus initiated in China and later spread to EU and the US, which are huge markets for Indian textile & apparel products. Hence, the Indian textile value chain is bound to face adverse repercussions of the pandemic.

Coming to the domestic market, brands are looking at very low consumer sentiment and a steep decline in consumption in the coming year. As brands look to reduce dependency on China, there lies an opportunity for India. China, the initial epicentre of the coronavirus outbreak, manufactures more than a third of all clothing and textiles globally. The production lockdown enforced in the country early this year vastly disrupted the textile & apparel supply chain. Apparel brands, sourcing goods solely from China were in a fix and were forced to explore other countries for sourcing in a short time period.

Post-coronavirus, some brands will follow the strategy of diversification and reduce their dependency on China to prevent any such situation in the future. Brands were already actively pursuing the move of diversifying from China, owing to increase in manufacturing costs and tariff issues with the US. The supply chain gap developed due to this pandemic has added more weightage to this strategy.

##### Threats-

##### Labour force and employment:

T&A provides direct employment to over 45 million people but the nationwide lockdown have led to a temporary closure of factories and lay-offs have already begun among low wage worker.

Import & Exports of raw material and readymade garment:

The COVID-19 pandemic is primarily expected to adversely impact exports and with second-order impact on the domestic markets with both exports as well as domestic sales falling.

Additionally, domestic consumption is also getting impacted due to all India closure. New store openings have stopped and even domestic stores are facing an inventory build-up due to apparel sources for the upcoming summer season, Further, domestic prices could be negatively impacted if exporters dump their inventories in the domestic market leading to even reduced margins. This could lead to short term blips such as reduced employment of casual labour (factory closures and people moving back to their home towns) and reduced consumption.

# Bombay Rayon Fashions Limited

## Cash flow constraints:

The sector has been grappling with profitability issue due to a sharp decline in yarn exports, cheaper imports etc. these issues only look to get aggravated further with the current crisis.

## Consumer sentiment:

The nationwide lockdown has impacted consumer sentiment on the higher side, due to closure of market and mall.

## SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is engaged in the business of manufacturing and sale of textile accordingly this is the only single reportable segment.

## OUTLOOK

The nationwide lockdown in India is likely to impact the textiles sector both in terms of demand and supply. The COVID-19 pandemic is likely to continue to impact the global textile production and supply chains and thereby textile product prices. The Indian textiles industry has taken a major hit because most of Indian yarn exports are to China. It is estimated that Indias exports will be substantially hit till the first half of FY21, which had already reduced by more than 40 per cent till January 2020 due to the US-China trade war. The fabric industry is dominated by few players which have strong liquidity to manage the downside caused by COVID-19, while small and medium-size players would face the brunt of economic lockdown, it added

Once the current challenges of restructuring of debt profile and consolidation of business with get rid of non-core assets is completed, your company with its aggressive marketing strategies, efficient manufacturing facilities is expected to achieve desired and sustainable growth and profitability in the times to come. The Company will continue to have more focus in fabric business to cater the requirements of domestic markets and exports.

## Key Risks & Mitigation Measures

Various risks associated with the Companys business along with proposed mitigation measures have been discussed in this section:

Risk		Mitigation Measures
Raw Material Procurement	Raw material is the largest cost component in the overall operational cost. The price fluctuations have significant effects on the profit margins which in turn affects the overall business of the company.	BRFL ensures to obtain the raw material from reliable & steady sources.
Operation and Maintenance	Company is equipped with modern machinery of global standards. However any limitations of working capital availability will cause risk of lack of spare parts, which will cause risk of decrease in productivity of machineries.	Company has an effective mechanism for constant preventive maintenance which keeps the machines functional and in good condition.
Market Risk	Demand for value added textiles is growing in both the global and domestic market. BRFL has a strong presence in value added textiles. However the nationwide lockdown due to COVID 19 pandemic, the business of the company was completely shut down.	The Company is already focusing more for a strong marketing and distribution network in the domestic to forecast market trends and hence has started the manufacturing of masks and PPE sets to start the operations during nationwide lockdown.
Financial risk	Company has prepared projections for its business based on realistic assumptions and its capabilities. However, due to external circumstances EBITDA is falling below the estimated projections, it may have an adverse impact on the companys profitability and eventually impact debt servicing capabilities.	Company is focussed on maintaining its margins at a level where it can balance between its operational requirement and the amount required for debt servicing.  The Company is going through financial restructuring after which its debt level will come down significantly which in turn will improve the debt serviceability of company and will have positive impact on profitability.

Risk		Mitigation Measures
Foreign Exchange Risk	BRFL for its export turnover has a foreign exchange risk due to its export receivables.	The company has more focus on domestic market to avoid more exposure to foreign exchange risk.
Environmental Risk	The chemicals that are used to bleach and colour textiles can damage the environment. Most of the textile machineries cause noise, sound and air pollution. Over-usage of natural resources like plants, water, etc., depletes or disturbs ecological balance.	Company is meeting the norms and conditions related to environment defined under law.
Power cost	Power cost for the industrial use is constantly increasing over the years and puts the burden on profit margins.	Majority of the power requirement is being met by the in – house power plants and the Company further plans to use the plants at full capacity to minimize the power cost.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal audit function is entrusted to M/s S. Venkatram & Co., a reputed firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

## FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE,

The revenue of the company is Rs. 487.96 crores as compared to Rs. 941.46 crores for FY 2019-20 showing drop by almost 50%. This is due to continuous financial stress on the company and non – availability of working capital for the business. The net loss after tax for the year under review was Rs. 1879.96 crores. It was contemplated that the process of restructuring the debts of the company which was initiated in FY 2018-19 would get completed during the year under review and also the disposal of non- core assets, but due to general economic conditions, it still remained incomplete which had an impact on the operations of the company.

The net worth of the Company for the current year has come down to Rs 705.55 crores as compared to Rs. 2554.35 crores for FY 2018-19 due to losses incurred. This has resulted into distortion of financial ratios.

## HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. The Company is committed to nurturing, enhancing and retaining top talent through superior Learning & Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the organizations growth and its sustainability in the long run. Total employees strength of the Company as on 31st March 2020 was 3645.

## **INDEPENDENT AUDITOR'S REPORT**

To,

**The Members of Bombay Rayon Fashions Limited**

**Report on the Standalone Ind AS Financial Statements**

### **Opinion**

1. We have audited the accompanying standalone Ind AS financial statements of **Bombay Rayon Fashions Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended, and notes to the financial statement including a summary of significant accounting policies and other explanatory information (**herein after referred to as "standalone Ind AS financial statements"**)
2. In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Ind AS standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31 March 2020, and its financial performance including comprehensive income, its cash flows and the change in equity for the year ended on that.

### **3. Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **4. Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **5. Management's Responsibility for the Standalone Ind AS Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease

operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### 6. **Auditors Responsibility**

Our objective are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Companies Act 2013, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable..
8. 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 including other comprehensive income, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind As) specified under Section 133 of the Act, read with relevant rule issued thereunder.
  - e. On the basis of the written representations received from the directors as on 31 March, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act;
  - f. We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date and our report dated 28.07.2020 as per Annexure II expressed.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which may impact its standalone Ind AS financial statements, except as specified in Note No.40 of the notes to account.
    - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For **P.R. Agarwal & Awasthi**

*Chartered Accountants*

**CA Pawan KR. Agarwal**

Partner

M No.: 34147

Place: Mumbai

Date: 28<sup>th</sup> July 2020

Firm Registration No.: 117940W

UDIN: 20034147AAAABP6867

# Bombay Rayon Fashions Limited

## Annexure I to the Auditor's Report even date CARO 2016:

1. In respect of Fixed Assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The fixed assets have been physically verified by the management at reasonable intervals during the year. We are informed that no material discrepancies were noticed by the management on such verification.
  - c. The title deeds in respect of all immovable properties are held in the name of the company.
2. In respect of Inventories:
 

As explained to us physical verification of inventory has been conducted during the year at reasonable interval by the management and in our opinion and according to the information and explanation given to us, the company is maintaining proper record of its inventories and no material discrepancies were noticed on physical verification.
3. In respect of loans, secured or unsecured granted by the Company to other Companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - a. The Company has granted interest free advances to a Subsidiary Company covered in the register maintained u/s 189 of the Companies Act, 2013.
  - b. In respect of the Long term Loan the principal amount is repayable over a period of 5 to 7 years.
  - c. In respect of the said Loan, there are no overdue amounts.
4. The Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of guarantees given and securities provided.
5. During the year the company has not accepted any deposits from public or by any means hence the said clause 3(v) of the said order is not applicable to the Company.
6. As per the information and explanations provided to us, we are of the opinion that in pursuant to the prescribed rules by Central Government, the Company had maintained cost records u/s. 148(1) of the Companies Act, 2013, however we have not done a detailed examination of the same.
7. In respect of Statutory Dues:
  - a) According to record of the Company produced before us, the Company is not regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, cess and other statutory dues applicable to it. According to the information and explanations given, no undisputed amounts payable in respect of Income-Tax, sales tax, service tax, GST, customs duty, excise duty/cess were outstanding as at 31.03.2020 for a period of more than six months from the date they became payable except as given below:

Statement of Arrears of statutory dues outstanding (excluding interest) for more than six months as at 31st March 2020:

(Rs.in Crores)		
Sr. No	Nature of Dues	Amount
1.	Provident Fund	41.85
2.	Employee State Insurance	5.65
3.	Profession Tax	1.45
4.	Property Tax	2.53
6.	Tax Deducted at Source	8.84
7.	Income Tax	12.22
	<b>Total</b>	<b>72.54</b>

- (b) According to the records of the company there are no dues of Income-Tax, sales tax, wealth tax, service tax, GST, customs duty, excise duty/cess which have not been deposited on account of any dispute except as given below

(Rs. in Crores)

Nature of the Act	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	29.31*	2013-2014	CIT(A)-54, Mumbai
Income Tax Act, 1961	0.38**	2012-2013	DCIT, Cen Circle 6(3), Mumbai
Income Tax Act, 1961	0.28**	2009-2010	DCIT, Cen Circle 6(3), Mumbai
Income Tax Act, 1961	0.02**	2004-2005	DCIT, Cen Circle 6(3), Mumbai
Employees' Provident Fund Organization	0.85	2012-2018	Regional Provident Fund Commissioner, Thane
Employees' Provident Fund Organization	12.89	2004-2017	Regional Provident Fund Commissioner, Bangalore
Employees' State Insurance Corporation	0.23	2010-2017	Regional ESIC Commissioner, Bangalore
<b>Total</b>	<b>43.96</b>		

\* Out of the total tax demand for FY 12-13, the Original Demand is Rs.43.50 crores, refunds/payments adjusted with the demand Rs.17.53. Further for FY 03-04, 08-09 and 11-12 tax demand totaling to Rs.0.68 crores appeal effects are pending, once order is passed the demands would not payable.

8. In our opinion and according to the information and explanations given to us, there have been delays in repayment of dues to financial institutions and banks during the year, as on 31.03.2020 the amount due and remain unpaid on account of principal and interest to financial institutions and banks are given below.

(Rs.in Crores)

Particulars	Overdue in Principal	Overdue in Interest	Total Overdue
Up to 30 days	13.35	11.70	25.05
From 31 days to 60 days	26.70	22.26	48.96
From 61 days to 90 days	-	-	-
Above 91 days	286.81	207.21	494.02
<b>Total</b>	<b>326.86</b>	<b>241.17</b>	<b>568.03</b>

As per the information and explanations given to us the company has not taken loans from bank or financial institutions during the year.

9. During the year the Company has not raised any fund by way of initial public offer or further public offer (including debt instruments) and term loans, therefore no comments under the clause are called for.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
11. The Company has paid managerial remuneration during the year according to the provision of section 197 read with schedule V to the Companies Act, 2013.
12. In our opinion and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not a Nidhi company. Hence, in our opinion the clause does not apply to the company.
13. The Company has disclosed all the transactions with the related parties in the Financial Statements during the year and the transactions are in compliance with sections 177 and 188 of Companies Act, 2013.
14. During the year under consideration, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence comments under this clause are not called for.
15. According to the provisions of section 192 of Companies Act, 2013 the company has not entered into any non-cash transactions with directors or persons connected with him during the year hence no comments under this clause are called for.

## Bombay Rayon Fashions Limited

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence this clause is not applicable and no comments under this clause are called for.

For **P.R. Agarwal & Awasthi**  
*Chartered Accountants*

**CA Pawan KR. Agarwal**

Partner

M No.: 34147

Firm Registration No.: 117940W

UDIN: 20034147AAAABP6867

Place: Mumbai

Date: 28<sup>th</sup> July 2020

## Annexure II

### Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone Ind AS financial statements of **Bombay Rayon Fashions Limited** ("the Company") as of and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the criteria being specified by management. 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 the company's 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 Act.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.

#### Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles including the Ind AS. A company's IFCoFR 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles including Ind AS, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the criteria being specified by management.

For **P.R. Agarwal & Awasthi**  
Chartered Accountants

**CA Pawan KR. Agarwal**

Partner

M No.: 34147

Place: Mumbai  
Date: 28<sup>th</sup> July 2020

Firm Registration No.: 117940W  
UDIN: 20034147AAAABP6867

# Bombay Rayon Fashions Limited

## Balance Sheet as at 31<sup>st</sup> March 2020

(Rs. In Crores)

	PARTICULARS	Note	31st March, 2020	31st March, 2019
	<b>ASSETS</b>			
	<b>Non-current assets</b>			
a)	Property, Plant & Equipment	2	2,225.27	2,800.00
b)	Capital work-in-progress		15.87	15.71
c)	Other Intangible Assets	2	0.84	0.97
d)	Financial Assets			
	(i) Investments	3	146.57	146.57
	(ii) Loans	4	129.15	135.26
	(iii) Other Financial Assets	5	0.34	0.44
e)	Deferred Tax Assets	6	1,668.14	681.98
f)	Other Non-current Assets	7	18.56	20.82
	<b>Total Non-current assets</b>		<b>4,204.73</b>	<b>3,801.75</b>
	<b>Current assets</b>			
a)	Inventories	8	610.66	2,208.94
b)	Financial Assets			
	(i) Trade receivables	9	1,368.42	1,413.32
	(ii) Cash and cash equivalents	10	12.00	7.03
	(iii) Loans	11	1.67	19.52
c)	Current Tax Assets	12	203.26	200.75
d)	Other current assets	13	152.47	194.70
	<b>Total Current assets</b>		<b>2,348.48</b>	<b>4,044.26</b>
	<b>TOTAL ASSETS</b>		<b>6,553.21</b>	<b>7,846.01</b>
	<b>Equity</b>			
a)	Share Capital	14	317.48	317.48
b)	Other Equity	15	407.38	2,286.19
	<b>Total Equity</b>		<b>724.86</b>	<b>2,603.67</b>
	<b>LIABILITIES</b>			
<b>1)</b>	<b>Non-current liabilities</b>			
a)	Financial Liabilities			
	(i) Borrowings	16	1,152.26	1,142.54
b)	Employee Benefit Obligation	17	8.43	8.45
	<b>Total Non-current liabilities</b>		<b>1,160.69</b>	<b>1,150.99</b>
<b>2)</b>	<b>Current liabilities</b>			
a)	Financial Liabilities			
	(i) Borrowings	18	3,223.43	2,871.99
	(ii) Trade payables	19	569.28	602.20
	(iii) Other Financial Liabilities	20	785.21	529.54
b)	Other Current Liabilities	21	72.28	64.85
c)	Provisions	22	5.24	10.55
d)	Current Tax Liabilities	23	12.22	12.22
	<b>Total Current liabilities</b>		<b>4,667.66</b>	<b>4,091.35</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,553.21</b>	<b>7,846.01</b>
	Notes are integral part of the balance sheet & profit & loss account	1		

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W

**Aman Agrawal**  
Chairman

For and on behalf of Board of Directors

**Prashant Agrawal**  
Managing Director

**CA Pawan KR. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 20034147AAAABP6867  
Place : Mumbai  
Date : 28<sup>th</sup> July, 2020

**A.R. Mundra**  
Executive Director-Finance

**Prachi Deshpande**  
Director-Secretarial &  
Company Secretary  
Corporate Affairs,

# Profit and Loss Statement for the year ended 31<sup>st</sup> March 2020

(Rs. In Crores)

	PARTICULARS	Note	31st March, 2020	31st March, 2019
<b>INCOME :</b>				
	Revenue from Operations	24	487.96	941.46
	Other Income	25	12.13	41.88
	<b>Total Revenue</b>		<b>500.09</b>	<b>983.34</b>
<b>EXPENDITURE :</b>				
	Cost of raw materials consumed	26	782.28	902.16
	Changes in inventories of finished goods, work-in-progress and waste	27	958.21	1,098.08
	Employee benefits expenses	28	140.88	227.91
	Finance costs	29	441.52	444.93
	Depreciation and amortization expenses	30	138.27	154.61
	Other expenses	31	537.69	578.82
	<b>Total Expenditures</b>		<b>2,998.85</b>	<b>3,406.51</b>
	<b>(Loss) before exceptional items and tax</b>		<b>(2,498.76)</b>	<b>(2,423.17)</b>
<b>Exceptional Items :</b>				
	Loss on sale of Fixed Assets (Refer Note "50")		381.93	-
	Term Loan Written Off (Refer Note "50")		(14.57)	
	<b>(Loss) before tax</b>		<b>(2,866.12)</b>	<b>(2,423.17)</b>
<b>Tax expenses :</b>				
	Current Tax		-	-
	Deferred tax	32	986.16	736.24
	Short/(Excess) Provision of Tax		-	(0.32)
	Mat Credit Entitlement		-	-
	<b>(Loss) for the year</b>		<b>(1,879.96)</b>	<b>(1,687.25)</b>
	Other Comprehensive Income		<b>1.15</b>	<b>0.52</b>
	Total Other Comprehensive Income		<b>1.15</b>	<b>0.52</b>
	Total Comprehensive Income for the year		<b>1.15</b>	<b>0.52</b>
	Earnings per equity share of Rs.10 each			
	Basic & Diluted		(59.22)	(53.15)
Notes are integral part of the balance sheet & profit & loss account				

As per our report of even date  
**For P.R. Agarwal & Awasthi**  
 Chartered Accountants  
 Firm Reg No.:117940W

**CA Pawan KR. Agarwal**  
 Partner  
 Membership Number- 34147  
 UDIN: 20034147AAAABP6867  
 Place : Mumbai  
 Date : 28<sup>th</sup> July, 2020

**Aman Agrawal**  
 Chairman

**A.R. Mundra**  
 Executive Director-Finance

For and on behalf of Board of Directors

**Prashant Agrawal**  
 Managing Director

**Prachi Deshpande**  
 Director-Secretarial &  
 Company Secretary  
 Corporate Affairs,

Cash Flow Statement for the year ended 31<sup>st</sup> March 2020

(Rs. In Crores)

	PARTICULARS	31st March, 2020	31st March, 2019
<b>A.</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
	Net (Loss) before Tax and after Extraordinary items	(2,866.12)	(2,423.17)
	Adjustment For :		
	Depreciation	138.27	154.61
	Interest & Finance charges	441.52	444.93
	Provision for Doubtful Debts	199.34	88.75
	Term Loan Written Off	(14.57)	
	Interest received	(2.19)	(1.44)
	Dividend received		-
	Profit (-) / Loss (+) on sale of Investments		-
	Profit (-) / Loss (+) on sale of Fixed Assets	8.51	41.00
	<b><u>Operative Profit before Working Capital Changes</u></b>	<b>(2,095.24)</b>	<b>(1,695.32)</b>
	Adjustment For :		
	Trade and Other Receivables	(92.10)	113.18
	Inventories	1,598.28	1,518.21
	Other Financial Liability	255.67	22.24
	Provision For Gratuity & Bonus	(4.18)	(1.25)
	Trade & Other payable	(25.48)	47.89
	<b>Cash Generation from Operations</b>	<b>(363.05)</b>	<b>4.95</b>
	Direct Taxes	(2.51)	(1.65)
	<b>Net Cash Flow from operating activities</b>	<b>(365.56)</b>	<b>3.30</b>
<b>B.</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
	Sale / Purchase of Fixed Assets	427.92	32.15
	Sale of Investment (Net)	-	-
	Decrease in Loans and advances	6.11	26.97
	Dividend received	-	-
	Interest Received	2.19	1.44
	<b>Net Cash used in investing activities</b>	<b>436.22</b>	<b>60.56</b>
<b>C.</b>	<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
	Increase in Share Capital	-	-
	Other Financial Asset	0.10	0.65
	Increase/Decrease in Borrowings	375.73	17.58
	Interest Paid	(441.52)	(80.62)
	<b>Net Cash used in financing activities</b>	<b>(65.69)</b>	<b>(62.39)</b>
<b>D.</b>	<b>Net Change In Cash And Cash Equivalents (A+B+C)</b>	<b>4.97</b>	<b>1.47</b>
	Cash and Cash Equivalents (Opening)	7.03	5.56
	<b>Cash and Equivalents ( Closing)</b>	<b>12.00</b>	<b>7.03</b>
Notes : 1. Figures in brackets represent cash outflows.			
2. Previous year figures have been regrouped wherever necessary.			

