

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Bombay Rayon Holdings Limited,

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Bombay Rayon Holdings Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial system over financial reporting and the operating



effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) In the case of statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) rules, 2014;
  - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none





of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act;

- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- i) The company does not have any pending litigations which would impact its financial position
  - ii) The company does 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 **V.K. Beswal & Associates**  
Chartered Accountants  
Firm Registration No.101083W

**CA K.V. Beswal**  
Partner  
Membership No.131054



Place: Mumbai  
Date: 22<sup>nd</sup> May 2015

**Annexure to the Auditor's Report even date**  
**(Referred to in paragraph 1 thereof)**

1. In respect of Fixed Assets:
  - a) The Company has maintained proper records showing full particulars, quantitative details and situation of its 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.
2. In respect of Inventories:
  - a) Based on our scrutiny of the company's books of accounts and other records and according to the information and explanations given to us, we are of the opinion that the company has not purchased/sold goods during the year nor is there any opening stocks. Requirement on reporting on physical verification of stocks or maintenance of inventory records, in our opinion, does not arise.
3. In respect of loans, secured or unsecured granted by the Company to the companies, firms or other parties covered in the register maintained under Section 189 of the companies Act, 2013:
  - a) During the year Company has granted interest free loan to its subsidiary covered in the register maintained under Section 189 of the Companies Act, 2013.
  - b) In respect of the said loan, the principal amount is repayable over a period of 5 to 7 years.
  - c) In respect of the said loan, there is no overdue amount.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business. Further, on the basis of our examination of the books and records of the company, carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposits from public.
6. As informed to us, the Central Government has not prescribed the maintenance of Cost records under section 148 of the Companies Act, 2013 for any of the activities of the company.



7.

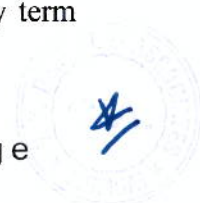
In respect of Statutory Dues:

- (a) According to record of the Company produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given, no undisputed amounts payable in respect of Income-Tax, sales tax, wealth tax, service tax, customs duty, excise duty/cess were outstanding as at 31.03.2015 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 for more than six months as at 31st March 2015:

		(Rs. In Lacs)
<i>Sr. No</i>	<i>Nature of the Dues</i>	<i>Amount (Rs.in Lacs)</i>
1	Service Tax	28.68
2	Income Tax	82.42
3	Municipal Tax	59.98

- (c) According to the records of the company there are no dues of Income-Tax, sales tax, wealth tax, service tax, customs duty, excise duty/cess which have not been deposited on account of any dispute.
- (d) According to the records of the company there are no amounts to be transferred to Investor Education & Protection Fund.
8. The Company does not have any accumulated losses as at 31/03/2015. The company has not incurred any cash loss during the financial year covered by our audit and in the immediately preceding financial year.
9. As per the information and explanations given to us the company has not obtained any loan from any financial institution or bank and issued debentures.
10. The company has given Corporate guarantees in connection with loan taken by holding company from banks. The terms and conditions of the guarantees given are not prejudicial to the interest of the company.
11. According to the records of the Company, the Company has not obtained any term loans during the year. Hence, comments under the clause are not called for.





12. 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.

For **V.K. BESWAL & ASSOCIATES**

Chartered Accountants

Firm Registration No.: 101083W



**CA K.V. Beswal**

Partner

Membership Number – 131054





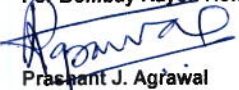

Place: Mumbai

Date : 22<sup>nd</sup> May 2015

# BOMBAY RAYON HOLDINGS LIMITED





Balance Sheet as at 31st March 2015

( Rs.in Lacs )

Particulars	Note No.	31st March, 2015	31st March, 2014
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' funds</b>			
(a) Share capital	1	3,514.25	3,514.25
(b) Reserves and surplus	2	951.88	769.89
		4,466.13	4,284.14
<b>Non-current liabilities</b>			
(a) Long-term borrowings	3	31,388.32	31,573.00
		31,388.32	31,573.00
<b>Current liabilities</b>			
(a) Short-term borrowings	4	21,000.00	21,000.00
(b) Other current liabilities	5	288.01	201.15
(c) Short-term provisions	6	254.23	119.60
		21,542.24	21,320.75
<b>TOTAL</b>		<b>57,396.69</b>	<b>57,177.90</b>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
(a) Fixed assets	7		
(i) Tangible assets		6,142.60	6,249.80
(b) Non-current investments	8	13,695.57	13,695.57
(c) Long-term loans and advances	9	37,383.49	36,955.90
		57,221.66	56,901.27
<b>Current assets</b>			
(a) Cash and cash equivalents	10	18.67	102.87
(b) Short term loan and advances	11	156.35	173.76
		175.03	276.63
<b>TOTAL</b>		<b>57,396.69</b>	<b>57,177.90</b>
<i>Notes are integral part of the balance sheet &amp; profit &amp; loss account</i>		1A	
<p>As per our report attached For V.K.Beswal &amp; Associates Chartered Accountants</p>  <p><b>CA K.V. BESWAL</b> Partner Membership Number- 131054 Firm Reg No.:101083W</p> <p>Place : Mumbai Date : 22nd May 2015</p> 		<p>For Bombay Rayon Holding Limited</p>  <p><b>Prashant J. Agrawal</b> (Director)</p>  <p><b>Aman Agarwal</b> (Director)</p>	