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W

**Aman Agrawal**  
Chairman

For and on behalf of Board of Directors

**Prashant Agrawal**  
Managing Director

**CA Pawan KR. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 20034147AAAABP6867  
Place : Mumbai  
Date : 28<sup>th</sup> July, 2020

**A.R. Mundra**  
Executive Director-Finance

**Prachi Deshpande**  
Director-Secretarial &  
Company Secretary  
Corporate Affairs,

# Notes to Financial Statements for the year ended 31/03/2020

## Statement of Changes in Equity –

### A. Equity share capital

	Number of Shares	INR in Crores
<b>Balance as at 1st April 2018</b>	31,74,76,479	317.48
Changes in equity share capital during 2018-19	-	-
<b>Balance as at 31st March 2019</b>	<b>31,74,76,479</b>	<b>317.48</b>
<b>Balance as at 1st April 2019</b>	31,74,76,479	317.48
Changes in equity share capital during 2019-20	-	-
<b>Balance as at 31st Mar, 2020</b>	<b>31,74,76,479</b>	<b>317.48</b>

### B. Other equity

(Rs. In Crores)

	Reserves and surplus				Total other Equity
	Securities premium	Retained earnings	General Reserve	Money recd against Share Warrants	
<b>Balance as at 1 April 2018</b>	4,503.88	(617.27)	37.00	49.31	3,972.92
Issue of Equity Share Capital	-	-	-	-	-
Loss for the year		(1,687.25)	-	-	(1,687.25)
Share issue Expenses	-				-
Other comprehensive income	-	0.52	-	-	0.52
Total comprehensive income for the year	-	(1,686.73)	-	-	(1,686.73)
<b>Balance as at 31 March 2019</b>	<b>4,503.88</b>	<b>(2,304.00)</b>	<b>37.00</b>	<b>49.31</b>	<b>2,286.19</b>
<b>Balance as at 1 April 2019</b>	<b>4,503.88</b>	<b>(2,304.00)</b>	<b>37.00</b>	<b>49.31</b>	<b>2,286.19</b>
Issue of Equity Share Capital	-	-	-	-	-
Profit/(Loss) for the year		(1,879.96)	-	-	(1,879.96)
Share issue Expenses	-				-
Other comprehensive income	-	1.15	-	-	1.15
Total comprehensive income for the year	-	(1,878.81)	-	-	(1,878.81)
<b>Balance as at 31st Mar, 2020</b>	<b>4,503.88</b>	<b>(4,182.81)</b>	<b>37.00</b>	<b>49.31</b>	<b>407.38</b>

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W

**CA Pawan KR. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 20034147AAAAABP6867  
Place : Mumbai  
Date : 28<sup>th</sup> July, 2020

**Aman Agrawal**  
Chairman

**A.R. Mundra**  
Executive Director-Finance

For and on behalf of Board of Directors

**Prashant Agrawal**  
Managing Director

**Prachi Deshpande**  
Director-Secretarial &  
Company Secretary  
Corporate Affairs,

## Notes to Financial Statements for the year ended 31/03/2020

### Note 1 SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2020

#### 1. Basis of preparation of financial Statements

##### i. Compliance with Ind AS

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("Act") read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies adopted in the preparation of Ind AS financial statement are consistent with those of previous year.

##### ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale – measured at lower of carrying amount or fair value less cost to sell
- 3) defined benefit plans – plan assets measured at fair value;

##### iii. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

##### iv. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

#### 2. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditure during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding these estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 3. Revenue Recognition

Effective from 01 April 2019, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) – 'Revenue from contracts with customers' using the cumulative catch-up transaction method, applied to contracts that were not completed as on the transaction date i.e. 01 April 2019. Accordingly, the comparative amounts of revenue and the corresponding contract assets/ liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

##### Other operating revenue:

- Export Incentives under various schemes are accounted in the year of export.
- Export sales are accounted for on the basis of dates of Bill of Lading. Gross Sales are inclusive of incentives/benefits, and net of sales returns.
- Revenue from Job work is recognized when services are rendered.
- Interest income is recognized on accrual basis.

**4. Property, plant and equipment:**

The Company had applied for the one time transaction exemption for considering the carrying cost on the transition date i.e. 1<sup>st</sup> April, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items

Fixed assets are stated at cost of acquisition less accumulated depreciation if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready to use, as intended by management. The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Building-Residential (RCC)	60 years
Building-Residential (Non-RCC)	30 years
Factory Building	30 years
Office Premises	60 years
Plant & machinery	25 years
Vehicles	08 years
Computer	03 years
Furniture	10 years
Office Equipment	05 years

Depreciation methods, useful lives and residual value are reviewed periodically, including at each financial year end.

“Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use the assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013”.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under ‘Capital work – in - progress’. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

**5. Intangible assets:**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight – line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry, and known technological advances ) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

**6. Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit & loss account as and when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**7. Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**i. Finance Lease:**

- a. Leases where the Company has substantially transferred all the risks and rewards of ownership of the related assets are classified as finance leases. Assets under finance lease are capitalised at the commencement of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.

## Bombay Rayon Fashions Limited

- b. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- c. Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the lease. Lease income is recognized over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

### ii. Company under Operating leases:

The leases which are not classified as finance lease are operating leases.

- a. The Company as a lessee The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.
- b. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right of use assets is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.
- c. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily Determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.
- d. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### iii. Transaction to Ind AS 116

- a. Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.
- b. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

## 8. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, over short-term highly liquid investments with original

maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 9. Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods, Stock –in-trade and Property under development are stated 'at cost or net realizable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Costs comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out', 'Weighted Average cost' or 'Specific Identification', as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

## 10. Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognized at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets, Held for Sale and Discontinued Operations, when they are classified as held for sale.

## 11. Investments and other financial assets

### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

### a. Debt Instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

- (1) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
- (2) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through statement of Profit and Loss. Interest income from these financial assets is included in other income.

### b. Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

### c. Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

## 12. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or charges in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or charges in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

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For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 13. Derivative financial instruments

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognized in the Statement of Profit and Loss in the period when they arise.

### 14. Foreign Currency

#### (1) Functional Currency

The functional currency of the company is the Indian Rupee. The financial statements are presented in Indian Rupees (Rounded off to Crores).

#### (2) Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cashflow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

### 15. Employee Benefits

1. Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
2. The Company operates the following post-employment schemes:
  - a. Defined benefit plans - The obligation in respect of defined benefit plans, which covers Gratuity, Pension and other post-employment medical benefits, are provided for on the basis of an actuarial valuation at the end of each financial year using project unit credit method.
  - b. Defined contribution plans - Contribution payable to the recognized provident fund and approved superannuation scheme, which are substantially defined contribution plans, is recognized as expense in the Statement of Profit and Loss, when employees have rendered the service entitling them to the contribution.
3. Long Term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The liabilities on account of leave encashment have been provided on basis of an actuarial valuation on projected unit cost method.

### 16. Taxation

- a. Provision for current tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by applying the tax rates as applicable.
- b. Deferred tax is recognized subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## 17. Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to Statement of Profit and Loss.

## 18. Government Grants:

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received, and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is netted off with the relevant expense. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

## 19. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes to the accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

## 20. Earnings Per Share

**Basic earnings per share** :Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**Diluted earnings per share** Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 21. Segmental Reporting:

The Company is mainly engaged in the business of manufacturing of textiles consisting of yarn, fabrics and garments. Considering the nature of business and financial reporting of the Company, the Company has only one segment viz; textile as reportable segment. The Company operates in Local & Export segments geographically. The sale for both is separately given, but due to the nature of business the assets/liabilities and expenses for these activities cannot be bifurcated separately.

The Company is also engaged in power generation through coal and windmills & manufacturing of buttons, however the same are not considered as reportable segment in accordance with Ind AS – 108.

## 22. Critical estimates and judgment –

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

### The areas involving critical estimates or judgment are:

- (i) Estimated useful life of PPE, investment property and intangible assets- Refer note 4
- (ii) Probable outcome of matters include under Contingent Liabilities – Refer note 40
- (iii) Outstanding loan availed from bank & their status - Refer Note 43
- (iv) Estimation of Defined benefit obligation - Note 33

## Notes to financial statements for the year ended 31/03/2020

## Note - 2 : Property, plant and equipment

Details of the property, plant and equipment &amp; Intangible Assets their carrying

amounts are as follows:

(Rs. In Crores)

	Free Hold Land	Lease Hold Land	Site Development	Factory Building	Non Factory Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer	Computer Software	TOTAL
<b>Gross carrying amount</b>												
Balance as at 1 April 2019	1.20	113.37	-	678.45	16.03	3,686.22	55.27	17.55	13.54	16.34	10.48	4,597.97
Additions				0.86		0.47	0.24		0.04		-	1.61
Disposals	-	1.46		2.66	0.87	660.02	6.75	0.27	0.02	0.01		672.06
Balance as at 31st Mar, 2020	1.20	111.91	-	676.65	15.16	3,026.67	48.76	17.28	13.56	16.33	10.48	3,927.52
<b>Depreciation and amortization</b>												
Balance as at 1 April 2019	-	-	-	199.63	3.71	1,510.52	45.54	11.01	12.06	15.51	9.51	1,797.97
Depreciation				22.77	0.24	111.80	1.72	1.21	0.31	0.09	0.13	138.14
Disposal				1.02	0.32	225.60	6.63	0.26	0.02	0.01	-	233.86
Balance as at 31st Mar, 2020	-	-	-	221.38	3.63	1,396.72	40.63	11.96	12.35	15.59	9.64	1,702.25
Carrying amount as at 31st Mar, 2020	1.20	111.91	-	455.27	11.53	1,629.95	8.13	5.32	1.21	0.74	0.84	2,225.27

	Free Hold Land	Lease Hold Land	Site Development	Factory Building	Non Factory Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer	Computer Software	TOTAL
<b>Gross carrying amount</b>												
Balance as at 1 April 2018	8.03	113.37	-	686.40	19.73	3,774.28	55.87	18.40	13.51	16.30	10.48	4,705.89
Additions	-	-	-	1.30	0.03	1.28	0.19	0.01	0.06	0.04	-	2.91
Disposals	6.83	-	-	9.25	3.73	89.34	0.79	0.86	0.03	-	-	110.83
Balance as at 31st March 2019	1.20	113.37	-	678.45	16.03	3,686.22	55.27	17.55	13.54	16.34	10.48	4,597.97
<b>Depreciation and amortization</b>												
Balance as at 01st April 2018	-	-	-	179.92	3.95	1,413.52	43.10	10.29	11.70	15.33	9.30	1,677.80
Depreciation				23.01	0.30	125.89	3.19	1.44	0.39	0.18	0.21	154.40
Disposal	-	-	-	3.30	0.54	28.89	0.75	0.72	0.03	-	-	34.23
Balance as at 31st March 2019	-	-	-	199.63	3.71	1,510.52	45.54	11.01	12.06	15.51	9.51	1,797.97
Carrying amount as at 31 March 2019	1.20	113.37	-	478.82	12.32	2,175.70	9.73	6.54	1.48	0.83	0.97	2,800.00

## Notes to financial statements for the year ended 31/03/2020

### Note - 3 : Non-current investments

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Investment in Equity instruments :</b>		
<b>In Subsidiaries</b>		
<b>Quoted Shares</b>		
Fully paid up 21750000 Equity Shares of Rs. 10/- each of STI India Limited	64.12	64.12
<b>Unquoted Shares</b>		
Fully paid up 420 Equity Shares of GBP 1/- each of DPJ Clothing Limited	13.43	13.43
Fully paid up 17752 Equity Shares of BDT 100/- each of BRFL Bangladesh Pvt. Limited	0.12	0.12
Fully paid up 35142500 Shares of Rs. 10/- each of Bombay Rayon Holdings Limited	35.14	35.14
<b>In Other Related Parties</b>		
<b>Unquoted Shares</b>		
Fully paid up 3800000 Shares of Rs. 10/- each of Islampur Integrated Textiles Park Pvt. Limited	3.80	3.80
Fully paid up 3620000 Shares of Rs. 10/- each of Latur Integrated Textiles Park Pvt. Limited	3.62	3.62
<b>In Others</b>		
Fully paid up 5001 Shares of Rs. 100/- each of Raja Ram Bapu Sahakari Bank Ltd	0.05	0.05
Fully paid up 10000 Shares of Rs. 10/- each of Scotts Fashioncity India Limited	0.01	0.01
Fully paid up 2000000 Shares of Rs. 10/- each of Scotts Garments Limited	14.00	14.00
Fully paid up 180 Shares of Rs. 100/- each of Arihant Organics Pvt. Limited	1.62	1.62
<b>Investment in Debenture instruments :</b>		
<b>In Subsidiaries</b>		
<b>Unquoted</b>		
32180000 Debentures of STI India Limited (Refer Note. 3)	10.66	10.66
<b>Total</b>	<b>146.57</b>	<b>146.57</b>
<b>Aggregate Value of Quoted Investment</b>	<b>64.12</b>	64.12
<b>Market Value of Quoted Investment</b>	<b>6.85</b>	25.01
<b>Aggregate Value of Unquoted Investment</b>	<b>82.45</b>	82.45

### Note - 4 : Loans

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Security Deposits</b>		
Unsecured, considered good		
Dues from Cos in which Directors are interested	-	6.75
Others	25.49	20.52
	<b>25.49</b>	<b>27.27</b>
<b>Other Loans</b>		
Inter Corporate Deposits	103.66	107.99
	<b>103.66</b>	<b>107.99</b>
<b>Total</b>	<b>129.15</b>	<b>135.26</b>

## Bombay Rayon Fashions Limited

### Notes to financial statements for the year ended 31/03/2020

#### Note - 5 : Other Financial Assets

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Bank Deposit having maturity over 12 Months	0.34	0.44
<b>Total</b>	<b>0.34</b>	<b>0.44</b>
Balance with banks to the extent held as margin money	0.34	0.44

#### Note - 6 : Deferred tax Assets (Net)

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Deferred tax liability</b>		
Net Block as per Companies Act	2,113.00	2,686.40
Net Block as per Income Tax Act	996.86	1,248.90
Difference on account of fixed assets	1,116.14	1,437.50
Deferred tax liability (A)	344.90	444.19
<b>Deferred tax assets</b>		
Expenditure to be disallowed u/s 43B -		
Employee Benefits	9.05	19.00
Interest Not paid	11.98	11.98
Disallowance u/s. 40 (TDS)	4.70	4.70
Carry forward Depreciation	1,331.17	1,098.11
Carry forward Business Loss	5,149.85	2,506.24
	6,506.75	3,640.03
Deferred tax on Normal Rates	2,010.59	1,124.77
Deferred tax on Carry forward LTCL	2.45	1.40
Deferred tax assets (B)	2,013.04	1,126.17
Net Deferred Tax (Assets)/Liability (Closing)	(1,668.14)	(681.98)

#### Note - 7 : Other Non-Current Assets

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Capital Advances	18.56	20.82
<b>Total</b>	<b>18.56</b>	<b>20.82</b>

#### Current Assets

#### Note - 8 : Inventories

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<i>(As certified by Management)</i>		
Raw Materials (Valued at cost)	356.18	934.78
Work-in-progress (Valued at cost)	130.40	608.42
Finished goods (Valued at lower of cost or net realisable value)	98.75	578.94
Stores and Spares (Valued at cost)	24.36	86.54
Stock in Transit (Valued at cost)	0.97	0.26
<b>Total</b>	<b>610.66</b>	<b>2,208.94</b>

## Notes to financial statements for the year ended 31/03/2020

### Note - 9 : Trade Receivables

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Unsecured, Considered Good		
Dues from Private Co's in which Directors are interested	0.18	0.27
Others	1,634.79	1,501.90
Less: Provision for Doubtful Trade Receivable [refer Note. 31]	(266.55)	(88.85)
<b>Total</b>	<b>1,368.42</b>	<b>1,413.32</b>

### Note - 10 : Cash and cash equivalents

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Balances with banks</b>		
Balance with Banks	4.25	4.09
Cash on hand	0.17	0.10
Bank Deposit	7.58	2.84
<b>Total</b>	<b>12.00</b>	<b>7.03</b>
<i>Balance with banks to the extent held as margin money</i>	<b>7.58</b>	<b>2.84</b>

### Note - 11 : Loans

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Unsecured, considered good		
Advances to Subsidiary Co.	1.67	19.52
<b>Total</b>	<b>1.67</b>	<b>19.52</b>

### Note - 12 : Current Tax Assets

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Mat Credit Entitlement	163.69	163.69
Income Tax (net)	39.57	37.06
<b>Total</b>	<b>203.26</b>	<b>200.75</b>

### Note - 13 : Other current assets

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Advances other than Capital Advances	5.27	34.46
Balance with Government authorities:		
-Other than Income Tax	103.71	116.75
Others (Interest Receivable)	43.49	43.49
<b>Total</b>	<b>152.47</b>	<b>194.70</b>

## Notes to financial statements for the year ended 31/03/2020

## Note - 14 : Share Capital

(Rs. In Crores)

A	Authorised Share Capital	Equity Share		Preference Shares	
		Number	Amount	Number	Amount
	Beginning of the year at 1 April 2018	36,50,00,000	365.00	-	-
	Increase/(decrease) during the year	-	-	-	-
	Total shares authorised as at 31 March 2019	36,50,00,000	365.00	-	-
	Total shares authorised as at 1 April 2019	36,50,00,000	365.00	-	-
	Increase/(decrease) during the year	-	-	-	-
	<b>Total authorised share capital as at 31st Mar, 2020</b>	<b>36,50,00,000</b>	<b>365.00</b>	<b>-</b>	<b>-</b>

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share.

(Rs. In Crores)

B	Issued, Subscribed & fully Paid Up	Equity Share		Preference Shares	
		Number	Amount	Number	Amount
	Balance as at 1 April 2018	31,74,76,479	317.48	-	-
	Changes during the period	-	-	-	-
	Balance as at 31 March 2019	31,74,76,479	317.48	-	-
	Balance as at 1 April 2019	31,74,76,479	317.48	-	-
	Changes during the period	-	-	-	-
	<b>Shares issued and fully paid as at 31st Mar, 2020</b>	<b>31,74,76,479</b>	<b>317.48</b>	<b>-</b>	<b>-</b>

(Rs. In Crores)

C		31-Mar-20	31-Mar-19
	Shares held by holding/ultimate holding company including shares held by subsidiaries or associates of the holding company/ultimate holding company	-	-

## D Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31-Mar-20		31-Mar-19	
	No. of Shares	% of Holding	No. of Shares	% of Holding
State Bank of India	9,29,54,532	29.27%	9,29,54,532	29.28%
Axis Bank	2,55,20,484	8.03%	2,55,26,247	8.04%
AAA United B.V.	5,02,15,233	15.81%	5,04,64,386	15.90%
Ashwell Holding Company Pvt.Ltd.	2,51,47,066	7.90%	2,84,20,000	8.96%

## E. Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013

PARTICULARS	Aggregate No. of Shares (for last 5 Financial Years)
<b>Equity Shares :</b>	
Fully paid up pursuant to contract(s) without payment being received in cash	NIL
Fully paid up pursuant to scheme of CDR/S4A * [Refer note no.45]	-
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

## Notes to financial statements for the year ended 31/03/2020

### Note 15 - Other Equity

(Rs. In Crores)

PARTICULARS	As at 31 March 2020	As at 31 March 2019
<b>Securities Premium Account</b>		
Opening Balance	4,503.88	4,503.88
(+) Addition	-	-
(-) Share Issue Expenses	-	-
Closing Balance	4,503.88	4,503.88
<b>Retained Earnings</b>		
Opening balance	(2,304.52)	(617.27)
(+)(Net Loss) for the current year	(1,879.96)	(1,687.25)
Closing Balance	(4,184.48)	(2,304.52)
<b>Other Comprehensive Income</b>		
Opening balance	0.52	-
(+) Net Profit / (Net Loss) for the current year	1.15	0.52
Closing Balance	1.67	0.52
<b>General Reserves</b>		
Opening Balance	37.00	37.00
(+)/(-) Transfer	-	-
Closing Balance	37.00	37.00
<b>Money Recd against Share Warrants</b>		
Opening Balance	49.31	49.31
(+)/(-) Transfer	-	-
Closing Balance	49.31	49.31
<b>Total</b>	<b>407.38</b>	<b>2,286.19</b>

'Note: The option for conversion of 75 Lacs warrants could not be exercised by the allottee within the prescribed period of 18 months ending on 04.04.2012. The company & allottee had filed an application before Securities & Exchange Board of India (SEBI) for refund of the upfront money of Rs. 4931.25 lacs. The said application was rejected by SEBI vide its Order dated August 10, 2012 and the appeal made against the said order was dismissed by Securities appellate Tribunal (SAT) vide their order dated June 28, 2013. Further to that, an appeal filed before Supreme Court by the Company and the Promoters is pending, keeping the status quo with no further communication from SEBI in this regard.

# Bombay Rayon Fashions Limited

## Notes to financial statements for the year ended 31/03/2020

### Note - 16 : Borrowings

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Secured Loans</b>		
<b>a) Optionally Convertible Debentures (Secured)</b>		
40,55,511 Debentures of Rs. 1000/- each	<b>405.55</b>	410.18
<i>Debentures are secured by First pari-passu charge on entire Fixed Assets of the company alongwith collateral of first pari-passu charge on entire current assets of the Company and further secured by personal gurantee of promoters, corporate gurantees/ collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of 'Bombay Rayon' Brand.</i>		
<b>b) Term Loans</b>		
(i) from banks	<b>51.95</b>	173.65
(ii) from Others	<b>270.23</b>	356.24
<i>Term Loans are secured by First pari-passu charge on entire Fixed Assets of the company alongwith collateral of first pari-passu charge on entire current assets of the Company and further secured by personal gurantee of promoters, corporate gurantees/ collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of 'Bombay Rayon' Brand.</i>		
<i>Repayment of Loan and Interest on term loan from Bank &amp; FI due and unpaid as on 31.03.2020 of Rs.502.59 crores (Rs.276.36 crores)</i>		
<b>c) Vehicle Loans</b>		
From Banks	<b>1.49</b>	1.94
From Others	-	0.05
<i>The vehicle loans from the banks and others are secured by hypothecation of specified vehicles against which the finance is obtained</i>		
<b>Unsecured Loans</b>		
<b>a) From Related Parties :</b>		
i) Advances from Subsidiary	<b>107.38</b>	40.25
ii) From Promoters	<b>174.73</b>	122.02
<b>b) From Others</b>	<b>140.93</b>	38.21
<b>Total</b>	<b>1,152.26</b>	<b>1,142.54</b>

### Note - 17 : Provisions

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>For Employee Benefits:</b>		
Gratuity	<b>8.43</b>	8.45
<b>Total</b>	<b>8.43</b>	<b>8.45</b>

## Notes to financial statements for the year ended 31/03/2020

### Note - 18 : Borrowings

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>From Banks</b>		
Secured Loans		
Working Capital Loans		
(i) from Banks	412.33	659.10
(ii) from Others	2,803.77	2,205.56
<i>Working capital Loans are secured by First pari-passu charge on entire current Assets of the Company alongwith collateral of First pari-passu charge on entire Fixed Assets of the Company and further secured by personal guarantee of promoters, corporate guarantees/collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of BRFL Brand.</i>		
<b>Other Loans</b>		
Other Loans from Co-operative Bank	7.33	7.33
<b>Total</b>	<b>3,223.43</b>	<b>2,871.99</b>

### Note - 19 : Trade payables

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Unsecured :</b>		
Related Parties	3.10	5.60
Micro Medium and Small Enterprises	19.51	20.16
Trade Payables	546.67	576.44
<b>Total</b>	<b>569.28</b>	<b>602.20</b>
<b>The details of amount outstanding to Micro, Small and Medium Enterprises Based on available information is as under :</b>		
Principal amount due and remaining unpaid	16.19	15.72
Interest due on above and unpaid interest	3.32	4.44
Interest paid	-	-
Payment made beyond the appointed date during the year	-	-
Interest due and payable for the period of delay	5.31	4.44
Interest accrued and remaining unpaid	5.31	4.44
Amount of further interest remaining due and payable in succeeding year.	5.31	4.44
<b>TOTAL</b>	<b>19.51</b>	<b>20.16</b>
Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company		

# Bombay Rayon Fashions Limited

## Notes to financial statements for the year ended 31/03/2020

### Note - 20 : Other Financial Liabilities

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Outstanding expenses	56.96	53.58
Current maturities of Long Term Debts (Refer Note No 15)	646.82	430.43
Accrued Interest not provided by Bank & Others	81.43	45.53
	<b>785.21</b>	<b>529.54</b>

### Note - 21 : Other Current Liabilities

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Statutory dues	72.28	64.85
<b>Total</b>	<b>72.28</b>	<b>64.85</b>

### Note - 22 : Provisions

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Provision for employee benefits :</b>		
Bonus	0.62	3.82
Gratuity	4.62	6.73
<b>Total</b>	<b>5.24</b>	<b>10.55</b>

### Note - 23 : Current Tax Liabilities

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Income Tax (Net)	12.22	12.22
<b>Total</b>	<b>12.22</b>	<b>12.22</b>

### Note - 24 : Revenue from operations

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Revenue from operations</b>		
<b>Sale of product :</b>		
Textiles goods	400.51	877.87
<b>Sale of service :</b>		
Job work receipt	87.45	63.59
<b>Total</b>	<b>487.96</b>	<b>941.46</b>
<b>Detail of Sales</b>		
<b>Domestic</b>		
Fabrics	321.59	504.75
Yarns	11.36	33.41
Garments	2.85	47.95
Others	31.55	6.87
	<b>367.35</b>	<b>592.98</b>
<b>Export</b>		
Fabrics	22.18	34.63
Yarns	-	-
Garments	10.98	250.26
Others	-	-
<b>Total</b>	<b>33.16</b>	<b>284.89</b>

## Notes to financial statements for the year ended 31/03/2020

### Note - 25 : Other income

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Interest Income	2.19	1.44
Profit on sale of assets	8.42	15.10
Exchange fluctuation gain	0.34	18.86
Miscellaneous income	1.18	6.48
<b>Total</b>	<b>12.13</b>	<b>41.88</b>

### Note - 26 : Cost of Materials consumed

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Inventory at the beginning of the year	934.78	1,258.26
Add : Purchase	203.68	578.68
	1,138.46	1,836.94
Less : Inventory at the end of the year	356.18	934.78
	782.28	902.16

### Note - 27 : Increase (-) / decrease (+) in inventories

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Inventory at the end of the year</b>		
Finished Goods	98.75	578.94
Work-in-progress	130.40	608.42
	229.15	1,187.36
<b>Inventory at the beginning of the year</b>		
Finished Goods	578.94	1,164.88
Work-in-progress	608.42	1,120.56
	1,187.36	2,285.44
<b>Increase (-) / decrease (+) in inventories</b>	<b>958.21</b>	<b>1098.08</b>

### Note - 28 : Employee benefit expenses

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Salaries & wages	128.82	200.02
Contributions to provident and other fund	7.09	16.60
Staff welfare expenses	4.96	11.29
<b>Total</b>	<b>140.88</b>	<b>227.91</b>

### Note - 29 : Finance costs

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Interest expense	439.65	441.83
Bank Charges	1.87	3.10
<b>Total</b>	<b>441.52</b>	<b>444.93</b>

# Notes to financial statements for the year ended 31/03/2020

## Note - 30 : Depreciation & Amortization Expenses

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Depreciation on Tangible Assets	138.14	154.40
Amortization of Intangible Assets	0.13	0.21
<b>Total</b>	<b>138.27</b>	<b>154.61</b>

## Note - 31 : Other expenses

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Stores & spares consumption	131.81	159.76
Packing material and expenses	4.04	6.91
Power and fuel	75.16	86.53
Water charges	11.63	8.92
Job Charges for		
Yarn	3.43	23.36
Process	0.60	0.54
Weaving	11.89	10.87
Design & development & Others	0.65	5.85
Rent	10.54	15.19
Rates and taxes	2.35	2.25
Insurance	4.49	2.31
Keyman Insurance	-	0.08
Repair and maintenance		
Plant and machinery	3.36	3.25
Building	0.95	0.44
Vehicles	0.50	0.60
Others	1.49	1.26
Advertising and business promotion	6.03	4.95
Books & Periodicals	-	-
Commission on sale	3.51	3.25
Traveling and conveyance	6.22	8.41
Transportation Charges	4.71	42.84
Communication Expenses	2.11	2.71
Printing and stationary	0.18	0.32
Legal and professional fees	8.77	12.79
Director's Remuneration	6.00	5.76
Director's sitting fees	0.07	0.06
Auditor's remuneration	0.20	0.35
Exchange fluctuation Loss	-	-
Environmental Control Expenses	0.41	0.49
Provision for Doubtful Debts	199.34	88.75
Security Service Charges	3.85	4.67
Loss on sale of fixed assets	16.93	56.10
Miscellaneous expenses	16.47	19.25
<b>Total</b>	<b>537.69</b>	<b>578.82</b>
<b>Payments to auditor</b>		
For Audit Fee	0.15	0.35
For Tax Audit Fee	-	-
For Certification & Others	0.05	-
<b>Total</b>	<b>0.20</b>	<b>0.35</b>

## Notes to financial statements for the year ended 31/03/2020

### Note - 32 : Deferred Tax

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Net Deferred Tax Assets (Closing)	1,668.14	681.98
Less : Net Deferred Tax (Liability) (Opening)	681.98	-54.26
	986.16	736.24

**Note 33:** As per Indian Accounting Standard (Ind AS) 19 "Employee Benefits", the disclosure of Employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below:

#### Defined Benefit Plan: Gratuity

(Rs. In Crores)

Sr. No.	PARTICULARS	As on 31.03.2020	As on 31.03.2019
<b>1</b>	<b>Assumption</b>		
	Discount Rate	5.76%	6.96%
	Salary Escalation	5.00%	5.00%
<b>2</b>	<b>Present value of Obligation</b>		
	Present value of obligations as at beginning of year	15.30	14.84
	Interest cost	1.06	1.17
	Current Service Cost	2.04	2.63
	Past Service Cost	-	-
	Benefits Paid	(4.08)	(2.82)
	Actuarial (Gains)/Losses on Obligation – Due to change in Demographic Assumption	-	2.12
	Actuarial (Gains)/Losses on Obligation – Due to change in Financial Assumption	0.47	0.41
	Actuarial (Gains)/Losses on Obligation – Due to Experience	(1.62)	(3.05)
	Present value of obligations as at end of year	13.17	15.30
<b>3</b>	<b>Fair value of plan assets</b>		
	Fair value of plan assets at beginning of year	0.11	0.10
	Expected return on plan assets	0.01	0.01
	Contributions by the Employer	-	-
	Assets Transferred In	-	-
	Benefits Paid	-	-
	Return on Plant Assets, Excluding Interest Income	-	-
	Fair value of plan assets at the end of year	0.12	0.11
<b>4</b>	<b>The amounts to be recognized in the balance sheet</b>		
	Present value of obligations as at the end of the year	(13.17)	(15.30)
	Fair value of plan assets as at the end of the year	0.12	0.12
	Funded Status (Surplus/(Deficit))	(13.05)	(15.18)
<b>5</b>	<b>Expenses Recognized in statement of Profit and loss</b>		
	Current Service cost	2.03	2.63
	Interest Cost	1.06	1.16
	Expenses to be recognized in statement of Profit and loss	3.09	3.79
<b>6</b>	<b>Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period</b>		
	Actuarial (Gains)/Losses on Obligation for the Period	(1.15)	(0.52)
	Change in Financial Assumptions	-	-
	Experience Variance	-	-
	Return on Plan Assets	-	-
	Net (Income)/Expenses for the period recognized in OCI	(1.15)	(0.52)

## Bombay Rayon Fashions Limited

### Notes to financial statements for the year ended 31/03/2020

**Note 34: Related Party Disclosure(as certified by management)- (with whom the transaction has been made during the year)**

Sr	Name of Related Party	Relationship
a)	STI India Ltd.	Subsidiary Company
b)	Bombay Rayon Holdings Ltd.	Subsidiary Company
a)	Latur Integrated Textile Park Pvt. Ltd.	Other Related Parties
b)	Islampur Integrated Textile Park Pvt. Ltd.	Other Related Parties
c)	Reynold Shirting Ltd. (upto 18/04/2018)	Other Related Parties
d)	Best United Lifestyle Pvt. Ltd.	Other Related Parties
a)	Mr. Aman Agrawal, Chairman	Key Managerial Personnel
b)	Mr. Prashant Agrawal, Managing Director	Key Managerial Personnel
c)	Ms. Prachi Deshpande, Director-Secretarial & Corporate Affairs, Company Secretary	Key Managerial Personnel
d)	Mr. A.R. Mundra, Executive Director –Finance	Key Managerial Personnel
e)	Mr. Naseer Ahmed (upto 10/06/2019)	Independent Director
f)	Mr. Arunachalam Arumugham (upto 06/06/2019)	Independent Director
g)	Mr. Manmohan Agarwal (upto 28/01/2019)	Independent Director
h)	Mr. Narayan Raja (upto 28/01/2019)	Independent Director
i)	Mr. Suresh Shankar Vishwasrao	Independent Director
j)	Mr. John Mathew	Independent Director
k)	Ms. Manjiri Manohar Bhalerao (upto 16/07/2019)	Nominee Director – Exim bank
l)	Mr. Vishal Kiran Sharma (from 21/12/2019)	Independent Director
m)	Mr. Jasmeet Singh Bhasin (from 21/12/2019)	Independent Director

#### Transactions with related parties

	(Rs. In Crores)	
Transaction with Subsidiaries	March 31, 2020	March 31, 2019
Purchases	17.92	1.70
Sales	2.95	0.30
Loan/Advances Received Back (Net)	17.50	27.66
Rent paid	0.01	0.01
Job Work Charges Paid	2.82	13.07
Miscellaneous Income – (Common Expenses Reimbursed)	--	1.09
Loan/Advances taken (Net)	67.14	--
<b>Transaction with Other Related Parties</b>		
Rent paid	3.75	6.92
Purchases	--	-
Loans & Advances taken	--	13.08
Rent deposit received back	3.00	-
Job Work charges Paid	-	0.26
<b>Transactions with Key Managerial Personnel</b>		
Director Remuneration	6.00	5.33
Director Sitting Fees	0.07	0.06

#### Note 35 :

Promoters, Promoter Group Companies and Subsidiary Companies have provided personal/corporate guarantee & collaterals which is restricted up to the realizable value of assets provided as security for securing the OCD's allotted to lenders, term loans and working capital loan facilities availed by the company,.

## Notes to financial statements for the year ended 31/03/2020

### Note 36 : C.I.F. Value of Imports

(Rs. In Crores)

		March 31, 2020	March 31, 2019
a)	Stores & Spares	6.32	1.32
b)	Capital Goods	NIL	NIL
c)	Raw Materials & Others	3.23	18.76

### Note 37 : Expenditure in Foreign Currency

(Rs. In Crores)

		March 31, 2020	March 31, 2019
a)	Foreign Traveling	0.20	0.35
b)	Commission on Export Sales	0.48	0.55
c)	Others	2.48	1.44

### Note 38 : Earning in Foreign Exchange

(Rs. In Crores)

		March 31, 2020	March 31, 2019
	FOB value of Exports	36.63	232.17

### Note 39 : Imported & Indigenous Consumption

(Rs. In Crores)

		March 31, 2020		March 31, 2019	
		Value	%	Value	%
a)	Raw Materials:				
	Imported	14.55	1.86%	23.82	2.64%
	Indigenous	767.74	98.14%	878.34	97.36%
b)	Stores and Spares:				
	Imported	18.92	14.36%	21.62	13.53%
	Indigenous	122.88	85.64%	138.15	86.47%

### Note 40 : Contingent Liabilities Not Provided For

(Rs. In Crores)

	Particulars	As at March 31, 2020	As at March 31, 2019
a)	Bank Guarantee	1.83	2.41
b)	Employees State Insurance Contribution	0.23	0.23
c)	Employees Provident Fund	13.74	13.74
d)	Demand outstanding related to Income tax **	44.18	68.52
e)	Penal Interest being charged by J M Financial	161.48	59.18

For the contingent liabilities in respect of the ESIC, PF and Income Tax pending before the respective appellant authorities are likely to be matter of settled in favor of company, In view of the management and accordingly no impact on the standalone financial statements. Further, the Employees State Insurance Corporation (ESIC) authorities have erroneously raised a demand of ESI Contribution of Rs.206.38 Crores u/s 45A of the ESI Act, the same was stayed for recovery by the Employees Insurance court, Mumbai vide its order dated 28.09.2017.

\*\*Out of the total tax demand for FY 12-13, the Original Demand is Rs.43.50 crores, refunds/payments adjusted with the demand Rs.17.53. Further for FY 03-04, 08-09 and 11-12 tax demand totaling to Rs.0.68 crores appeal effects are pending, once order is passed the demands would not payable.

# Notes to financial statements for the year ended 31/03/2020

## Note: 41 : Earning Per Share

		As at March 31, 2020	As at March 31, 2019
	<b>Particulars</b>		
a)	No of Shares at the beginning of the year	<b>317476479</b>	317476479
b)	No of Shares at the end of the year	<b>317476479</b>	317476479
c)	Weighted average number of Equity Shares outstanding during the year	<b>317476479</b>	317476479
	<b>EPS</b>		
a)	Net (Loss) available for Equity Shareholders (Rs in crores)	<b>(1879.96)</b>	(1687.26)
b)	Basic Earnings Per Share (in Rs.)	<b>(59.22)</b>	(53.15)
c)	Diluted Earnings Per Share (in Rs.)*	<b>(59.22)</b>	(53.15)

- Basic & Diluted for the calculation of the EPS are same & not adjusted for Debentures as the same are optionally convertible

## Note: 42 Note on CSR

Pursuant to section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 including further amendments thereto, a company has to spend, in every financial year, at least 2% of the average net profits of the company made during the last three years immediately preceding financial year, as per the objects mentioned in the Rules.

The company has no average net profits during the immediately preceding last three financial years, hence the provisions of section 135 of the Companies Act, 2013 are not applicable.

## Note: 43 :

- A. Pursuant to Reserve Bank of India (RBI) vide its circular reference no. DBR. No. BP. BC. 101/21.04.048/2017-18 dated 12<sup>th</sup> February, 2018 the company had submitted the resolution plan for the restructuring of its loans in the previous year to the lenders where dues became Non-Performing Assets (NPA) in their Books. On offer from J M Financial Asset Reconstruction Company Limited (JMFARC), majority of the lenders opted to assign their outstanding Loans to JMFARC including working capital loans and Optionally Convertible Debentures (OCDs) Accordingly, total borrowings worth Rs. 3619.36 crores out of the total debt of Rs.4,270.18 crores, approximately 84.76% of total debt is with JMFARC on assignment of loans Since JMFARC is not a bank, the loan assigned to JMFARC is reflected in 'others.' The Lenders have not charged the interest on Loan amount being NPA but the company has made the provision of total interest amount (Rs. 81.43 crores) as per sanction terms in the Books of accounts and same is included in the total amount by Bankers

- B. The total borrowing accordingly as on 31<sup>st</sup> March, 2020 are as under:-

(Rs in crores)

Particulars	Bankers	JMFARC (Others)
Term loans	149.74	819.26
Working Capital	501.08	2800.10

- C. During the year the Rajaram Bapu Sahakari Bank Ltd. has accepted the offer of one time settlement with the Company vide letter dated March 2,2020, therefore the company has not provided for interest on the outstanding balance of Rs.7.33 crores for the year.

## Notes to financial statements for the year ended 31/03/2020

### Note: 44 : Assets Pledged as Security

(Rs. In Crores)

Particulars	Amount 31 <sup>st</sup> Mar 2020	Amount 31 <sup>st</sup> Mar 2019
<b>Current Asset</b>		
<b>Non- Financial Assets</b>		
Inventory	610.66	2208.94
<b>Financial Assets</b>		
Trade receivables	1368.42	1413.52
Total current Assets Pledged as Security	1979.08	3622.46
<b>Non-Current Assets</b>		
Land	113.11	114.57
Building	466.80	491.14
Furniture	8.13	9.73
Plant and Equipment	1629.95	2175.70
Others	8.11	9.82
Total non-current Assets Pledged as Security	2226.11	2800.96
<b>Total Assets Pledged as Security</b>	<b>4205.19</b>	<b>6423.42</b>

### Note 45: Financial Risk Management

#### Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through the managing board, which evaluates and exercises independent control over the entire process of market risk management. The managing board recommend risk management objectives and policies, which are approved by Senior Management.

#### Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Particulars of unhedged foreign currency exposures as the reporting date

#### As at 31<sup>st</sup> March 2020

(Rs. in crores)

	USD	EURO	GBP	CNY	THB	JPY	BDT
Trade Receivable	93.34	69.78	8.47	-	-	-	0.63
Trade Payables	59.05	10.00	-	0.01	-	0.01	-
Cash and Bank Balance	0.01	0.01	-	-	0.01	-	-

#### As at 31<sup>st</sup> March 2019

(Rs. in crores)

	USD	EURO	GBP	CNY	THB	JPY	BDT
Trade Receivable	66.45	5.08	1.54	-	-	-	-
Trade Payables	59.04	11.46	0.01	-	-	0.01	-
Cash and Bank Balance	0.01	-	-	-	0.01	-	-

## Notes to financial statements for the year ended 31/03/2020

### Note 46: Capital risk management

#### (a) Risk Management

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### Note 47: Net Debt Reconciliation

(Rs. in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash and cash equivalents and Bank Overdrafts	6.43	7.03
Less:		
Non-current borrowings (including current maturities)	(1798.65)	(1572.97)
Current Borrowings	(3219.75)	(2871.99)
Interest Payable	(81.43)	(45.53)
<b>Net Debt</b>	<b>5093.40</b>	<b>4483.46</b>

#### Note 48 :

On an assessment of long dues of debtors and its recovery status, a provision for doubtful debts of Rs. 199.34 crores has been made in accounts for the year.

#### Note 49 :

- Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (MSME Act) is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.
- In terms of MSME Act interest on dues to vendors have been calculated and provided for in the Books, but the payment of interest will depend upon the terms/ understanding of mutual agreement with the parties.

### Note 50 : Exceptional Items:

#### 1. Loss on Sale of Fixed Assets:

During the year, as per plan for reduction of the Debt, the Company had disposed off its Non-Core Assets, and accordingly incurred a loss of Rs.381.93 crores on such sale.

#### 2. Term Loan Written Off:

Under the restructuring plan some bankers opted for One Time Settlement (OTS) of their respective loans (NPA in their books) and accordingly the principal amount of Rs.14.57 crores has been waived by them and is written back in the books of accounts.

## Notes to financial statements for the year ended 31/03/2020

### Note 51 :

Debt redemption note During the year Company redeemed the 46,313 optionally convertible Debentures of Rs. 1000 each issued to the lenders

### Note 52 :

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in all the units of the Company in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, unavailability of personnel, closure / lock down of production facilities etc. during the lockdown period. However, production and supply of goods has commenced during the month of May 2020 at Bangalore manufacturing facility of the Company.

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory end trade receivables. Based on current Indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of the financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business

### Note 53 :

Previous year figures have been re-grouped/reclassified wherever/necessary to make them comparable with current year

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W

**CA Pawan KR. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 20034147AAAABP6867  
Place : Mumbai  
Date : 28<sup>th</sup> July, 2020

**Aman Agrawal**  
Chairman

**A.R. Mundra**  
Executive Director-Finance

For and on behalf of Board of Directors

**Prashant Agrawal**  
Managing Director

**Prachi Deshpande**  
Director-Secretarial &  
Company Secretary  
Corporate Affairs,

## Independent Auditor's Report on the Consolidated IAS Financial Statements

To,

**The Members Bombay Rayon Fashions Limited**

### Report on the Consolidated Financial Statements

#### Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of **Bombay Rayon Fashions Limited** (herein referred to as "the Holding Company"), and its subsidiaries (the holding company and its subsidiaries together referred to as "the Group") comprising of the Balance Sheet as at 31<sup>st</sup> March 2020, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and the consolidated statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (**herein after referred to as "the consolidated Ind AS financial statements"**)
2. In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Ind AS consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31 March 2020, and its financial performance including comprehensive income, its cash flows and the change in equity for the year ended on that.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. There matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Management's Responsibility for the Consolidated Ind AS Financial Statements

5. The Holding Company's Management is responsible for the preparation of these financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Group; 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the directors of the holding company, as aforesaid.