**BOMBAY RAYON HOLDINGS LIMITED**  
Statement of profit and loss for the year ended 31st March 2015

(Rs.in Lacs)

Particulars	Note No.	31st March, 2015	31st March, 2014
Other Income	12	552.00	512.00
<b>Total Revenue</b>		<b>552.00</b>	<b>512.00</b>
Expenses:			
Finance costs	13	33.35	0.19
Depreciation and amortization expense	14	107.20	109.16
Other expenses		35.97	8.46
<b>Total expenses</b>		<b>176.53</b>	<b>117.80</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>375.47</b>	<b>394.20</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>375.47</b>	<b>394.20</b>
Extraordinary Items			
Prior year adjustments		73.79	-
<b>Profit before tax</b>		<b>301.69</b>	<b>394.20</b>
Tax expense:			
(1) Current tax		119.70	119.60
(2) Short (Excess) Provision for Income Tax		-	-
<b>Profit for the year</b>		<b>181.99</b>	<b>274.60</b>
Earnings per equity share: Basic & Diluted (in Rs.)		0.52	0.78
<i>Notes are integral part of the balance sheet &amp; profit &amp; loss account</i>		1A	
<p>As per our report attached For V.K.Beswal &amp; Associates Chartered Accountants</p>  <p><b>CA K.V. BESWAL</b> Partner Membership Number- 131054 Firm Reg No.:101083W</p> <p>Place : Mumbai Date : 22nd May 2015</p> 		<p>For Bombay Rayon Holding Limited</p>  <p><b>Praashant J. Agrawal</b> (Director)</p>  <p><b>Anjan Agarwal</b> (Director)</p>	



# BOMBAY RAYON HOLDINGS LIMITED

Cash Flow Statement For The Year Ended 31.03.2015

	2014-2015 (Rs.in lacs)	2013-2014 (Rs.in lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and after Extraordinary items	375.47	394.20
Adjustment For :		
Depreciation	107.20	109.16
Interest & Finance charges	33.35	0.19
Operative Profit before Working Capital Changes	516.03	503.54
Adjustment For :		
Trade and Other Receivables	0.00	372.62
Short term loans and advances	(0.04)	1.46
Trade & Other payable	273.41	(76.53)
Cash Generation from Operations	789.40	801.09
Direct Taxes	(227.97)	(123.85)
Net Cash Flow from operating activities	561.43	677.24
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets and Others	-	-
Loan & Advances Given	(427.60)	(186.77)
Net Cash used in investing activities	(427.60)	(186.77)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest on Term loans & Others	(33.35)	(0.19)
Proceeds/Repayment of Long Term Borrowings	(184.68)	-389.35
Proceeds from Deferred Liabilities	-	-
Proceeds/Repayment of Short Term Borrowings	-	-
Net Cash used in financing activities	(218.03)	(389.54)
<b>D. NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	(84.20)	100.93
Cash and Cash Equivalents as at Opening	102.87	1.95
Cash and Cash Equivalents as at Closing	18.68	102.87

Notes : 1. Figures in brackets represent cash outflows.  
2. Previous year figures have been regrouped wherever necessary.

As per our report attached  
For V.K.Beswal & Associates  
Chartered Accountants




CA K.V. BESWAL  
Partner  
Membership Number- 131054  
Firm Reg No.:101083W

Date : 22nd May 2015



For Bombay Rayon Holding Limited

  
Prashant J. Agrawal  
(Director)

  
Aman Agarwal  
(Director)

**BOMBAY RAYON HOLDINGS LIMITED**  
Notes to financial statements for the year ended 31st March 2015

**Note : 1 Share Capital**

A	Particulars	31st March, 2015		31st March, 2014	
		Numbers	Rs.in Lacs	Numbers	Rs.in Lacs
	<b>Authorised</b> Equity Shares of Rs.10 each	40,000,000	4,000.00	40,000,000	4,000.00
		40,000,000	4,000.00	40,000,000	4,000.00
	<b>Issued, Subscribed &amp; fully Paid up</b> Equity Shares of Rs.10 each	35,142,500	3,514.25	35,142,500	3,514.25
	<b>Total</b>	<b>35,142,500</b>	<b>3,514.25</b>	<b>35,142,500</b>	<b>3,514.25</b>