#### Auditors Responsibility

6. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### **Other Matters**

- (a) Ind AS Financial statements of one subsidiary which reflect total assets of **Rs.83.51** crores as at March 31, 2020, total revenues of **Rs.0.53** crores and net cash outflows amounting to **Rs.0.01** crores for the year then ended, have been audited by us.

- (b) In case of **three** subsidiaries and **two** fellow subsidiaries the financial statements as at 31<sup>st</sup> March, 2020 are not available with the management of the company. (Refer Note 44)

Our opinion on the consolidated Ind AS financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the Ind AS financial statements/ Ind AS financial information audited by the other auditors.

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

8. 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 of the aforesaid consolidated Ind AS Financial Statements;
- b. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books and report of the other auditors.
- c. The Consolidated Balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flow and the consolidated statement of changes in equity dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards (Ind As) specified under Section 133 of the Act, read with relevant rule issued thereunder.
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 and taken on record by the Board of Directors, none of directors are disqualified as on 31<sup>st</sup> Mar-20 in terms of Section 164(2) of the Act;
- f. We have also audited the internal financial controls over financial reporting (IFCoFR) of the holding as of 31<sup>st</sup> March 2020 in conjunction with our audit of the consolidated Ind AS financial statements of the Group for the year ended on that date and our report dated 28.07.2020 as per Annexure I expressed.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated position of the Group- Refer note 32 to the Consolidated financial statements;
  - ii. The group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the group.

**As per our report of even date**

**For P.R. Agarwal & Awasthi**  
Chartered Accountants  
Frm Reg. No. 117940W

**CA Pawan K. Agarwal**  
Partner  
M. No. 34147  
UDIN: 20034147AAAABQ5245

Place: Mumbai  
Date: 28.07.2020

## Annexure I

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

1. In conjunction with our audit of the consolidated Ind AS financial statements of **Bombay Rayon Fashions Limited** ("the Company") as of and for the year ended 31<sup>st</sup> March 2020, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the criteria being specified by management. 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 the company's 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 Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.

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

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles including the Ind AS. A company's IFCoFR 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 consolidated Ind AS financial statements in accordance with generally accepted accounting principles including Ind AS, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2020, based on the criteria being specified by management.

**As per our report of even date**

**For P.R. Agarwal & Awasthi**

Chartered Accountants

Frm Reg. No. 117940W

**CA Pawan K. Agarwal**

Partner

M. No. 34147

UDIN: 20034147AAAABQ5245

Place: Mumbai

Date: 28.07.2020

Consolidated Balance Sheet as at 31<sup>st</sup> March 2020

(Rs. In Crores)

	PARTICULARS	Note	31st March, 2020	31st March, 2019
	<b>ASSETS</b>			
	<b>Non-current assets</b>			
a)	Property, Plant & Equipment	2	2,285.88	2,860.61
b)	Capital work-in-progress		18.51	18.34
c)	Other Intangible Assets	2	146.54	146.68
d)	Investment Property	3	-	58.30
e)	Financial Assets			
	(i) Investments	4	23.10	23.10
	(ii) Loans	5	131.74	137.85
	(iii) Other Financial Assets	6	0.34	0.44
f)	Deferred Tax Assets		1,668.13	673.63
g)	Other Non-current Assets	7	18.56	20.82
			4,292.79	3,939.77
	<b>Current assets</b>			
a)	Inventories	8	615.09	2,213.36
b)	Financial Assets			
	(i) Trade receivables	9	1,295.31	1,340.22
	(ii) Cash and cash equivalents	10	35.19	30.22
c)	Current Tax Assets	11	213.61	205.38
d)	Other current assets	12	178.88	221.48
			2,338.08	4,010.66
	<b>TOTAL ASSETS</b>		6,630.88	7,950.43
	<b>Equity</b>			
a)	Share Capital	13	317.48	317.48
b)	Other Equity	14	513.48	2,341.57
c)	Other Non Controlling Interest		1.49	1.49
			832.44	2,660.53
	<b>LIABILITIES</b>			
1)	<b>Non-current liabilities</b>			
a)	Financial Liabilities			
	(i) Borrowings	15	1,041.69	1,105.10
b)	Provisions	16	11.71	17.94
c)	Deferred Tax Liability	31	-	-
			1,053.40	1,123.04
2)	<b>Current liabilities</b>			
a)	Financial Liabilities			
	(i) Borrowings	17	3,223.55	2,872.11
	(ii) Trade payables	18	597.50	630.42
	(iii) Other Financial Liabilities	19	786.00	535.20
b)	Other Current Liabilities	20	119.79	108.66
c)	Provisions	21	5.88	8.22
d)	Current Tax Liabilities	22	12.31	12.25
			4,745.03	4,166.86
	<b>TOTAL EQUITY AND LIABILITIES</b>		6,630.88	7,950.43
Notes are integral part of the balance sheet & profit & loss account		1		

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W  
**CA Pawan KR. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 20034147AAAABQ5245  
Place : Mumbai  
Date : 28<sup>th</sup> July, 2020

**Aman Agrawal**  
Chairman

**A.R. Mundra**  
Executive Director-Finance

For and on behalf of Board of Directors

**Prashant Agrawal**  
Managing Director

**Prachi Deshpande**  
Director-Secretarial &  
Company Secretary  
Corporate Affairs,

## Consolidated Statement of Profit and Loss for the year ended 31/03/2020

(Rs. In Crores)

	PARTICULARS	Note	31st March, 2020	31st March, 2019
<b>INCOME :</b>				
	Revenue from Operations	23	488.49	973.65
	Other income	24	12.13	48.46
	<b>Total Revenue</b>		<b>500.62</b>	<b>1,022.11</b>
<b>EXPENDITURE :</b>				
	Cost of Material Consumed	25	782.28	917.37
	Changes in inventories of finished goods, work-in-progress and waste	26	958.21	1,098.18
	Employee benefits expenses	27	140.88	244.22
	Finance costs	28	441.52	444.93
	Depreciation and amortization expenses	29	138.40	159.65
	Other expenses	30	538.09	583.66
	<b>Total Expenditures</b>		<b>2,999.38</b>	<b>3,448.01</b>
	<b>Loss before extraordinary items and tax</b>		<b>(2,498.76)</b>	<b>(2,425.90)</b>
	<b>Extraordinary Items : (Refer Note 52)</b>			
	Prior year adjustments		-	0.07
	Exceptional items ( Profit/loss on Sale of Asset )		(340.10)	
	Exceptional items (Service Tax liability waiver)		3.05	
	Term Loan Written Off		14.57	
	<b>Profit before tax</b>		<b>(2,821.24)</b>	<b>(2,425.83)</b>
	<b>Tax expenses :</b>			
	Current tax		(0.09)	(0.66)
	Deferred tax		994.50	735.81
	Short/(Excess) Provision of Tax			(0.32)
	Mat Credit Entitlement		(2.42)	0.30
	<b>Profit (Loss) after tax</b>		<b>(1,829.24)</b>	<b>(1,690.70)</b>
	<b>Profit (Loss) for the year</b>		<b>(1,829.24)</b>	<b>(1,690.70)</b>
	Other Comprehensive Income		1.15	0.40
	Total Other Comprehensive Income		1.15	0.40
	<b>Total Comprehensive Income for the year</b>		<b>(1,828.09)</b>	<b>(1,690.30)</b>
	Earnings per equity share of Rs. 10 each			
	Basic & Diluted (in Rs.)		(57.62)	(53.25)
	Weighted average equity shares used in computing earning per equity shares			
	Basic and Diluted		31,74,76,479	31,74,76,479
Notes are integral part of the balance sheet & profit & loss account				

As per our report of even date

For **P.R. Agarwal & Awasthi**

Chartered Accountants

Firm Reg No.:117940W

**CA Pawan KR. Agarwal**

Partner

Membership Number- 34147

UDIN: 20034147AAAABQ5245

Place : Mumbai

Date : 28<sup>th</sup> July, 2020

For and on behalf of Board of Directors

**Aman Agrawal**

Chairman

**A.R. Mundra**

Executive Director-Finance

**Prashant Agrawal**

Managing Director

**Prachi Deshpande**

Director-Secretarial &amp;

Company Secretary

Corporate Affairs,

# Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March 2020

(Rs. In Crores)

	PARTICULARS	31st March, 2020	31st March, 2019
<b>A.</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
	Net Profit / (Loss) before Tax and after Extraordinary items	(2,821.24)	(2,425.83)
	Adjustment For :		
	Depreciation	138.40	159.65
	Exceptional items (Service Tax liability waiver)	(3.05)	-
	Term Loan Written Off	(14.57)	
	Interest & Finance charges	439.65	444.93
	Interest & Dividend received	(0.87)	(1.88)
	Provision for Doubtful Debts	199.34	88.85
	Profit (-) / Loss (+) on sale of Investments	-	-
	Profit (-) / Loss (+) on sale of Assets	348.61	34.91
	<b>Operative Profit before Working Capital Changes</b>	<b>(1,713.73)</b>	<b>(1,699.38)</b>
	Adjustment For :		
	Trade and Other Receivables	(103.36)	(36.06)
	Inventories	1,598.27	1,518.41
	Trade & Other payable	224.65	251.24
	<b>Cash Generation from Operations</b>	<b>5.83</b>	<b>34.21</b>
	Prior Period Item		-
	Direct Taxes	(10.51)	(4.87)
	<b>Net Cash Flow from operating activities</b>	<b>(4.67)</b>	<b>29.34</b>
		-	-
<b>B.</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
	Purchase of Fixed Assets(Net)	145.82	38.71
	Sale of Investment (Net)	-	-
	Increase in Foreign Exchange Fluctuation Reserve		-
	Interest & Dividend Received	0.87	(1.88)
	<b>Net Cash used in investing activities</b>	<b>146.69</b>	<b>36.83</b>
<b>C.</b>	<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
	Increase/ Decrease in Borrowings	302.60	17.58
	Interest on Term Loans & Others	(439.65)	(80.62)
	Decrease in Minority Interest	-	-
	<b>Net Cash used in financing activities</b>	<b>(137.05)</b>	<b>(63.04)</b>
<b>D.</b>	Net Change In Cash And Cash Equivalents (A+B+C)	4.97	3.13
	Cash and Cash Equivalents (Opening)	30.22	27.09
	Cash and Cash Equivalents (Closing)	35.19	30.22
Notes :	1. Figures in brackets represent cash outflows.		
	2. Previous year figures have been regrouped wherever necessary.		

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W  
**CA Pawan KR. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 20034147AAAABQ5245  
Place : Mumbai  
Date : 28<sup>th</sup> July, 2020

**Aman Agrawal**  
Chairman

**A.R. Mundra**  
Executive Director-Finance

For and on behalf of Board of Directors

**Prashant Agrawal**  
Managing Director

**Prachi Deshpande**  
Director-Secretarial &  
Company Secretary  
Corporate Affairs,

**Consolidated statement of Changes in Equity** for the Year ended 31st March, 2020.

## Statement of Changes in Equity –

**A. Equity share capital**

	Numbers	INR in Crores
<b>Balance as at 1 April 2018</b>	18,59,94,193	185.99
Changes in equity share capital during 2018-19	13,14,82,286	131.48
<b>Balance as at 31 March 2019</b>	<b>31,74,76,479</b>	<b>317.48</b>
<b>Balance as at 1 April 2019</b>	31,74,76,479	317.48
Changes in equity share capital during 2019-20	-	-
<b>Balance as at 31 March 2020</b>	<b>31,74,76,479</b>	<b>317.48</b>

**B. Other equity**

(Rs. In Crores)

	Reserves and surplus					Foreign Exchange Fluctuation Reserve*	Money recd against Share Warran	Total other Equity
	Securities premium	Retained earnings	Capital Reserve	Capital Reserve of Consolidation	General Reserve			
<b>Balance as at 1 April 2018</b>	4,541.61	-549.01	0.40	27.87	37.00	-75.31	49.31	4,031.87
Issue of Share Capital	-	-	-	-	-	-	-	-
Share Issue Expenses	-	-	-	-	-	-	-	-
Loss for the year	-	-1,690.70	-	-	-	-	-	-1,690.70
Prior Period Items	-	-	-	-	-	-	-	-
Other comprehensive income	-	0.40	-	-	-	-	-	0.40
Total comprehensive income for the year	-	-1,690.30	-	-	-	-	-	-1,690.30
<b>Balance as at 31 March 2019</b>	<b>4,541.61</b>	<b>-2,239.31</b>	<b>0.40</b>	<b>27.87</b>	<b>37.00</b>	<b>-75.31</b>	<b>49.31</b>	<b>2,341.57</b>
<b>Balance as at 1 April 2019</b>	<b>4,541.61</b>	<b>-2,239.31</b>	<b>0.40</b>	<b>27.87</b>	<b>37.00</b>	<b>-75.31</b>	<b>49.31</b>	<b>2,341.57</b>
Issue of Share Capital	-	-	-	-	-	-	-	-
Transfer during the year	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-
Loss for the year	-	-1,829.24	-	-	-	-	-	-1,829.24
Other comprehensive income	-	1.15	-	-	-	-	-	1.15
Total comprehensive income for the year	-	-1,828.09	-	-	-	-	-	-1,828.09
<b>Balance as at 31 March 2020</b>	<b>4,541.61</b>	<b>-4,067.40</b>	<b>0.40</b>	<b>27.87</b>	<b>37.00</b>	<b>-75.31</b>	<b>49.31</b>	<b>513.47</b>

As per our report of even date  
For **P.R. Agarwal & Awasthi**  
Chartered Accountants  
Firm Reg No.:117940W  
**CA Pawan KR. Agarwal**  
Partner  
Membership Number- 34147  
UDIN: 20034147AAAABQ5245  
Place : Mumbai  
Date : 28<sup>th</sup> July, 2020

For and on behalf of Board of Directors

**Aman Agrawal**  
Chairman

**Prashant Agrawal**  
Managing Director

**A.R. Mundra**  
Executive Director-Finance

**Prachi Deshpande**  
Director-Secretarial &  
Company Secretary  
Corporate Affairs,

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 1

#### SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2020

##### PRINCIPLES OF CONSOLIDATION

The Consolidated Ind AS financial statements relate to Bombay Rayon Fashions Ltd. ("the company") and its Subsidiaries.

#### 1. Basis of preparation of financial statements

##### i. Compliance with Ind AS

The Consolidated financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("Act") read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies adopted in the preparation of Ind AS financial statement are consistent with those of previous year.

##### ii. Basis of consolidation

Bombay Rayon Fashions Limited consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

##### iii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale – measured at lower of carrying amount or fair value less cost to sell
- 3) defined benefit plans – plan assets measured at fair value;

##### iv. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

##### v. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

#### 2. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions effect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditure during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding these estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 3. Revenue Recognition

Effective from 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) – 'Revenue from contracts with customers' using the cumulative catch-up transaction method, applied to contracts that were not completed

as on the transaction date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets/ liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant. Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

## Other operating revenue :

- i. Export Incentives under various schemes are accounted in the year of export.
- ii. Export sales are accounted for on the basis of dates of Bill of Lading. Gross Sales are inclusive of incentives/benefits, and net of sales returns.
- iii. Revenue from Job work is recognized when services are rendered.
- iv. Interest income is recognized on accrual basis.

## 4. Property, plant and equipment:

The Company had applied for the one time transaction exemption for considering the carrying cost on the transition date i.e. 1<sup>st</sup> April, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items

Fixed assets are stated at cost of acquisition less accumulated depreciation if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready to use, as intended by management. The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Lease hold Land	99 years
Site Development	99 years
Building-Residential (RCC)	60 years
Building-Residential (Non-RCC)	30 years
Factory Building	30 years
Office Premises	60 years
Plant & machinery	25 years
Vehicles	08 years
Computer	03 years
Furniture	10 years
Office Equipment	05 years

Depreciation methods, useful lives and residual value are reviewed periodically, including at each financial year end.

“Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use the assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013”.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under ‘Capital work – in - progress’. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably .Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred .The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

## 5. Intangible assets:

Intangible assets are stated at cost less accumulated amortization and impairment .Intangible assets are amortized over the irrespective individual estimated useful lives on a straight – line basis, from the date that they are available for use .The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry, and known technological advances ) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

## 6. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit & loss account as and when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### 7. Lease

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### i. Finance Lease:

- a. Leases where the Company has substantially transferred all the risks and rewards of ownership of the related assets are classified as finance leases. Assets under finance lease are capitalised at the commencement of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.
- b. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- c. Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the lease. Lease income is recognized over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

#### ii. Company under Operating leases:

The leases which are not classified as finance lease are operating leases.

- a. The Company as a lessee The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.
- b. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right of use assets is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application.
- c. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily Determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.
- d. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

#### iii. Transaction to Ind AS 116

- a. Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

- b. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

## 8. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, over short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 9. Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods, Stock –in-trade and Property under development are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out', Weighted Average cost' or 'Specific Identification', as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

## 10. Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets, Held for Sale and Discontinued Operations, when they are classified as held for sale.

## 11. Investments and other financial assets

### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
  - (2) those measured at amortised cost.
- The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

#### a. Debt Instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

- (1) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
- (2) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through statement of Profit and Loss. Interest income from these financial assets is included in other income.

#### b. Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

#### c. Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

## 12. Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or charges in circumstances indicate that they might be impaired. Other assets are

## Bombay Rayon Fashions Limited

tested for impairment whenever events or charges in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 13. Derivative financial instruments

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

### 14. Foreign Currency

#### (1) Functional Currency

The functional currency of the company is the Indian Rupee. The financial statements are presented in Indian Rupees (Rounded off to Crores).

#### (2) Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

### 15. Employee Benefits

1. Short Term Employee Benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
2. The Company operates the following post employment schemes:
  - a. Defined benefit plans - The obligation in respect of defined benefit plans, which covers Gratuity, Pension and other post-employment medical benefits, are provided for on the basis of an actuarial valuation at the end of each financial year using project unit credit method.
  - b. Defined contribution plans - Contribution payable to the recognised provident fund and approved superannuation scheme, which are substantially defined contribution plans, is recognised as expense in the Statement of Profit and Loss, when employees have rendered the service entitling them to the contribution.
3. Long Term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The liabilities on account of leave encashment have been provided on basis of an actuarial valuation on projected unit cost method.

### 16. Taxation

- a. Provision for current tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by applying the tax rates as applicable.
- b. Deferred tax is recognised subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### 17. Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

**18. Government Grants:**

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received, and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is netted off with the relevant expense. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

**19. Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes to the accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

**20. Earnings Per Share**

**i. Basic earnings per share :**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**ii. Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**21. Segmental Reporting:**

The Company is mainly engaged in the business of manufacturing of textiles consisting of yarn, fabrics and garments. Considering the nature of business and financial reporting of the Company, the Company has only one segment viz; textile as reportable segment. The Company operates in Local & Export segments geographically. The sale for both is separately given, but due to the nature of business the assets/liabilities and expenses for these activities cannot be bifurcated separately.

The Company is also engaged in power generation through coal and windmills & manufacturing of buttons, however the same are not considered as reportable segment in accordance with Ind AS – 108.

# Bombay Rayon Fashions Limited

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 2 : Property, Plant and Equipment

Details of the property, plant and equipment & Intangible Assets their carrying amounts are as follows:  
(Rs. In Crores)

	Free Hold Land	Lease Hold Land	Site Development	Factory Building	Non Factory Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer	TOTAL	Computer Software	Goodwill & Brands /trademarks	others	TOTAL
<b>Gross carrying amount</b>															
Balance as at 1 April 2019	1.22	123.66	2.98	708.37	23.58	3,897.33	62.79	18.59	14.65	16.45	4,869.62	20.27	201.90	1.36	223.53
Additions	-	-	-	0.86	-	0.47	0.24	-	0.04	-	1.61	-	-	-	-
Disposals	-	1.46	-	2.66	0.87	660.02	6.75	0.27	0.02	0.01	672.06	-	-	-	-
Net exchange differences/adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	1.22	122.20	2.98	706.57	22.71	3,237.78	56.28	18.32	14.67	16.44	4,199.17	20.27	201.90	1.36	223.53
<b>Depreciation and impairment</b>															
Balance as at 1 April 2019	-	1.45	0.36	220.44	6.17	1,687.46	52.80	11.56	13.16	15.61	2,009.01	12.13	64.13	0.60	76.86
Disposal	-	-	-	1.02	0.32	225.60	6.63	0.26	0.02	0.01	233.86	-	-	-	-
Depreciation	-	-	-	22.77	0.24	111.80	1.72	1.21	0.31	0.09	138.14	0.13	-	-	0.13
Balance as at 31 March 2020	-	1.45	0.36	242.19	6.09	1,573.66	47.89	12.51	13.45	15.69	1,913.29	12.26	64.13	0.60	76.99
<b>Carrying amount as at 31 March 2020</b>	1.22	120.75	2.62	464.38	16.62	1,664.12	8.39	5.81	1.22	0.75	2,285.88	8.01	137.77	0.76	146.54

	Free Hold Land	Lease Hold Land	Site Development	Factory Building	Non Factory Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computer	TOTAL	Computer Software	Goodwill & Brands /trademarks	others	TOTAL
<b>Gross carrying amount</b>															
Balance as at 1 April 2018	8.71	123.66	2.98	716.32	27.14	3,985.39	57.11	18.90	22.32	17.41	4,979.94	20.27	201.90	1.36	223.53
Additions	-	-	-	1.30	0.23	1.28	6.47	0.75	0.06	0.04	10.13	-	-	-	-
Disposals	7.49	-	-	9.25	3.79	89.34	0.79	1.06	7.73	1.00	120.45	-	-	-	-
Net exchange differences/adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	1.22	123.66	2.98	708.37	23.58	3,897.33	62.79	18.59	14.65	16.45	4,869.62	20.27	201.90	1.36	223.53
<b>Depreciation and impairment</b>															
Balance as at 1 April 2018	-	1.35	0.33	199.93	6.31	1,587.71	50.36	10.88	14.57	15.41	1,886.85	11.90	64.13	0.60	76.63
Disposal	-	-	-	3.30	0.56	28.90	0.76	0.86	1.81	-	36.19	-	-	-	-
Depreciation	-	0.10	0.03	23.81	0.42	128.65	3.20	1.54	0.40	0.20	158.35	0.23	-	-	0.23
Balance as at 31 March 2019	-	1.45	0.36	220.44	6.17	1,687.46	52.80	11.56	13.16	15.61	2,009.01	12.13	64.13	0.60	76.86
<b>Carrying amount as at 31 March 2019</b>	1.22	122.21	2.62	487.93	17.41	2,209.87	9.99	7.03	1.49	0.84	2,860.61	8.14	137.77	0.76	146.68

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 3 : Investment Property

(Rs. In Crores)

PARTICULARS	Non Factory Building
<b>Gross carrying amount</b>	
Balance as at 1 April 2019	67.33
Additions	-
	-
Disposals	67.33
	-
Balance as at 31 March 2020	-
<b>Depreciation and impairment</b>	
Balance as at 1 April 2019	9.03
Disposals	9.16
	-
Depreciation for the year	0.13
Balance as at 31 March 2020	-
<b>Carrying amount as at 31 March 2020</b>	-
PARTICULARS	Non Factory Building
<b>Gross carrying amount</b>	
Balance as at 1 April 2018	67.33
Additions	-
	-
Disposals	-
	-
Balance as at 31 March 2019	67.33
<b>Depreciation and impairment</b>	
Balance as at 1 April 2018	7.97
	-
	-
Depreciation for the year	1.07
Balance as at 31 March 2019	9.03
<b>Carrying amount as at 31 March 2019</b>	58.30

# Bombay Rayon Fashions Limited

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 4 : Non-current investments

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Investment in Equity instruments :</b>		
<b>In Other related parties</b>		
Unquoted : (Fully paid up) 3800000 Shares of Rs. 10/- each of Islampur Integrated Textiles Park Pvt. Limited	3.80	3.80
Unquoted : (Fully paid up) 3620000 Shares of Rs. 10/- each of Latur Integrated Textiles Park Pvt. Limited	3.62	3.62
Unquoted : (Fully paid up) 10000 Shares of Rs. 10/- each of Scotts Fashionciti India Limited	0.01	0.01
Unquoted : (Fully paid up) 2000000 Shares of Rs. 10/- each of Scotts Garments Limited	14.00	14.00
Unquoted : (Fully paid up) 180 Shares of Rs. 100/- each of Arihant	1.62	1.62
<b>In others</b>		
Unquoted : (Fully paid up) 5001 Shares of Rs. 100/- each of Raja Ram Bhapu Sahakari Bank Ltd	0.05	0.05
<b>Total</b>	<b>23.10</b>	<b>23.10</b>
<b>Aggregate Value of Quoted Investment</b>	-	-
<b>Market Value of Quoted Investment</b>	-	-
<b>Aggregate Value of Unquoted Investment</b>	<b>23.10</b>	<b>23.10</b>

### Note - 5 : Loans

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Capital Advances</b>		
Unsecured, considered good	0.05	0.05
Others	-	-
	<b>0.05</b>	<b>0.05</b>
<b>Security Deposits</b>		
Unsecured, considered good		
Dues from Directors and their related concerns	2.54	9.29
Others	25.49	20.52
	<b>28.03</b>	<b>29.81</b>
<b>Other loans and advances</b>		
Intercompany Deposits	103.66	107.99
Doubtful	-	-
Less: Provision for Doubtful advances	-	-
	<b>103.66</b>	<b>107.99</b>
<b>Total</b>	<b>131.74</b>	<b>137.85</b>

### Note - 6 : Other Financial Assets

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Bank Deposit having maturity over 12 Months	0.34	0.44
<b>Total</b>	<b>0.34</b>	<b>0.44</b>
Balance with banks to the extent held as margin money	0.34	0.44

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 7 : Other Non-Current Assets

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Capital Advances	18.56	20.82
<b>Total</b>	<b>18.56</b>	<b>20.82</b>

### Note - 8 : Inventories

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<i>(As certified by Management)</i>		
Raw Materials (Valued at cost)	356.22	934.82
Work-in-progress (Valued at cost)	130.40	608.42
Finished goods (Valued at lower of cost or net realisable value)	102.56	582.75
Stores and Spares (Valued at cost)	24.85	87.03
Stock in Transit(valued at cost)	0.97	0.26
Others (Valued at cost)	0.08	0.08
<b>Total</b>	<b>615.09</b>	<b>2,213.36</b>

### Note - 9 : Trade Receivables

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Unsecured, Considered Good		
Dues from Cos in which Directors are interested	0.18	0.27
Others	1,561.68	1,428.80
Less : Allowance from Doubtful Trade Receivables	(266.55)	(88.85)
<b>Total</b>	<b>1,295.31</b>	<b>1,340.22</b>

### Note - 10 : Cash and cash equivalents

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Balances with banks</b>		
Balance with Banks	23.60	21.73
Cash in hand	0.18	0.12
Bank Deposit	7.62	4.59
Money in Transit	3.79	3.78
<b>Total</b>	<b>35.19</b>	<b>30.22</b>

### Note - 11 : Current Tax Assets

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Mat Credit Entitlement	163.69	166.11
Income Tax (Net)	49.92	39.27
<b>Total</b>	<b>213.61</b>	<b>205.38</b>

# Bombay Rayon Fashions Limited

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 12 : Other current assets

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Advances other than Capital Advances</b>		
Balance with Government authorities:		
-Other than Income Tax	104.50	117.54
Advances other than Capital Advances	5.54	35.10
<b>Other Receivables</b>		
Others	68.84	68.84
<b>Total</b>	<b>178.88</b>	<b>221.48</b>

### Note : 13 Share Capital

A	Authorised Share Capital	Equity Share		Preference Shares	
		Number	Amount	Number	Amount
	Beginning of the year at 1 April 2018	36,50,00,000	365.00	-	-
	Increase/(decrease) during the year	-	-	-	-
	Total shares authorised as at 31 March 2019	36,50,00,000	365.00	-	-
	Total shares authorised as at 1 April 2019	36,50,00,000	365.00	-	-
	Increase/(decrease) during the year	-	-	-	-
	<b>Total authorised share capital as at 31 March 2020</b>	<b>36,50,00,000</b>	<b>365.00</b>	-	-
	<b>Terms/rights attached to equity shares</b>				
	The company has only one class of equity shares having par value of INR 10 per share.				

B	Issued, Subscribed & fully Paid Up	Equity Share		Preference Shares	
		Number	Amount (Cr.)	Number	Amount
	Balance as at 1 April 2018	31,74,76,479	317.48	-	-
	Changes during the period	-	-	-	-
	Balance as at 31 March 2019	31,74,76,479	317.48	-	-
	Balance as at 1 April 2019	31,74,76,479	317.48	-	-
	Changes during the period	-	-	-	-
	<b>Shares issued and fully paid as at 31 March 2020</b>	<b>31,74,76,479</b>	<b>317.48</b>	-	-

### C Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31st March, 2020		31st March, 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
State Bank of India	9,29,54,532	29.27%	9,29,54,532	29.28%
Axis Bank	2,55,20,484	8.03%	2,55,26,247	8.04%
AAA United B.V.	5,02,15,233	15.81%	5,04,64,386	15.90%
Ashwell Holding Company	2,51,47,066	7.90%	2,84,20,000	8.96%

### D Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
<b>Equity Shares :</b>	
Fully paid up pursuant to contract(s) without payment being received in cash	Nil
Fully paid up pursuant to scheme of CDR / S4A (Refer Note No. 35)	-
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note 14 - Other Equity

(Rs. In Crores)

PARTICULARS	As at 31 March 2020	As at 31 March 2019
<b>Capital Reserve</b>		
Opening Balance	0.40	0.40
(+)/(-) Transfer	-	-
Closing Balance	0.40	0.40
<b>Securities Premium Account</b>		
Opening Balance	4,541.61	4,541.61
(+)/(-) Transfer	-	-
(-) Share Issue Expenses	-	-
Closing Balance	4,541.61	4,541.61
<b>Retained Earnings</b>		
Opening balance	-2,239.71	-549.01
(+) Net Profit / (Net Loss) for the current year	-1,829.24	-1,690.70
(+) Prior Period Item		
Closing Balance	-4,068.95	-2,239.71
<b>Other Comprehensive Income</b>		
Opening balance	0.40	-
(+) Net Profit / (Net Loss) for the current year	1.15	0.40
Non Controlling Interest	-	-
Closing Balance	1.55	0.40
<b>General Reserves</b>		
Opening Balance	37.00	37.00
(+)/(-) Transfer	-	-
Closing Balance	37.00	37.00
<b>Capital Reserve on consolidation</b>		
Opening Balance	27.87	27.87
(+)/(-) Transfer	-	-
Closing Balance	27.87	27.87
<b>Foreign Exchange Fluctuation Reserve</b>		
Opening Balance	-75.31	-75.31
(+)/(-) Transfer	-	-
Closing Balance	-75.31	-75.31
<b>Money Recd against Share Warrants</b>		
Opening Balance	49.31	49.31
(+)/(-) Transfer	-	-
Closing Balance	49.31	49.31
<b>Total</b>	<b>513.48</b>	<b>2,341.57</b>

'Note: The option for conversion of 75 Lacs warrants could not be exercised by the allottee within the prescribed period of 18 months ending on 04.04.2012. The company & allottee had filed an application before Securities & Exchange Board of India (SEBI) for refund of the upfront money of Rs. 4931.25 lacs. The said application was rejected by SEBI vide its Order dated August 10, 2012 and the appeal made against the said order was dismissed by Securities appellate Tribunal (SAT) vide their order dated June 28, 2013. Further to that, an appeal filed before Supreme Court by the Company and the Promoters is pending, keeping the status quo with no further communication from SEBI in this regard.

# Bombay Rayon Fashions Limited

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 15 : Borrowings

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Secured Loans</b>		
<b>a) Optionally Convertible Debentures (Secured)</b>	<b>405.55</b>	410.18
<b>40,55,511 Debentures of Rs. 1000/- each</b>		
Debentures are secured by First pari-passu charge on entire Fixed Assets of the company alongwith collateral of first pari-passu charge on entire current assets of the Company and further secured by personal gurantee of promoters, corporate gurantees/ collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of 'Bombay Rayon' Brand.		
<b>a) Term Loans</b>		
<b>i. From banks</b>	<b>51.95</b>	173.65
<b>ii. From Others</b>	<b>270.23</b>	356.24
<i>Term Loans are secured by First pari-passu charge on entire Fixed Assets of the company alongwith collateral of first pari-passu charge on entire current assets of the Company and further secured by personal gurantee of promoters, corporate gurantees/collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of 'Bombay Rayon' Brand.</i>		
<i>Repayment of Loan and Interest on term loan from Bank &amp; FI due and unpaid as on 31.03.2020 of Rs.502.59 crores (Rs.276.36 crores)</i>		
<b>b) Vehicle Loans</b>		
From Banks	<b>1.49</b>	1.94
From Others	-	0.05
<i>The vehicle loans from the banks and others are secured by hypothecation of specified vehicles against which the finance is obtained</i>		
<b>Unsecured Loans</b>		
<b>a) From Related Parties :</b>		
i)From Promoters	<b>174.73</b>	122.02
<b>b) From Others</b>	<b>137.74</b>	41.02
<b>Total</b>	<b>1,041.69</b>	<b>1,105.10</b>

### Note - 16 : Provisions

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
For Employee Benefits:		
Gratuity	<b>11.18</b>	17.94
Leave Encashment	<b>0.53</b>	-
<b>Total</b>	<b>11.71</b>	<b>17.94</b>

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 17 : Borrowings

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>From banks</b>		
<b>Secured Loans</b>		
<b>Working Capital Loans</b>		
(i) from Banks	412.33	659.22
(ii) from Others	2,803.89	2,205.56
<i>Working capital Loans are secured by First pari-passu charge on entire current Assets of the Company alongwith collateral of First pari-passu charge on entire Fixed Assets of the Company and further secured by personal guarantee of promoters, corporate guarantees/collaterals provided by the subsidiary company and other companies of promoters, pledge of promoter shares and hypothecation of BRFL Brand.</i>		
<b>Unsecured Loans</b>		
Working capital loans from bank	7.33	7.33
<b>Total</b>	<b>3,223.55</b>	<b>2,872.11</b>

### Note - 18 : Trade payables

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Unsecured :</b>		
<b>Micro small and medium enterprise</b>	<b>19.61</b>	<b>20.27</b>
Others	577.89	610.15
<b>Total</b>	<b>597.50</b>	<b>630.42</b>
<i>The details of amount outstanding to Micro, Small and Medium Enterprises Based on available information is as under :</i>		
Principal amount due and remaining unpaid	16.19	15.82
Interest due on above and unpaid interest	3.32	4.45
Interest paid	-	-
Payment made beyond the appointed date during the year	-	-
Interest due and payable for the period of delay	3.32	0.45
Interest accrued and remaining unpaid	3.32	0.45
Amount of further interest remaining due and payable in succeeding year.	3.32	0.45
<b>TOTAL</b>	<b>19.51</b>	<b>20.27</b>

### Note - 19 : Other Financial Liabilities

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Outstanding expenses	57.12	58.60
Current maturities of Long Term Debts (Refer Note 17)	646.82	430.43
Interest Accrued	81.43	45.53
Others	0.63	0.64
	<b>786.00</b>	<b>535.20</b>

# Bombay Rayon Fashions Limited

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 20 : Other Current Liabilities

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Customer deposits & Advances	2.87	2.87
Accrued salaries and benefits	3.03	3.03
Statutory dues	102.38	99.37
Others	11.51	3.39
<b>Total</b>	<b>119.79</b>	<b>108.66</b>

### Note - 21 : Provisions

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Provision for employee benefits :</b>		
Short term provision for employees benefits	5.88	8.22
<b>Total</b>	<b>5.88</b>	<b>8.22</b>

### Note - 22 : Current Tax Liabilities

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Income Tax (Net)	12.31	12.25
<b>Total</b>	<b>12.31</b>	<b>12.25</b>

### Note - 23 : Revenue from operations

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Revenue from operations</b>		
<b>Sale of product :</b>		
Textile goods	400.51	877.60
Other goods	-	24.35
<b>Sale of service :</b>		
Jobwork receipt	87.45	65.35
Rental Income	0.53	6.35
<b>Total</b>	<b>488.49</b>	<b>973.65</b>

### Note - 24 : Other income

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Interest Income	0.87	1.88
Dividend Income		
Profit on sale of assets	8.42	21.19
Exchange fluctuation gain	0.34	18.86
Insurance Claim Received	-	1.11
Miscellaneous income	2.50	5.42
<b>Total</b>	<b>12.13</b>	<b>48.46</b>

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note - 25 : Cost of Materials consumed

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Inventory at the beginning of the year	934.78	1,258.26
Add : Purchase	203.68	593.93
	1,138.46	1,852.19
Less : Inventory at the end of the year	356.18	934.82
	782.28	917.37

### Note - 26 : Increase (-) / decrease (+) in inventories

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
<b>Inventory at the end of the year</b>		
Finished Goods	102.56	582.75
Work-in-progress	130.40	608.42
Wastage	-	-
	232.96	1,191.17
<b>Inventory at the beginning of the year</b>		
Finished Goods	582.75	1,168.53
Work-in-progress	608.42	1,120.56
Wastage	-	0.26
	1,191.17	2,289.35
<b>Increase (-) / decrease (+) in inventories</b>	<b>958.21</b>	<b>1,098.18</b>

### Note - 27 : Employee benefit expenses

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Salaries & wages	128.82	212.15
Contributions to provident and other fund	7.10	18.13
Gratuity & Bonus	-	1.07
Staff welfare expenses	4.96	12.87
<b>Total</b>	<b>140.88</b>	<b>244.22</b>

### Note - 28 : Finance costs

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Interest expense	439.65	441.83
Bank Charges	1.87	3.10
<b>Total</b>	<b>441.52</b>	<b>444.93</b>

### Note - 29 : Depreciation & Amortization Expenses

(Rs. In Crores)

PARTICULARS	31st March, 2020	31st March, 2019
Depreciation on Tangible Assets	138.14	158.35
Decpreciation on Investment Property	0.13	1.07
Depreciation on Intangible Assets	0.13	0.23
Impariment of Assets	-	-
<b>Total</b>	<b>138.40</b>	<b>159.65</b>

## Bombay Rayon Fashions Limited

### Note to Consolidated Financial Statement for the year ended 31/03/2020

#### Note - 30 : Other expenses

PARTICULARS	(Rs. In Crores)	
	31st March, 2020	31st March, 2019
Stores & spares consumption	131.81	160.30
Packing material and expenses	4.04	7.51
Power and fuel	75.16	99.39
Fiber Processing & Handling Expenses	-	
Water charges	11.63	9.04
<b>Job Charges for</b>		
Yarn	3.43	10.29
Process	0.60	0.54
Weaving	11.89	10.87
Design & development & Others	0.65	5.90
Rent	10.54	15.20
Rates and taxes	2.36	2.59
Insurance	4.49	2.39
Keyman Insurance	-	0.08
<b>Repair and maintenance</b>		
Plant and machinery	3.36	3.35
Building	0.95	0.45
Vehicles	0.50	0.60
Others	1.50	1.29
Advertising and business promotion	6.03	4.97
Books & Periodicals	-	-
Commission on sale	3.51	3.25
Traveling and conveyance	6.21	8.83
Transportation	4.72	42.84
Communication Expenses	2.11	2.75
Printing and stationary	0.18	0.35
Legal and professional fees	8.81	13.32
Director's Remuneration	6.00	5.76
Director's sitting fees	0.07	0.07
Auditor's remuneration	0.21	0.51
Environmental Control Expenses	0.41	0.49
Security Service Charges	3.85	4.67
Contract Labour	-	0.36
Loss on sale of fixed assets	16.93	56.10
Provision for Doubtful Debts	199.34	88.85
Interest on Delayed Payment of Service Tax	0.32	0.62
Miscellaneous expenses	16.48	20.13
<b>Total</b>	<b>538.09</b>	<b>583.66</b>
<b>Payments to Auditor</b>		
For Audit Fee	0.16	0.46
For Tax Audit Fee	-	0.04
For Certification & Others	0.05	0.01
<b>Total</b>	<b>0.21</b>	<b>0.51</b>

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note 31: Deferred Tax

PARTICULARS	31st March, 2020	31st March, 2019
Net Deferred Tax (Liability) (Closing)	1,668.13	-673.63
Less : Net Deferred Tax (Liability) (Opening)	673.63	62.18
<b>Total</b>	<b>994.50</b>	<b>- 735.81</b>

### Note 32: Contingent Liabilities Not Provided For

(Rs. In Crores)

Sr. No.	PARTICULARS	As at 31.03.2020	As at 31.03.2019
(i)	Bank Guarantee	1.83	2.41
(ii)	Employees Provident Fund	13.74	13.74
(iii)	Employees State Insurance Contribution	0.23	0.23
(iv)	Disputed demand outstanding related to Income Tax (The appeals/rectification are pending with income tax authorities)**	44.18	44.18
(v)	Penal Interest being charged by J M Financial	161.48	59.18
(vi)	Claims against the company towards energy charges on Captive Generation.	4.90	4.90
(vii)	Liability towards M/s Maharashtra State Cotton Grower Mktg. Federation on account of pending dispute under court of law.	0.74	0.74
(viii)	Disputed Sales Tax/ Entry Tax Demands	0.63	0.63
(ix)	Demand towards Show Cause Notice Issued by Additional commissioner of Central excise in the matter of wrong availment of cenvat on packing material used in packing of cotton waste, amount inclusive of penalty.	0.11	0.11
(x)	Demand towards Show Cause Notice Issued by Excise Department for charging Additional Customs Duty ,including penalty, on the import of HSD on account of which dispute is pending in high court	0.66	0.66
(xi)	Demand towards Show Cause Notice Issued by Excise Department for charging Additional Custom Duty, including penalty, on the import of HSD on account of which dispute is pending under Appeal	0.27	0.27
(xii)	Claim of Gujarat State Co-operative Cotton Federation Limited (GUJCOT) for cotton supplies, interest, carrying charges etc. disputed and not acknowledged by the Company. The case is pending before the court of board of nominees, Nominees of Registrar, Ahmedabad.	42.25	42.25

Contingent liabilities above of Subsidiary companies has been considered upto the last of available data i.e 31 Mar-19.

For the contingent liabilities in respect of the ESIC, PF and Income Tax pending before the respective appellant authorities are likely to be matter of settled in favor of company. In view of the management and accordingly no impact on the standalone financial statements.

Further, the Employees State Insurance Corporation (ESIC) authorities have erroneously raised a demand of ESI Contribution of Rs. 206.38 Crores u/s 45A of the ESI Act, the same was stayed for recovery by the Employees Insurance court, Mumbai vide its order dated 28.09.2017.