**B Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	Equity Shares			
	31st March, 2015		31st March, 2014	
	Number	Rs.in Lacs	Number	Rs.in Lacs
At the beginning of the year	35,142,500	3514.25	35,142,500	3514.25
Shares Issued during the year	-	-	-	-
At the end of the year	35,142,500	3514.25	35,142,500	3514.25

**C Shares held by holding company / ultimate holding company and/or their subsidiaries/associates**

Particulars	Nature of Relationship	As at 31 March 2015	As at 31 March 2014
<b>Equity Shares</b>		Nos.	Nos.
Bombay Rayon Fashions Ltd.	Holding Company	35,142,500	35,142,500

**D Detail of shareholders holding more than 5% of shares in the company**

Name of Shareholder	Equity Shares			
	31st March, 2015		31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bombay Rayon Fashions Ltd.	35,142,500	100.00%	35,142,500	100.00%

**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 by way of bonus shares	NIL
Shares bought back	NIL

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# BOMBAY RAYON HOLDINGS LIMITED

Notes to financial statements for the year ended 31st March 2015

## Note - 2 : Reserve and surplus

Particulars	31 March 2015	31 March 2014
	Rs.in lacs	Rs.in lacs
<b>Profit and Loss account</b>		
Opening balance	769.89	495.29
(+) Profit for the year	181.99	274.60
<b>Total</b>	<b>951.88</b>	<b>769.89</b>

## Note - 3 : Long term borrowings

Particulars	31 March 2015	31 March 2014
	Rs.in lacs	Rs.in lacs
<b>Unsecured</b>		
<b>Loans and advances from related parties</b>		
- From Holding Company	31,388.32	31,573.00
<b>Total</b>	<b>31,388.32</b>	<b>31,573.00</b>

## Note - 4 : Short term borrowings

Particulars	31 March 2015	31 March 2014
	Rs.in lacs	Rs.in lacs
<b>Unsecured</b>		
<b>Loans and advances from related parties</b>		
- From Holding Company	21,000.00	21,000.00
<b>Total</b>	<b>21,000.00</b>	<b>21,000.00</b>

## Note - 5 : Other Current Liabilities

Particulars	31 March 2015	31 March 2014
	Rs.in lacs	Rs.in lacs
(i) Statutory dues	284.08	187.48
(ii) Outstanding expenses	3.93	13.68
<b>Total</b>	<b>288.01</b>	<b>201.15</b>

## Note - 6 : Short Term Provisions

Particulars	31 March 2015	31 March 2014
	Rs.in lacs	Rs.in lacs
<b>Others</b>		
Income tax	254.23	119.60
<b>Total</b>	<b>254.23</b>	<b>119.60</b>





**BOMBAY RAYON HOLDINGS LIMITED**  
Notes to financial statements for the year ended 31st March 2015

**Note 7 : Fixed Assets**

	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 01-04-2014	Additions	Disposals	Balance as at 31-03-2015	Balance as at 01-04-2014	For the year	Balance as at 31-03-2015	Balance as at 31-03-2014
<b>Fixed Assets</b>								
<b>Tangible Assets :</b>								
Commercial Premises	6,615.30	-	-	6,615.30	371.94	104.65	6,138.71	6,243.36
Vehicles	13.96	-	-	13.96	7.52	2.55	3.89	6.44
<b>Total</b>	<b>6,629.26</b>	<b>-</b>	<b>-</b>	<b>6,629.26</b>	<b>379.46</b>	<b>107.20</b>	<b>6,142.60</b>	<b>6,249.80</b>
<i>Previous Year</i>	<i>6,629.26</i>	<i>-</i>	<i>-</i>	<i>6,629.26</i>	<i>270.30</i>	<i>109.16</i>	<i>6,249.80</i>	

\* Had the company provided depreciation as per the old companies act, the charges for depreciation for the current year would have been higher by Rs 1.96 Lacs.