\*\* Out of the total tax demand for FY 12-13, the Original Demand is Rs.43.50 crores, refunds/payments adjusted with the demand Rs.17.53. Further for FY 03-04, 08-09 and 11-12 tax demand totaling to Rs.0.68 crores appeal effects are pending, once order is passed the demands would not payable.

# Bombay Rayon Fashions Limited

## Note to Consolidated Financial Statement for the year ended 31/03/2020

In respect of M/s. Bombay Rayon Holding Limited (wholly owned subsidiary company)

		(Rs. In Crores)	
Sr. No.	Particulars	31.03.2020	31.03.2019
1.	Corporate guarantee (restricted upto the realisable value of the mortgaged property).*	-	2027.95
2.	Disputed Dues of Income tax**	196.40	195.42

\* In the earlier years the subsidiary company instead of the company had given a corporate guarantee of Rs.2,02,794.53 Lacs for financial facilities availed by the Holding Company which is restricted upto the realisable value of the mortgaged property at Unit no.001, 101 & 201 in the Ground, 1st and 2nd Floor in the building called "DLH Best Seller" situated at Mangal Murthi co-op.Hsg Ltd, from Indian Overseas Bank (IOB).

During the year, IOB had assigned the loan to J M Financial Asset Reconstruction Company (JMFARC). JMFARC has initiated the action to sale the aforesaid mortgaged property pursuant to notice issued by IOB under the Securitisation and Reconstruction of Financial Asset and Enforcement of Security Interest Act, 2002 (SARFAESI Act) prior to assignment of loan. Accordingly the aforesaid mortgaged property was sold by JMFARC and the guarantees given earlier doesn't stand valid in the hands of the company.

\*\* For AY 09-10 to 14-15, demand amounting to Rs.19,541.87 lacs have been raised by the assessing officer, which was confirmed to by the Hon'ble DRP, Mumbai.

During the company has received the order dated 06.01.2020 from the Hon'ble ITAT, Mumbai. As per the said order the Hon'ble ITAT has directed the revenue department to compute the transfer pricing adjustment at an interest rate of LIBOR plus 200 as against the SBI PLR rate applied by the TPO/DPR.

This direction would sustainably reduce the demand raised at Rs.19,541.87 lacs for the respective years. The company is awaiting the appeal effect order to the ITAT order. For the addition confirmed by the ITAT, the Company is under process of filing an appeal before the Hon'ble Bombay High Court. The management of the company are of the view that the demand would be deleted in view of present judicial pronouncement on similar issue.

In the previous year the company had received a stay order dated 07<sup>th</sup> March, 2019 from the Hon'ble Bombay High Court, subject to payments of Rs.10 Crores as per the stipulated payments schedules. The payments had been made by the company in due course. Therefore the demand is not enforceable by the revenue department.

During the year the company received order passed u/s.143(3) for AY 2017-18, wherein a demand of Rs.98.41 lacs was raised, the company has preferred an appeal before the CIT(A), and the hearing is awaited. The management of the company are of the view that the demand would be deleted in view of present judicial pronouncement on similar issue.

### Note 33: Note on CSR

Pursuant to section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 including further amendments thereto, a company has to spend, in every financial year, at least 2% of the average net profits of the company made during the last three years immediately preceding financial year, as per the objects mentioned in the Rules.

The company has no average net profits during the immediately preceding last three financial years, hence the provisions of section 135 of the Companies Act, 2013 are not applicable.

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note 34 – Capital commitments

(Rs. In Crores)		
PARTICULARS	As on 31.03.2020	As on 31.03.2019
Estimated amount of Capital Contracts remaining to be executed (net of advances)	NIL	NIL

### Note 35 :

- A. Pursuant to Reserve Bank of India (RBI) vide its circular reference no. DBR. No. BP. BC. 101/21.04.048/2017-18 dated 12<sup>th</sup> February, 2018 the company had submitted the resolution plan for the restructuring of its loans in the previous year to the lenders where dues became Non-Performing Assets (NPA) in their Books. On offer from J M Financial Asset Reconstruction Company Limited (JMFARC), majority of the lenders opted to assign their outstanding Loans to JMFARC including working capital loans and Optionally Convertible Debentures (OCDs) Accordingly, total borrowings worth Rs. 3619.36 crores out of the total debt of Rs.4,270.18 crores, approximately 84.76% of total debt is with JMFARC on assignment of loans Since JMFARC is not a bank, the loan assigned to JMFARC is reflected in 'others.' The Lenders have not charged the interest on Loan amount being NPA but the company has made the provision of total interest amount (Rs. 81.43 crores) as per sanction terms in the Books of accounts and same is included in the total amount by Bankers
- B. The total borrowing accordingly as on 31<sup>st</sup> March, 2020 are as under:-

(Rs in crores)

Particulars	Bankers	JMFARC (Others)
Term loans	149.74	819.26
Working Capital	501.08	2800.10

- C. During the year the Rajaram Babu Sahakari Bank Ltd. has accepted the offer of one time settlement with the Company vide letter dated March 2,2020, therefore the company has not provided for interest on the outstanding balance of Rs.7.33 crores for the year.

### Note 36 : As per Accounting Standard 15 "Employee benefits as defined in the Accounting Standard are given below

#### Defined Gratuity Plan:

Sr. No.	PARTICULARS	As on 31.03.2020	As on 31.03.2019
<b>1</b>	<b>Assumption</b>		
	Discount Rate	5.76%	6.96%
	Salary Escalation	5.00%	5.00%
<b>2</b>	<b>Present value of Obligation</b>		
	Present value of obligations as at beginning of year	18.19	17.58
	Interest cost	1.06	1.38
	Current Service Cost	2.04	3.01
	Past service cost	-	-
	Benefits Paid	(4.08)	-3.35
	Actuarial (Gains)/Losses on Obligation – Due to change in Demographic Assumption	-	2.12
	Actuarial (Gains)/Losses on Obligation – Due to change in Financial Assumption	0.47	0.45
	Actuarial (Gains)/Losses on Obligation – Due to Experience	(1.62)	-2.99
	Present value of obligations as at end of year	16.06	18.19

**Note to Consolidated Financial Statement for the year ended 31/03/2020**

<b>3</b>	<b>Fair value of plan assets</b>		
	Fair value of plan assets at beginning of year	<b>0.11</b>	0.56
	Expected return on plan assets	<b>0.01</b>	0.05
	Contributions	-	-
	Assets Transferred In	-	-
	Benefits Paid	-	-0.47
	Return on Plant Assets, Excluding Interest Income	-	-0.02
	Fair value of plan assets at the end of year	<b>0.12</b>	0.11
<b>4</b>	<b>The amounts to be recognized in the balance sheet</b>		
	Present value of obligations as at the end of year	<b>-16.06</b>	-12.41
	Fair value of plan assets as at the end of the year	<b>0.12</b>	0.12
	Funded status (Surplus/(Deficit))	<b>-15.94</b>	-12.29
<b>5</b>	<b>Expenses Recognized in statement of Profit and loss</b>		
	Current Service cost	<b>2.03</b>	3.01
	Interest Cost	<b>1.06</b>	1.34
	Expenses to be recognized in statement of Profit and loss	<b>3.09</b>	4.35
<b>6</b>	<b>Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period</b>		
	Actuarial (Gains)/Losses on Obligation for the Period	<b>(1.15)</b>	0.52
	Change in Financial Assumptions	-	0.04
	Experience Variance	-	0.06
	Return on Plan Assets	-	0.02
	Net (Income)/Expenses for the period recognized in OCI	<b>(1.15)</b>	0.64

**Note – 37: Related Party Disclosure (as certified by management) - (with whom the transaction has been made during the year)**

<b>Name of the Related Party</b>		
<b>(A)</b>	<b>Related parties Subsidiary</b>	
A	STI India Ltd	
<b>(B)</b>	<b>Related parties where common control exists</b>	
A	Latur Integrated Textile Park Pvt. Ltd	
B	Islampur Integrated Textile Park Pvt. Ltd.	
C	Reynold Shirting Ltd. (upto 18/04/2018)	
D	Bombay Rayon Clothing Ltd (.upto 29/06/2017)	
E	Best United India Comforts Pvt. Ltd. (upto 04/10/2017)	
F	B. R. Machine Tools Pvt. Ltd. ( upto 29/06/2017)	
G	Best United Lifestyle Pvt. Ltd.	
<b>B</b>	<b>Key Managerial Personnel and their relatives</b>	
	<b>Name</b>	<b>Designation</b>
A	<b>For Holding Company</b>	
	Mr. Janardan Agrawal	Non Executive Chairman (upto 18 <sup>th</sup> April 2018)
	Mr. Aman Agrawal	Chairman
	Mr. Prashant Agrawal	Managing Director
	Mr. A.R. Mundra	Executive Director –Finance
	Ms. Prachi Deshpande	Director Secretarial & Corporate Affairs, Company Secretary
	Mr. Naseer Ahmed (upto 10/06/2019)	Independent Director
	Mr. A .Arumugham (upto 06/06/2019)	Independent Director
	Mr. John Mathew	Independent Director

## Note to Consolidated Financial Statement for the year ended 31/03/2020

	Ms. Manjiri Manohar Bhalerao (upto 16/07/2019)	Nominee Director – Exim bank
	Mr. Suresh Shankar Vishwasrao	Independent Director
	Mr. Vishal Kiran Sharma (from 21/12/2019)	Independent Director
	Mr. Jasmeet Singh Bhasin (from 21/12/2019)	Independent Director
B	<b>For Subsidiary</b>	
	Mr. Prashant Agrawal	Managing Director
	Mr. Aman Agrawal	Chairman
(C)	<b>Transactions with Related Parties</b>	

(Rs. In Crores)

	PARTICULARS	Current year	Previous year
	<b>Transaction with Subsidiary **</b>		
	Purchases	17.92	-
	Sales	2.95	-
	Loan/Advances Received Back (Net)		-
	Rent paid	0.01	-
	Job Work Charges Paid	2.82	-
	Loan/Advances taken back	6.00	-
	<b>Transaction with Other Related Parties</b>		
	Rent paid	3.75	6.92
	Purchase	-	-
	Sales	-	-
	Job Work charges Paid	-	0.26
	Sales – Job Work Income	-	-
	Rent deposit received back	3.00	-
	Rental Income	-	6.35
	Advances given	-	13.08
	<b>Transaction with Key managerial personnel &amp; other Relatives</b>		
	Director Remuneration	6.00	5.33
	Salary	-	0.66
	Director Sitting Fees	0.07	0.07

\*\* Transaction with Subsidiary company has not been eliminated since the financials of that company is not been consider for Consolidation (refer Note 48).

### Note 38:

Promoters, Promoter Group Companies and Subsidiary Companies have provided personal/corporate guarantee & collaterals which is restricted up to the realizable value of assets provided as security for securing the OCD's allotted to lenders, term loans and working capital loan facilities availed by the company.

### Note 39: Earnings Per Share

(Rs. In Crore)

Sr. No.	PARTICULARS	Current year	Previous year
(i)	No. of shares at the beginning of the year	31,74,76,479	31,74,76,479
(ii)	No. of Shares at the end of the year	31,74,76,479	31,74,76,479
(iii)	Weighted average number of Equity Shares outstanding during the year	31,74,76,479	31,74,76,479
	<b>EPS</b>		
(i)	Net (loss) available for Equity Shareholder (Rs. In Crore)	(1829.24)	(1,690.69)
(ii)	Basic Earning Per Share (in Rs.)	(57.62)	(53.25)
(iii)	Diluted Earning Per Share (in Rs.)*	(57.62)	(53.25)

# Bombay Rayon Fashions Limited

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note 40: C.I.F. Value of Imports

(Rs. In Crores)

PARTICULARS	Current year	Previous Year
(a) Stores & Spares	6.32	1.32
(b) Capital Goods	NIL	NIL
(c) Raw Materials	3.23	18.76

### Note 41: Expenditure in Foreign Currency

(Rs. In Crores)

PARTICULARS	Current year	Previous Year
(a) Traveling	0.20	0.35
(b) Commission on Export Sales	0.48	0.55
(c) Others	2.48	1.44

### Note 42: Earning in Foreign Exchange

PARTICULARS	Current year	Previous year
FOB value of Exports	36.63	232.17

### Note 43: Asset Pledged as Security

Particulars	Amount (Rs)	
	31 <sup>st</sup> Mar 2020	31 <sup>st</sup> Mar 2019
<b>Current Asset</b>		
<b>Non- Financial Assets</b>		
Inventory	610.66	2208.94
<b>Financial Assets</b>		
Trade receivables	1368.42	1413.52
Total current Assets Pledged as Security	1979.08	3622.46
<b>Non-Current Assets</b>		
Land	1368.42	124.93
Building	1979.08	505.34
Furniture	1368.42	9.84
Plant and Equipment	1979.08	2,209.83
Others	1368.42	68.70
Total non-current Assets Pledged as Security	2226.11	2,918.64
<b>Total Assets Pledges as Security</b>	<b>4205.19</b>	<b>6,541.10</b>

### Note 44: Financial Risk Management

#### Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

## Note to Consolidated Financial Statement for the year ended 31/03/2020

The Company manages market risk through the managing board, which evaluates and exercises independent control over the entire process of market risk management. The managing board recommend risk management objectives and policies, which are approved by Senior Management.

### Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Particulars of unhedged foreign currency exposures as the reporting date

As at 31<sup>st</sup> March 2020

(Rs. in crores)

	USD	EURO	GBP	CNY	THB	JPY	BDT
Trade Receivable	93.34	69.78	8.47	-	-	-	0.63
Trade Payables	59.05	10.00	-	0.01	-	0.01	-
Cash and Bank Balance	0.01	0.01	-	-	0.01	-	-

As at 31<sup>st</sup> March 2019

(Rs. in crores)

	USD	EURO	GBP	CNY	THB	JPY
Trade Receivable	66.45	5.08	1.54			
Trade Payables	59.04	11.46	0.01			0.01
Cash and Bank Balance	0.01				0.01	

### Note 45: Capital risk management

#### (a) Risk Management

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### Note 46: Net Debt Reconciliation

(Rs. in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash and cash equivalents and Bank Overdrafts	35.19	30.22
Less:		
Non-current borrowings (including current maturities)	(1688.51)	(1535.44)
Current Borrowings	(3,223.55)	(2872.11)
Interest Payable	(81.43)	(45.53)
<b>Net Debt</b>	<b>(4958.30)</b>	<b>(4422.95)</b>

# Bombay Rayon Fashions Limited

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note 47: Note on Subsidiary

List of Subsidiaries that have not been consolidated with the reasons for **NOT** consolidating the financials for FY19-20, therefore the figures are not comparable to the previous year figures:

Sr. No	Name of Subsidiary	Reasons
1)	BFRL Italia S.R.L.	Not Consolidated as Financial Statements are not available as the company is under the process of liquidation.
2)	BRFL Italia Licenses S.R.L	Not Consolidated as Financial Statements are not available.
3)	DPJ Clothing Ltd	Not Consolidated as Financial Statements are not available.
4)	BRFL Bangladesh Pvt. Ltd	Not Consolidated as no operation.
5)	STI India Ltd.	Not Consolidated as audited Financial Statements are not available. (Consider upto FY 18-19)

### Note 48: Additional Information pursuant to Para 2 of General Instructions for preparation of consolidated financial statements

Name of the Entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
BRFL (Parent Co.)	92.38%	724.86	-101.67%	-1879.96	100.00%	1.15	-101.68%	-1878.81
Subsidiaries								
- Indian								
1) STI India Limited	-2.71%	-21.28	0.00%	0.00	-	-	0.00%	0.00
2) Bombay Rayon Holdings Limited	10.33%	81.05	1.67%	30.96	-	-	1.68%	30.96
<b>Total</b>	<b>100.00%</b>	<b>784.63</b>	<b>-100.00%</b>	<b>-1,849.00</b>	<b>100.00%</b>	<b>1.15</b>	<b>-100.00%</b>	<b>-1,847.85</b>

### Note 49:

On an assessment of long dues of debtors and its recovery status, a provision for doubtful debts of Rs.199.34 crores has been made in accounts for the year.

### Note 50:

- Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" (MSME Act) is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.
- In terms of MSME Act interest on dues to vendors have been calculated and provided for in the Books, but the payment of interest will depend upon the terms/ understanding of mutual agreement with the parties.

## Note to Consolidated Financial Statement for the year ended 31/03/2020

### Note 51 : Exceptional Items

1. **Loss on Sale of Fixed Assets:**

During the year, as per plan for reduction of the Debt, the Company had disposed off its Non-Core Assets, and accordingly incurred a loss of Rs.340.10 crores on such sale.

2. **Term Loan Written Off:**

Under the restructuring plan some bankers opted for One Time Settlement (OTS) of their respective loans (NPA in their books) and accordingly the principal amount of Rs.14.57 crores has been waived by them and is written back in the books of accounts.

3. **Service Tax Waiver**

During the year the company had availed of the scheme initiated by the Indian Government with regard to overdue payments of indirect taxes i.e. Service tax. The company on opting for the scheme made a payment of Rs.154.10 Lacs out of the total Liability of Rs.459.25. On successful payments and fulfilment of the terms of the scheme the balance amount of Rs.305.15 lacs has been written back to the profit and loss account as the amount is no longer payable.

### Note 52 :

Debenture redemption note during the year Company redeemed the 46,313 optionally convertible Debentures of Rs. 1000 each issued to the lenders.

### Note 53 :

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in all the units of the Company in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, unavailability of personnel, closure / lock down of production facilities etc. during the lockdown period. However, production and supply of goods has commenced during the month of May 2020 at Bangalore manufacturing facility of the Company.

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory end trade receivables. Based on current Indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of the financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business

### Note 54 :

Previous year figures have been re-grouped / reclassified wherever necessary to make them comparable with current year.

As per our report of even date

For **P.R. Agarwal & Awasthi**

Chartered Accountants

Firm Reg No.:117940W

**CA Pawan KR. Agarwal**

Partner

Membership Number- 34147

UDIN: 20034147AAAABQ5245

Place : Mumbai

Date : 28<sup>th</sup> July, 2020

For and on behalf of Board of Directors

**Aman Agrawal**

Chairman

**Prashant Agrawal**

Managing Director

**A.R. Mundra**

Executive Director-Finance

**Prachi Deshpande**

Director-Secretarial &  
Company Secretary  
Corporate Affairs,

## Notice

**NOTICE** IS HEREBY GIVEN THAT THE **TWENTY SEVENTH** ANNUAL GENERAL MEETING ('AGM') OF THE MEMBERS OF BOMBAY RAYON FASHIONS LIMITED ('THE COMPANY') WILL BE HELD ON **Wednesday, 30th September, 2020 AT 12.30 P.M. IST** THROUGH VIDEO CONFERENCING ('VC')/OTHER AUDIO VISUAL MEANS ('OAVM') FACILITY, TO TRANSACT THE FOLLOWING BUSINESS:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a) the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March 2020 comprising of Balance Sheet as at 31<sup>st</sup> March 2020, Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date along with the Reports of the Board of Directors and the Auditors thereon; and
  - b) the audited consolidated financial statements of the Company and its subsidiaries for the financial year ended 31<sup>st</sup> March 2020 comprising of Balance Sheet as at 31<sup>st</sup> March 2020, Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date along with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Aman Agrawal (DIN:00019534) who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Prashant Agrawal (DIN:00019464) who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, sub-section (2) of Section 150, sub Section (2) of Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and as recommended by the Nomination and Remuneration Committee, Mr. Jasmeet Singh Bhasin (DIN; 08641063), who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director and who qualifies for being appointed as an Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation under Section 149(13) of the Companies Act, 2013 and to hold office for a period of 5 years from 21<sup>st</sup> December, 2019 till 20<sup>th</sup> December, 2024."

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary, be and is hereby authorised to do all such acts, deeds and things as are necessary to give effect to the resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, sub-section (2) of Section 150, sub Section (2) of Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and as recommended by the Nomination and Remuneration Committee, Mr. Vishal Sharma (DIN - 08641245), who was appointed as an Additional Director of the Company pursuant to the provision of the section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received notice under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director and who qualifies for being appointed as an Independent Director, be and is hereby appointed as an Independent Director of the

Company, not liable to retire by rotation under Section 149(13) of the Companies Act, 2013 and to hold office for of 5 years from 21<sup>st</sup> December, 2019 till 20<sup>th</sup> December, 2024.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and rules made there under and Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as amended from time to time and based on the recommendation of the Nomination and Remuneration Committee, Mr. John Mathew (DIN 01632626) in respect of whom the Company has received a notice in writing from a Member proposing the candidature of Mr. John Mathew for the office of Director pursuant to Section 160 of the Companies Act, 2013 as an Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (Five) consecutive years on the Board of the Company w.e.f. 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2025.

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds and things as are necessary to give effect to the resolution.”

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

**TRANSFER OF THE UNDERTAKING - TEXTILE UNIT, TARAPUR OF THE COMPANY BY WAY OF A SLUMP SALE AS ‘GOING CONCERN’ TO BRFL TEXTILES PRIVATE LIMITED:**

**“RESOLVED THAT** pursuant to Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 and applicable Rules made thereunder, the Memorandum and Articles of Association of the Company and subject to such other approvals/ consents as may be necessary and customary closing formalities, approval of the Members of the Company be and is hereby granted/ accorded to transfer the Undertaking -Textile Unit, Tarapur of the Company by way of a slump sale as a “going concern” to BRFL Textiles Private Limited (“**the Buyer**”) along with all the employees, assets and liabilities pertaining thereto including all licenses, permits, approvals, consents, contracts, brands whatsoever, at a lumpsum consideration of Rs. 630 crores and on the terms and conditions as more appropriately defined in the **Business Transfer Agreement** proposed to be executed by the Company with the Buyer with effect from such date as the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) may deem fit.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do and to delegate all such acts, deeds, matters and things as may be necessary or expedient without further referring to the Members of the Company, including finalizing/ determining the effective date, terms and conditions of the transfer by way of slump sale of the Undertaking - Textile Unit, Tarapur of the Company, methods and modes in respect thereof, finalizing and executing the necessary assignment/ business transfer documents, contracts, agreements filing intimations with and/ or obtaining approvals/ consents with the concerned regulatory/ statutory authorities, etc.”

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

**TRANSFER OF THE UNDERTAKING - TEXTILE UNIT, TARAPUR OF THE COMPANY BY WAY OF A SLUMP SALE TO BRFL TEXTILES PRIVATE LIMITED UNDER SECTION 188 OF THE COMPANIES ACT, 2013 AND REGULATION 23(4) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification, variation or re-enactment to any of the forgoing), and the provisions of the Memorandum and Articles of Association of the Company, and subject to the approvals, consents and permissions as may be necessary from the concerned statutory authorities and subject to such terms and conditions as may be imposed by them, and which may be agreed to by the Board of Directors of the Company (the Board, which expression shall also include a committee thereof), the consent of members of the Company be and is hereby accorded to the Board to enter into a Business Transfer Agreement (and all

## Bombay Rayon Fashions Limited

ancillary agreements in connection therewith) with BRFL Textiles Private Limited (“the Buyer”), a company incorporated under the provisions of the Companies Act, 2013, having its registered office at 4<sup>th</sup> floor, Mangalmurti, L. M. Road, Opp Canara Bank, Saraswat Colony, Santacruz (West), Mumbai 400054, in order to transfer the Undertaking -Textile Unit, Tarapur’ of the Company along with such employees, assets and liabilities, licenses, regulatory approvals, permits, contracts, brands, liabilities and interests thereof, for an overall lumpsum consideration of Rs. 630 crores, and on terms and conditions as more appropriately defined in the Business Transfer agreement proposed to be executed by the Company with the Buyer.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to undertake all such acts, deeds, matters and things and to finalize and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, including without limitation, effecting any modifications or changes to the foregoing, for the purpose of giving effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or to any Director or Officer(s) or Authorized Representative(s) of the Company in order to give effect to this resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved ratified and confirmed in all respect.”

**9. To consider and if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution INVESTMENT OF RS. 630 CRORES IN BRFL TEXTILES PRIVATE LIMITED, A WHOLLY – OWNED SUBSIDIARY OF THE COMPANY**

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification, variation or re-enactment to any of the foregoing), and the provisions of the Memorandum and Articles of Association of the Company, and subject to the approvals, consents and permissions as may be necessary from the concerned statutory authorities and subject to such terms and conditions as may be imposed by them, the consent of the members of the Company be and is hereby accorded for the investment of Rs. 630 crores in BRFL Textiles Private Limited, a wholly – owned subsidiary of the Company by way of subscription to the equity shares or such other convertible or non-convertible securities of the company in one or more tranches as the Board may decide.

**RESOLVED FURTHER THAT** the board of directors ( the Board, which expression shall also include a committee thereof) of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this Resolution.”

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

**INCREASE IN THE AUTHORISED SHARE CAPITAL AND CONSEQUENTIAL AMENDMENTS TO ARTICLES OF ASSOCIATION OF THE COMPANY:**

“**RESOLVED THAT** pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder, the consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs. 3,650,000,000 (Rupees Three Hundred Sixty Five Crores only) divided into 365,000,000 (Thirty Six Crores Fifty Lacs) Equity Shares of Rs.10/- each to Rs. 1100,00,00,000 (Rupees Eleven Hundred Crores only) divided into 110,00,00,000 (One Hundred and Ten crores) Equity Shares of Rs.10/- each, ranking pari passu with the existing shares in the Company by creation of 735,000,000 (Seven Thirty Five lacs) Equity Shares of Rs.10/- each and that the existing Clause V of the Memorandum of Association of the Company be modified and substituted with the following:

- V. The Authorised Share Capital of the Company is to Rs. 1100,00,00,000 (Rupees Eleven Hundred Crores only) divided into 110,00,00,000 (One Hundred and Ten crores) Equity Shares of Rs.10/- with the power to increase, consolidate,

decrease or to divide the Share Capital with or without any preference, priority or subject to any postponement of rights or to any conditions of restrictions, so that the conditions, of issue shall otherwise be subject to the power herein contained. The rights and privileges or conditions attached thereto may be altered or dealt with in accordance with the Clauses of the accompanying Articles of Association but not otherwise.

**RESOLVED FURTHER THAT** any of the Directors of the Company or the Company Secretary, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution”

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members be and is hereby accorded for substituting the article no. 4 of the Articles of Association of the Company as stated below:

“The Authorised Share Capital of the Company is to Rs. 1100,00,00,000 (Rupees Eleven Hundred Crores only) divided into 110,00,00,000 (One Hundred and Ten crores) Equity Shares of Rs.10/- each with the rights, privileges and conditions attaching thereto as provided by the Articles of Association of the company for the time being. The Company has power from time to time increase or reduce its capital and to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.”

**RESOLVED FURTHER THAT** all the Directors or Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds, things and take all such steps as may be necessary, proper expedient or incidental for the purpose of giving effect to this aforesaid resolution”.

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the shareholders of the Company hereby ratify and approve the appointment of M/s K.S. Kamalakara & Co., Cost Accountants, Bangalore (Firm Registration No. 000296) as the Cost Auditors of the Company as made by the Board upon recommendation of the Audit Committee of the Company, to conduct the audit of the cost records of the Company for the financial year 2019-20 at payment of remuneration of Rs. 2,00,000/- (Rupees Two Lacs only) plus applicable Government Taxes and reimbursement of travelling and actual out of pocket expenses incurred in relation to performance of their duties.

**RESOLVED FURTHER THAT** any one of the Directors of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds and things as are necessary to give effect to the resolution.”

Place: Mumbai  
Dated: 2<sup>nd</sup> September, 2020

By Order of the Board  
**Bombay Rayon Fashions Limited**  
**Prachi Deshpande**  
Company Secretary

Registered Office Address:  
**3<sup>rd</sup> Floor DLH Mangal Murti,**  
**Linking Road, Santacruz (West),**  
**Mumbai-400054.**  
**CIN: L17120MH1992PLC06680**  
**TEL No: +91 22 -61068800, Fax No :+91 22 61068830,**  
**Mail: investors@bombayrayon.com**

### NOTES:

1. In view of the outbreak of the COVID-19 pandemic, social distancing norms to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/ CFD/ CMD1/CIR /P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 27<sup>th</sup> (Twenty Seventh) AGM of the Company is being conducted through Video Conference (VC) / Other Audio Visual Means (OAVM), which does not require physical presence of Members at a common venue. In terms with the Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, the venue of the 27<sup>th</sup> (Twenty Seventh) AGM shall be deemed to be held at the Registered Office of the Company .
2. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 27<sup>th</sup> (Twenty Seventh) AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in terms of the provisions of Section 112 and Section 113 of the Act, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The Explanatory Statement pursuant to Section 102 of the Act in respect of business as set out in the Notice is annexed hereto.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorization can be sent to the Company at email [secretarial@bombayrayon.com](mailto:secretarial@bombayrayon.com) .
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names in the Register of Members will be entitled to vote.
8. The Register of Members and Share Transfer Books will remain closed from Saturday, 19th September, 2020 to Wednesday 30th September, 2020 (both days inclusive) for the purpose of the AGM.
9. The details required under Regulation 26(4) and 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, in respect to Brief resume of Directors proposed to be appointed / reappointed, nature of their expertise in specific functional areas, names of listed companies in which they hold directorships and the Memberships of Board Committees, shareholding and relationships between directors inter-se, are provided in the Annexure to the explanatory statement attached to this Notice.
10. As the AGM shall be conducted through VC / OAVM, the Route Map is not annexed to this Notice
11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send their share certificates to the RTA for consolidation into a single folio.

12. Nomination: Pursuant to Section 72 of the Act, Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in electronic / demat form, the Members may please contact their respective depository participant(s).
13. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to the RTA.
14. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, who have not updated their PAN with the Company are therefore requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the RTA of the Company or directly to the Company.
15. Shareholders are requested to note that furnishing of Permanent Account Number (PAN) is now mandatory in the following cases:- a) Transferees and Transferors PAN Cards for transfer of shares b) Legal Heirs'/Nominees' PAN Card for transmission of shares c) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and d) Joint Holders' PAN Cards for transposition of shares.

Shareholders are requested to note that furnishing of Permanent Account Number (PAN) is now mandatory in the following cases:-

- a. Transferees and Transferors PAN Cards for transfer of shares
  - b. Legal Heirs'/Nominees' PAN Card for transmission of shares
  - c. Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and
  - d. Joint Holders' PAN Cards for transposition of shares.
16. Share Transfer permitted only in Demat: As per Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. In view of the above and to avail the benefits of dematerialisation and ease portfolio management, Members are requested to consider dematerialization of shares held by them in physical form.
  17. Members are requested to send all communications relating to shares and unclaimed dividends, change of address, bank details, email address etc., to the Company's Registrar and Share Transfer Agent Link Intime India Private Limited at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083 can also send an email at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or [investors@bombayrayon.com](mailto:investors@bombayrayon.com) for sending the document in electronic form.
  18. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the Register of Contract or Arrangements in which the directors are interested, maintained under section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such document can send an email to HYPERLINK [investors@bombayrayon.com](mailto:investors@bombayrayon.com).

#### **DISPATCH OF ANNUAL REPORT THROUGH EMAIL AND REGISTRATION OF EMAIL IDs:**

- a. In compliance with MCA Circular No. 20/2020 dated May 5, 2020 and SEBI Circular No. SEBI/ HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 and owing with CDSL for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by Shareholders using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- b. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

## Bombay Rayon Fashions Limited

- c. The Company has appointed Mr. Himanshu S. Kamdar, Practicing Company Secretary (FCS 5171), as a scrutinizer (the 'Scrutinizer') for conducting the voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.
- d. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and is holding shares as of the cut-off date, i.e., Saturday, 19th September, 2020
- e. may obtain the login details in the manner as mentioned below

**The instructions for Shareholders voting electronically are as under:**

- I. The voting period begins Saturday, 26th September, 2020 at 9.00 a.m. (IST) and ends on Tuesday, 29th September, 2020, at 5.00 p.m. (IST). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., Saturday, 19th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter
- II. The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- III. Click on "Shareholders" module.
- IV. Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company. OR
  - d) Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- V. Next enter the Image Verification as displayed and Click on Login.
- VI. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.
- VII. If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

### PAN

- Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
- Dividend Bank Details or Date of Birth (DOB)
- Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (v).

- VIII. After entering these details appropriately, click on "SUBMIT" tab.
- IX. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for evoting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- X. For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XI. Click on the EVSN: Bombay Rayon Fashions Limited, on which you choose to vote.
- XII. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XIII. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XIV. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- XV. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XVI. You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- XVII. If Demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVIII. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

- a.) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to our RTA Linkin time or Company to and / or update.
- b.) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to RTA and Company.

**NOTE FOR NON - INDIVIDUAL SHAREHOLDERS AND CUSTODIANS**

- a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- d. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- f. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarial@bombayrayon.com](mailto:secretarial@bombayrayon.com), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

## Bombay Rayon Fashions Limited

- b. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- c. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- d. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- a. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under Shareholders /Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in Shareholder / Members login where the EVSN of Company will be displayed.
  - b. Members may join the Meeting through Laptops, Smartphones, Tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
  - c. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  - d. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@bombayrayon.com](mailto:secretarial@bombayrayon.com) The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@bombayrayon.com](mailto:secretarial@bombayrayon.com). These queries will be replied to by the company suitably by email.
  - e. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
19. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
20. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
21. All grievances connected with the facility for voting by electronic means may be addressed to The Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
22. The Scrutinizer shall, after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Meeting and 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 no later than 48 hours of the conclusion of the meeting a Consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes if any, forthwith to the Chairman of the Company or the person authorized by him, who shall countersign the same and declare the result of the voting forthwith.

23. The result declared along with the Scrutinizer's Report shall be placed on the Company's website. Company shall simultaneously forward the same to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
24. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. on Wednesday, 30th September, 2020 , subject to receipt of the requisite number of votes in favour of the Resolutions.
25. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 28 The results declared along with the Scrutinizer's Report shall be placed on the Company's web-site [www.bombayrayon.com](http://www.bombayrayon.com) and on the web-site of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Ltd., where the shares of the Company are listed, and on the notice Board of its Registered and Corporate Offices.

**By Order of the Board**  
**Bombay Rayon Fashions Limited**

**Prachi Deshpande**  
**Company Secretary**

Place: Mumbai  
Dated: 2<sup>nd</sup> September, 2020

**Registered Office Address:**

3<sup>rd</sup> floor DLH Mangal Murti, Linking Road,  
Santacruz (West)  
Mumbai-400054  
CIN: L17120MH1992PLC066880  
TEL No: +91 22 6106 8800  
Fax No :+91 22 6106 8830  
Mail: [investors@bombayrayon.com](mailto:investors@bombayrayon.com)  
Website: [www.bombayrayon.com](http://www.bombayrayon.com)

## ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

### Item no. 4 & 5

The Board had, based on the recommendations of the Nomination and Remuneration Committee ('NRC'), appointed Mr. Jasmeet Singh Bhasin (DIN: 08641063) and Mr. Vishal Sharma (DIN - 08641245) as Additional Directors of the Company with effect from December 21, 2019. In terms of Section 161(1) of the Act, Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma hold their respective office upto the date of this AGM and are eligible for appointment as Directors. The Company has received Notices from Members in writing under Section 160(1) of the Act proposing their respective candidature for the office of Director. Based on the recommendations of the NRC and subject to the approval of the Members, Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma were also appointed as Independent Directors of the Company respectively, not liable to retire by rotation, for a period of 5 years commencing from December 21 2019 to December 20, 2024, in accordance with the provisions of Section 149 read with Schedule IV of the Act. Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma have respectively consented to act as Director of the Company and have given declarations to the Board that each of them meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma have confirmed that none of them is aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their respective ability to discharge their duties. Each of the two Directors have also confirmed that none of them is debarred from holding the office of a Director by virtue of any SEBI Orders or any such Authority pursuant to Circular dated June 20, 2018, issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma are not disqualified from being appointed as Director in terms of Section 164 of the Act. Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma have confirmed that each of them is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their respective registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

The documents pertaining to Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma as mentioned herein are available for inspection of members in electronic mode.

The Company is likely to immensely benefit from the experience of Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma. Brief resume of Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma respectively are forming part of this notice.

The Board recommends both the resolutions for your approval.

The Board has also satisfied itself that Mr. Jasmeet Singh Bhasin and Mr. Vishal Sharma fulfil all the conditions of being independent Director specified SEBI Regulation and Companies Act 2013.

Except Mr. Jasmeet Bhasin and Mr. Vishal Sharma being interest in their respective appointments none of the other Director(s)/Key Managerial personnel of the Company and/ or their relatives is concerned or interested financially otherwise in this resolution

### Item no. 6

As per the provisions of Section 149 of the Companies Act, 2013 and the Rules made thereunder, an Independent Director shall hold office for a term of up to five consecutive years. In the opinion of the Board, Mr. John Mathew qualifies to be Independent Director in accordance with the conditions specified under Section 149(6) of the Companies Act, 2013 for second term of 5 years. The said Independent Director shall not be liable to retirement by rotation. The Company has received Notice in writing from a member of the Company, as per the provisions of Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Mr. John Mathew for the office of Director of the Company. The copy of the notice as aforesaid and a copy of draft letter of appointment of the aforesaid Director as Independent Director setting out the terms and conditions is available for inspection by the members at the Company's on its website. Brief resume of Mr. John Mathew including the nature of their expertise in specific functional areas and names of companies in which he holds directorship and membership/ chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (LODR)

Regulations, 2015, is provided hereunder. Mr. John Mathew is deemed to be interested or concerned in the respective resolution for his re-appointment.

Apart from the said director, none of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested in the above resolutions. Your Directors recommend the resolutions as mentioned in Item No. 6 of the Notice for your approval. A brief resume of Mr. John Mathew is forming part of this notice.

### Item No. 7

#### **Approval for slump sale of the Undertaking -Textile Unit, Tarapur of the Company under Section 180(1)(a) of the Companies Act, 2013**

Section 180(1)(a) of the Companies Act, 2013 ('the Act') provides that the Board of Directors of a company shall not, except with the consent of the Members by way of a special resolution through postal ballot, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company. As per proviso to Rule 22(16) of the Companies (Management and Administration) Rules, 2014, the items required to be passed by a postal ballot, may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under section 108. Explanation (i) to Section 180(1)(a) of the Act provides that the expression "undertaking" for the purpose of Section 180(1)(a) of the Act shall mean an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of the company during the previous financial year

As a part of restructuring the operations of the Company and improving its financial viability, the Board of the Company has proposed to transfer its Textile Processing Unit with all facilities at C 6 & C7, Tarapur Industrial Area, MIDC, Near Tarapur Vidhya Mandir, Taluka- Palghar, Boisar, Maharashtra, 401506, along with warehousing facilities in Maharashtra and marketing set up (hereinafter referred at 'Undertaking -Textile Unit, Tarapur') to BRFL Textiles Private Limited, a company incorporated under the provisions of the Companies Act, 1956, having its registered office at 4th floor, DLH Mangalmurthi Building, Linking Road, Santacruz West, Mumbai 400054 and a wholly owned subsidiary of the Company. For the purposes of affecting the transfer of the Undertaking -Textile Unit, Tarapur, the Company proposes to execute a Business Transfer Agreement ("BTA") and other related agreements, such as assignment deeds, etc.

The Board at its meeting held on 2nd September, 2020 has approved the sale of the Undertaking -Textile Unit, Tarapur, on a going concern basis, by way of a slump sale to the Buyer in accordance with the terms of the draft BTA tabled before it, which is proposed to be entered into between the Company and the Buyer and approved by the Board at the same meeting, all subject to the approval of the shareholders of the Company.

As per the terms of the BTA, the Undertaking -Textile Unit, Tarapur, which comprises of, amongst other things and as more specifically provided in the BTA:

- defined manufacturing facilities, factory building, leased land;
- defined loose plant, spare and replacement parts, machinery, equipment, tooling, furniture, vehicles, smartphones, tablets and other tangible property,
- defined inventory, work-in-progress, related to the Undertaking -Textile Unit, Tarapur;
- defined marketing authorizations;
- amounts receivable in respect of trade debtors by the Company to the extent exclusively related to the Undertaking -Textile Unit, Tarapur;
- defined prepaid expenses;
- defined books and records;
- defined intellectual property rights and information technology systems;
- defined business contracts;

## Bombay Rayon Fashions Limited

- defined transferable business permits;
- specific liabilities
- specific employees
- certain permits, contracts, registrations, licenses

and any other assets, properties or rights exclusively related to the Undertaking -Textile Unit, Tarapur.

Since the proposed transfer of Undertaking -Textile Unit, Tarapur by way of a slump sale as “going concern” exceeds the specified limits mentioned above, the resolution in the accompanying notice is proposed to seek shareholders’ approval through special resolution.

The *salient features* of the proposed Slump Sale by the Company are as follows:

- a. This transaction envisages selling the Undertaking -Textile Unit, Tarapur of the Company;
- b. The Undertaking -Textile Unit, Tarapur of the Company earned a revenue of Rs. 372.77 crores (76.39% of the Company’s total turnover) and had a net worth Rs. 821.52 crores during FY 2019-20;
- c. The sale of the Undertaking -Textile Unit, Tarapur would be made by way of a slump sale of a going concern, i.e., on a lock, stock and barrel basis.
- d. The Buyer is BRFL Textiles Private Limited, presently a wholly- owned subsidiary of the Company. Further shares would eventually be issued by it to other External Investors and to the promoters of the company but even after such further issue of shares, the buyer would remain a Subsidiary of the Company.
- e. Based on the Valuation Report by M/s. V. K. Beswal & Associates, Chartered Accountants (an external independent Valuer), the Tarapur Undertaking is valued at a lumpsum figure of Rs. 615 crores. Keynote Financial Services Limited, Merchant Bankers have given their Fairness Report on this Valuation.
- f. The Audit Committee of the Company has ascertained the reasonableness of this Valuation Report and also the fact that the consideration based on the above range would be on an arms’ length basis.
- g. It is proposed to complete the Slump Sale within 90 days or such extended time as decided by the Board from the date of approval from the shareholders of the Company.

The Board of Directors is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the special resolution for approval of the members.

None of the (except the Promoter Directors), Key Managerial Personnel of the Company and their respective relatives are interested or concerned in the said resolution except to the extent of their respective shareholding, if any, in the Company.

### Item No. 8

#### **Approval for transfer of the Undertaking -Textile Unit, Tarapur of the Company to BRFL Textiles Private Limited under Section 188(1)(b) of the Companies Act, 2013 and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

As per the provisions of Section 188(1)(b) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, a company shall not enter into any contract or arrangement with a related party with respect to selling or otherwise disposing of, or buying, property of any kind amounting to 10% or more of the net worth of the Company, except with the prior approval of the shareholders by way of an ordinary resolution in accordance with the provisions of the Act. Since the Company and the Buyer are related parties in terms of Section 2(76) of the Act, and the value of the overall consideration under the BTA is in excess of 10% of the net worth of the Company, the proposed transaction with the Buyer is a related party transaction under Section 188 of the Act requiring the prior approval of the shareholders by way of an ordinary resolution.

Further, pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), approval of the members through ordinary resolution is required for all material related party transactions. Under the Listing Regulations, the definition of “related party” is inter alia as per the Act, and a transaction with a related party is considered “material” if the transaction or transactions to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the Company, as per its last audited financial statements. Since the Buyer is a related party and the proposed transaction with such entity meets the abovementioned requirement, prior approval of the shareholders by way of an ordinary resolution is required under Regulation 23(4) of the Listing Regulations.

The Board at its meeting held on 2nd September, 2020 has approved the sale of the Undertaking -Textile Unit, Tarapur, on a going concern basis, by way of a slump sale to the Buyer in accordance with the terms of the draft business transfer agreement tabled before it (BTA), which is proposed to be entered into between the Company and the Buyer and approved by the Board at the same meeting, all subject to the approval of the shareholders of the Company.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014:

- a) Name of the related party: BRFL Textiles Private Limited
- b) Name of the director or key managerial personnel who is related, if any: Mr. Aman Agrawal and Mr. Prashant Agrawal are the promoter directors of the Company and are also the directors of BRFL Textiles Private Limited
- c) Nature of relationship: The Company (on the one hand) and the Buyer (on the other hand) are related parties under Section 2(76) of the Companies Act, 2013.
- d) Nature, material terms, monetary value and particulars of the contract or arrangement:
  - (i) The BTA involves transfer of the Undertaking -Textile Unit, Tarapur of the Company to the Buyer and/or its affiliates
  - (ii) The overall consideration under the BTA is Rs 630 crores (Indian Rupees Six Hundred and Thirty crores). The overall consideration amount has been determined based on the value of the Undertaking -Textile Unit, Tarapur as a whole and is proposed to be paid as a lump sum consideration for transfer of the Undertaking -Textile Unit, Tarapur by the Company to the Buyer on a going concern basis. In order to arrive at this overall consideration amount, the Board has obtained and relied upon valuation report issued by M/s. V. K. Beswal & Associates, Chartered Accountants and fairness opinion issued by Keynote Financial Services Limited. No values have been assigned to any of the individual assets or assumed liabilities comprised in the Undertaking -Textile Unit, Tarapur.
  - (iii) The completion of the transactions proposed under the BTA is subject to various conditions and approvals.
  - (iv) From the date of execution of the BTA till the completion of the transactions under the BTA, the Company is required to conduct the Undertaking -Textile Unit, Tarapur in the ordinary and usual course of business, consistent with past practice.
- e) Any other information relevant or important for the members to take a decision on the proposed resolution: All important or relevant information have been provided in the foregoing paragraphs of this explanatory statement.

All the persons falling under the definition of related party as prescribed under the applicable laws, shall abstain from voting, irrespective of whether the person is party to the particular transaction or not. The promoter shareholders of the Company are related parties, and hence will abstain from voting in respect of the said resolution.

The Board of Directors is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the ordinary resolution for approval of the members.

None of the Directors (except the Promoter Directors), Key Managerial Personnel of the Company and their respective relatives are interested or concerned in the said resolution except to the extent of their respective shareholding, if any, in the Company

### Item no. 9

**To consider and approve investment of Rs. 630 crores in BRFL Textiles Private Limited, a wholly – owned subsidiary of the Company under Section 188 of the Companies Act, 2013 and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The company is proposed to invest Rs. 630 crores in BRFL Textiles Private Limited by way of subscription into equity shares or such other convertible or non-convertible securities of the company in one or more tranches as the Board may decide for the smooth and viable operations of the businesses after the restructuring to take the full advantage of the Company's specific businesses.

As per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, a company shall not enter into any contract or arrangement with a related party with respect to selling or otherwise disposing of, or

## Bombay Rayon Fashions Limited

buying, property of any kind amounting to 10% or more of the net worth of the Company, except with the prior approval of the shareholders by way of an ordinary resolution in accordance with the provisions of the Act. Since the Company and the Buyer are related parties in terms of Section 2(76) of the Act, and the amount of investment proposed to be made in BRFL Textiles Private Limited exceeds 10% of the net worth of the company, the proposed transaction with BRFL Textiles Private Limited require the prior approval of the shareholders by way of an ordinary resolution.

Further, pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), approval of the members through ordinary resolution is required for all material related party transactions. Under the Listing Regulations, the definition of “related party” is inter alia as per the Act, and a transaction with a related party is considered “material” if the transaction or transactions to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the Company, as per its last audited financial statements. Since BRFL Textiles Private Limited is a related party and the proposed transaction with such entity meets the abovementioned requirement, prior approval of the shareholders by way of an ordinary resolution is required under Regulation 23(4) of the Listing Regulations.

The Board at its meeting held on 2nd September, 2020 has approved the investment of the company in BRFL Textiles Private Limited, all subject to the approval of the shareholders of the Company.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014:

- a) Name of the related party: BRFL Textiles Private Limited
- b) Name of the director or key managerial personnel who is related, if any: Mr. Aman Agrawal and Mr. Prashant Agrawal are the promoter directors of the Company and are also the directors of BRFL Textiles Private Limited
- c) Nature of relationship: The Company (on the one hand) and BRFL Textiles Private Limited (on the other hand) are related parties under Section 2(76) of the Companies Act, 2013.
- d) Nature, material terms, monetary value and particulars of the contract or arrangement:
- e) Any other information relevant or important for the members to take a decision on the proposed resolution: All important or relevant information have been provided in the foregoing paragraphs of this explanatory statement.

All the persons falling under the definition of related party as prescribed under the applicable laws, shall abstain from voting, irrespective of whether the person is party to the particular transaction or not. The promoter shareholders of the Company are related parties, and hence will abstain from voting in respect of the said resolution.

The Board of Directors is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the ordinary resolution for approval of the members.

None of the Directors (except the Promoter Directors), Key Managerial Personnel of the Company and their respective relatives are interested or concerned in the said resolution except to the extent of their respective shareholding, if any, in the Company

### Item no. 10 & 11

The Board of Directors of the Company is considering the restructuring proposals which would require the increase in authorised capital. Accordingly it is proposed to increase its Authorised Share Capital of the Company from existing Rs. 3,650,000,000 (Rupees Three Hundred Sixty Five Crores only) divided into 365,000,000 (Thirty Six Crores Fifty Lacs) Equity Shares of Rs.10/- each to Rs. 1100,00,00,000 (Rupees Eleven Hundred Crores only) divided into 110,00,00,000 (One Hundred and Ten crores) Equity Shares of Rs.10/- and that the existing Clause V of the Memorandum of Association of the Company be modified and substituted accordingly.

A draft copy of the altered Memorandum of Association & Articles of Association of the Company is available for inspection by the shareholders/members of the in electronic mode

As per the provisions of Sections 13, 14, 61 and 64 of the Companies Act, 2013 (“Act”), approval of members is necessary for increase in Authorised Share Capital and consequent alteration of Clause V of the Memorandum of Association & Article no. 4 of the Article of Association of the company as set out in item no 10 &11 of the Notice

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the proposed resolution.

**Item no. 12**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company are required to ratify the payment of remuneration to M/s K.S. Kamalakara & Co., Cost Accountants, Bangalore (Firm Registration No. 000296) as considered and approved by the Board of Directors, as per the recommendation of the Audit Committee, for the Financial Year 2020- 21, of Rs. 2,00,000/- per annum and reimbursement of out of pocket expenses and taxes as may be applicable to the Cost Auditors. The Board recommends the resolution for the approval of the Members.

None of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Persons, Relatives of Promoters, Directors and Key Managerial Persons or the entities comprising the interest of Promoters, Directors or Key Managerial Persons, are concerned or interested in the above resolutions.

By Order of the Board  
For **Bombay Rayon Fashions Limited**

**Prachi Deshpande**  
Company Secretary

Place: Mumbai  
Dated: 2<sup>nd</sup> September, 2020

Registered Office Address:  
3<sup>rd</sup> floor DLH Mangal Murti, Linking Road,  
Santacruz (West)  
Mumbai-400054  
CIN:L17120MH1992PLC06680  
**TEL No:** +91 22 -61068800  
**Fax No :** +91 22 61068830,  
Mail: investors@bombayrayon.com

# Bombay Rayon Fashions Limited

## Brief Resume of Directors:

Additional information on Directors recommended for re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and Secretarial Standard-2 on General Meeting.

### (a) Re- appointment of Directors retires by rotation:

Name of the Director	Mr. Aman Agrawal	Mr. Prashant Agrawal
Director Identification Number (DIN)	00019534	00019464
Age	48	46
Date of Appointment on Board	30 <sup>th</sup> May, 2019 for the period of 2 years commencing from 1 <sup>st</sup> June, 2019 to 31 <sup>st</sup> May, 2021	30 <sup>th</sup> May, 2019 for the period of 2 years commencing from 1 <sup>st</sup> June, 2019 to 31 <sup>st</sup> May, 2021
Qualification	Bachelor's Degree in Commerce and a Master's Degree in Business Administration from a reputed school in Australia.	Bachelor's Degree in Technology (Chemical) and a Master's Degree in Chemical Engineering and Petroleum Refining from a reputed university in USA
Experience (specific functional area)	He has over 28 years of experience in the textile industry. He has strategically directed the business to newer heights. He has always encouraged innovation such as a fresh approach to projects, implementation of new technologies in the various factories of the Company and IT System integration in its offices. Under his guidance, the Company has established top class manufacturing facilities in weaving, fabric processing, garmenting, etc. Mr. Aman has played an instrumental role in the growth of the Company till date	Mr. Prashant Agrawal has over 26 years of experience in textile industry. He was the initiator for consolidation of the operations of the Company by way of acquisitions/mergers of various units. He is directing the streams of marketing, finance and corporate controls at the top for the growth. He is B.Tech.in Chemical & M.S.–Chemical Engineering & Petroleum Refining (USA).
Directorship in other Companies	STI India Limited Bombay Rayon Holdings Limited Ashwell Holding Company Private Limited Best United Lifestyles Private Limited Latur Integrated Textile Park Private Limited Scotts Apparels Private Limited Kagal industrial textile technology park private limited Islampur Integrated Textiles Park Private Limited BRFL Textiles Private Limited	Tarapur Environment Protection Society Ashwell Holding Company Private Limited Best United Lifestyles Private Limited GFI Infrastructure Development Private Limited Islampur Integrated Textile Park Private Limited Bombay Rayon Holdings Limited Clinvent Real Estate Private Limited Scotts Plantations Private Limited Palghar Rolling Mills Private Limited STI India Limited Latur Integrated Textile Park Private Limited BRFL Textiles Private Limited
Membership of the committees of other companies [includes Audit and Shareholders/ Investors Grievance Committee]	STI India Limited- Chairman Stakeholders Relationship Committee	Bombay Rayon Fashions Limited – Investors Grievance Committee Member
No. of Shares/ options held in the Company	33,38,404	45,85,082
Inter-se relationship	The appointee is a Brother of Mr. Prashant Agrawal,	The appointee is brother of Mr.

<b>between Directors and other Key Managerial Personnel</b>	Managing Director of the Company. He has no other pecuniary relationship with the Company apart from the receipt of remuneration and perquisites entitled as a Whole time Director of the Company	Aman Agrawal, Chairman of the Company. The Managing Director has no other pecuniary relationship with the Company apart from the receipt of remuneration and perquisites entitled as a Managing Director of the Company.
<b>Terms and conditions of appointment or reappointment</b>	The Company shall provide a car with driver to the Chairman.	The Company shall provide a car with driver to the Managing Director
<b>Details of remuneration sought to be paid</b>	Not exceeding Rs.4,80,00,000/- p.a	Not exceeding Rs.4,80,00,000/- p.a
<b>Number of Meetings of the Board attended during the F.Y. (19-20)</b>	5	6

(b) Appointment of Additional Directors as Directors

<b>Name of the Director</b>	<b>Mr. Jasmeet Singh Bhasin</b>	<b>Mr. Vishal Sharma</b>
<b>Director Identification Number (DIN)</b>	08641063	08641245
<b>Age</b>	42	44
<b>Date of Appointment on Board</b>	As on 21 <sup>st</sup> December, 2019 Board of Director Meeting of the Company.	As on 21 <sup>st</sup> December, 2019 Board of Director Meeting of the Company.
<b>Qualification</b>	Commerce graduate with specialisation in Accounts & Taxation. He has completed Masters in Graphics, Multimedia, VFX & Animation from Academy of Digital Art & Communication, USA.	Commerce graduate with specialisation in Photography, Advertisement and Marketing. He has completed Masters in Graphics, Multimedia, Indo American Society.
<b>Experience (specific functional area)</b>	Mr. Jasmeet Singh Bhasin is a commerce graduate with specialisation in Accounts & Taxation. He has completed Masters in Graphics, Multimedia, VFX & Animation from Academy of Digital Art & Communication, USA. He has taken the experience in the field of media education by working in various institutes for a decade and became an expert in the field of graphics & multimedia.	Mr. Vishal Kiran Sharma is a commerce graduate with specialisation in Photography, Advertisement and Marketing. He has completed Masters in Graphics, Multimedia, Indo American Society. He has taken the experience in the field of Media, Marketing and Product Procurement by working in various companies over a decade and became an expert in that field.
<b>Directorship in other Companies</b>	STI India Limited	STI India Limited
<b>Membership of the committees of other companies [includes Audit and Shareholders/ Investors Grievance Committee]</b>	NIL	NIL
<b>No. of Shares/ options held in the Company</b>	3350	NIL
<b>Inter-se relationship between Directors and</b>	Sh. Jasmeet Singh Bhasin is not related to any of the Directors of the Company.	Mr. Vishal Kiran Sharma is not related to any of the Directors of

## Bombay Rayon Fashions Limited

other Key Managerial Personnel		the Company.
Terms and conditions of appointment or reappointment	Appointment from 21 <sup>st</sup> December 2019 to 20 <sup>th</sup> December 2024 subject to Shareholder approval	Appointment from 21 <sup>st</sup> December 2019 to 20 <sup>th</sup> December 2024 subject to Shareholder approval.
Details of remuneration sought to be paid	Only Sitting fee is paid to Independent Director	Only Sitting fee is paid to Independent Director
Number of Meetings of the Board attended during the F.Y. (19-20)	1	1

(c ) Appointment of Independent Director :

<b>Name of the Director</b>	<b>Mr. John Mathew</b>
Director Identification Number (DIN)	01632626
Age	59
Date of Appointment on Board	Appointed on 14th February 2020 subject to shareholder approval.
Qualification	B.Com, Advanced Accountancy
Experience (specific functional area)	Has 34 years of experiences in Banking, Project Finance & Fund Management. Experience of Mr. John Mathew will be beneficial to the Company for its growth.
Directorship in other Companies	STI India Limited Key2 Capital Private Limited
Membership of the committees of other companies [includes Audit and Shareholders/ Investors Grievance Committee]	Member of Audit Committee of STI India Limited
No. of Shares/ options held in the Company	NIL
Inter-se relationship between Directors and other Key Managerial Personnel	Mr. John Mathew is not related to any of the Directors of the Company.
Terms and conditions of appointment or reappointment	Appointment from 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2025 subject to Shareholder approval
Details of remuneration sought to be paid	Sitting fees only paid to Independent Director
Number of Meetings of the Board attended during the F.Y. (19-20)	7



**Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

► Select the “Company” and ‘Event Date’ and register with your following details: -

**A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

► Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

## **Annexure**

### **Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET**

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

# Bombay Rayon Fashions Limited

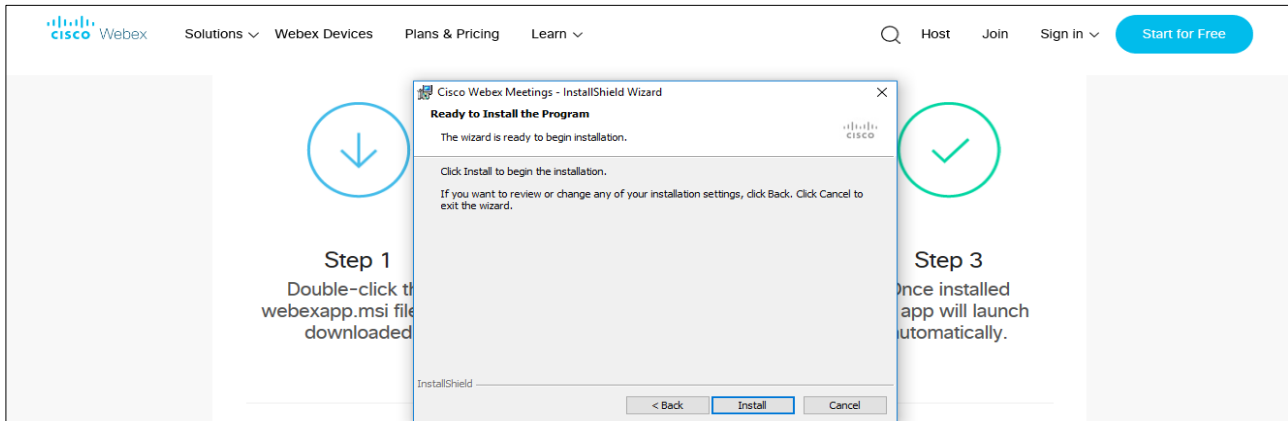
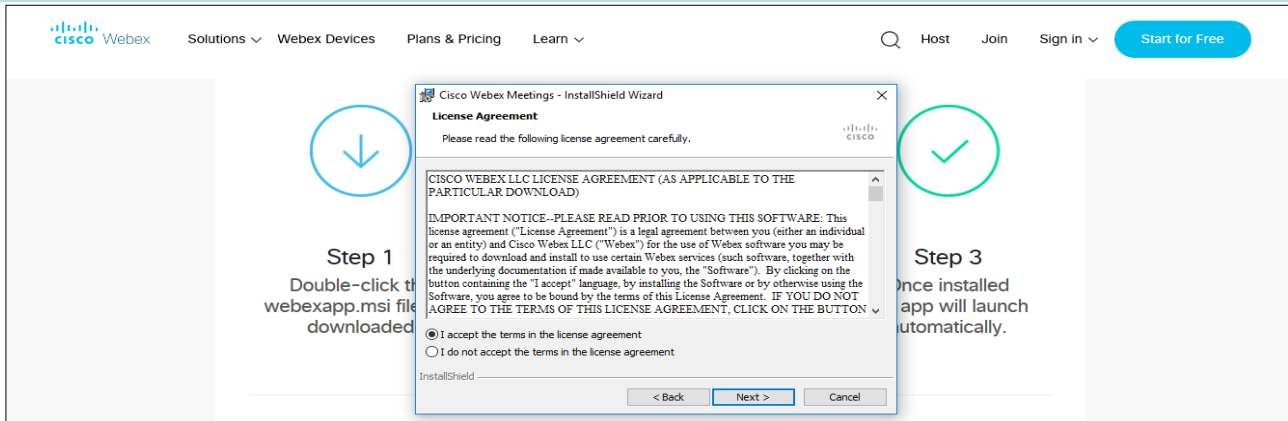
The image is a composite of three screenshots from a web browser, illustrating the process of downloading and installing Cisco Webex Meetings.

**Top Screenshot:** The browser address bar shows `webex.com/downloads.html`. The Cisco Webex navigation bar includes links for Solutions, Webex Devices, Plans & Pricing, and Learn. On the right, there are links for Host, Join, Sign in, and a Start for Free button. The main content area is split into two columns. The left column is for 'Webex Meetings' and asks 'Looking for real time video conferencing?'. It lists features: HD video for face-to-face meetings, Flexible audio-only conference call options, Easy screen sharing, and Meet across any device. Below this is a 'Download for Windows' button, which is highlighted with a black arrow. The right column is for 'Webex Teams' and asks 'Looking for messaging and team collaboration?'. It lists features: One-on-one or group messaging, Digital two-way whiteboarding, Rich content and file sharing, and Video calling. Below this is another 'Download for Windows' button. At the bottom of each column, there are links to 'Download on the App Store' and 'GET IT ON Google Play'.

**Middle Screenshot:** This screenshot shows a three-step installation guide. Step 1, 'Double-click the webexapp.msi file you downloaded', is accompanied by a blue downward arrow icon. Step 2, 'The Webex Meetings setup wizard will launch. Follow the instructions to set up.', is accompanied by a yellow pencil icon. Step 3, 'Once installed the app will launch automatically.', is accompanied by a green checkmark icon. Below the steps, a text box says 'To open the app double-click the Webex Meetings icon on your desktop.' with a black arrow pointing down to a Windows file explorer window. The file explorer window shows a file named 'webexapp.msi (88.1 MB)' from 'akamaicdn.webex.com' with 'Run', 'Save', and 'Cancel' buttons.

**Bottom Screenshot:** This screenshot shows the 'Cisco Webex Meetings - InstallShield Wizard' window overlaid on the installation steps. The wizard window has a title bar and a close button. It contains a 'Welcome to the InstallShield Wizard for Cisco Webex Meetings' message. Below the message, it says 'The InstallShield(R) Wizard will install Cisco Webex Meetings on your computer. To continue, click Next.' There is a 'WARNING: This program is protected by copyright law and international treaties.' message. At the bottom of the wizard window are '< Back', 'Next >', and 'Cancel' buttons. The background of the screenshot shows the same three-step installation guide as the middle screenshot, with the 'Next >' button in the wizard window highlighted.

<b>Step 1</b>	<b>Enter your First Name, Last Name and Email ID and click on Join Now.</b>
<b>1 (A)</b>	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
<b>1 (B)</b>	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <a href="#">Run a temporary application</a> . Click on <a href="#">Run a temporary application</a> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



or

- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:



**Bombay Rayon Fashions Limited**

**Registered Office Address:**

3<sup>rd</sup> floor, DLH Mangal Murti Building,  
Near Arya Samaj Mandir, Linking Road,  
Santacruz (West) Mumbai-400054.

**Tel:** 022 –61068800 **Fax:** 022 – 61068830

**CIN:** L17120MH1992PLC066880

**E-mail:** [investors@bombayrayon.com](mailto:investors@bombayrayon.com) **Website:** [www.bombayrayon.com](http://www.bombayrayon.com)