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# BOMBAY RAYON HOLDINGS LIMITED

Notes to financial statements for the year ended 31st March 2015

## Note - 8 : Non-current investments

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.in lacs	Rs.in lacs
<b><u>Investments Unquoted:</u></b>		
Investment in Equity instruments (Subsidiaries)		
2,48,000 equity shares of Euro 1 each in BRFL Europe B.V.	161.13	161.13
50,10,000 equity shares of Euro 1 each in BRFL ITALIA SRL	3,348.57	3,348.57
<b><u>Share Application Money</u></b>		
Given to Subsidiary	10,185.88	10,185.88
<b>Total</b>	<b>13,695.57</b>	<b>13,695.57</b>

## Note - 9: Long-term loans and advances

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.in lacs	Rs.in lacs
<b>a. Capital Advances</b>		
Unsecured, considered good	5,550.21	5,550.21
	5,550.21	5,550.21
<b>b. Loans and advances to related parties</b>		
Unsecured, considered good (to subsidiaries)	31,833.29	31,405.69
	31,833.29	31,405.69
<b>TOTAL</b>	<b>37,383.49</b>	<b>36,955.90</b>

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# BOMBAY RAYON HOLDINGS LIMITED

Notes to financial statements for the year ended 31st March 2015

## Note - 10 : Cash and cash equivalents

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.in lacs	Rs.in lacs
a. Balances with banks		
On current accounts	18.63	102.83
b. Cash on hand	0.04	0.04
<b>Total</b>	<b>18.67</b>	<b>102.87</b>

## Note - 11: Short term loans and advance

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.in lacs	Rs.in lacs
TDS Receivable	154.40	171.85
Others	1.95	1.91
<b>Total</b>	<b>156.35</b>	<b>173.76</b>



# BOMBAY RAYON HOLDINGS LIMITED

Notes to financial statements for the year ended 31st March 2015

## Note - 12 : Revenue from operations

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs.in lacs	Rs.in lacs
Other operating revenue	552.00	512.00
<b>Total</b>	<b>552.00</b>	<b>512.00</b>

## Note - 13 : Finance costs

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs.in lacs	Rs.in lacs
Bank Charges	0.11	0.19
Interest on Income Tax	33.24	-
<b>Total</b>	<b>33.35</b>	<b>0.19</b>

## Note - 14 : Other expenses

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs.in lacs	Rs.in lacs
Insurance	2.50	4.00
Profession Tax	0.05	0.03
Property Tax	23.79	-
Filing Fees	0.09	0.01
Printing and stationary	0.01	0.01
Legal and professional fees	5.19	0.96
Misc. Expense	0.05	0.01
Payment to Auditors	4.30	3.45
<b>Total</b>	<b>35.97</b>	<b>8.46</b>

## Payments to Auditors

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs.in lacs	Rs.in lacs
For Audit Fee	3.93	3.15
For Tax Audit Fee	-	-
For Certification & Others	0.37	0.31
<b>Total</b>	<b>4.30</b>	<b>3.45</b>

## Depreciation & Amortization

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs.in lacs	Rs.in lacs
On Tangible Assets	107.20	109.16
<b>Total</b>	<b>107.20</b>	<b>109.16</b>

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## **BOMBAY RAYON HOLDINGS LIMITED**

### **SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2015**

#### **A. SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of preparation of financial statement**

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**2. Revenue Recognition**

Rental income recognizes on the accrual basis.

**3. Fixed Assets**

Fixed Assets are stated at cost of acquisition less accumulated depreciation. The Cost includes taxes, duties, freight, installation and other direct or allocated expenses up to the date of put to use.

**4. Depreciation**

Depreciation on Fixed Assets is provided based on the useful life of the asset in the manner prescribed in Schedule II to the Companies Act, 2013.

**5. Taxation**

(i) Provision for current Tax is made with reference to taxable income computed for the accounting period, for which the financial statements are prepared by the tax rates as applicable.

(ii) Deferred tax is recognized subject to the consideration of prudence, on timing differences being the difference between taxable incomes 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. In absence of the timing difference between the taxable and accounting income no provision for deferred tax is recognized.

**6. Foreign Currency Transactions**

Transaction in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction or at the exchange rate under related forward exchange contracts. The realized exchange gains/losses are recognized in the Profit & Loss account. All foreign currency current assets/liabilities are translated in rupees at the rates prevailing on the date of balance sheet. Long term borrowing/advances in foreign currency are valued at historical cost.

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**7. Impairment of Assets**

At each balance sheet date, the carrying amounts of fixed assets are reviewed by the management to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use.

**8. Investments**

Current investments are carried at the lower of cost and quoted/ fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

**B. NOTES TO ACCOUNTS**

	(Rs. In Lacs) 31/03/15	(Rs. In Lacs) 31/03/14
Capital commitment	Nil	Nil
<b>Earning Per Share:</b>		
Net profit after tax available For equity shareholders	181.99	274.60
Weighted Avg No. of shares	3,51,42,500	3,51,42,500
Basic/Diluted Earning per share in Rs.	0.52	0.78

**Related Party Disclosure**

(A) Name of the related Party & Relations

• **Key Managerial Personnel**

Name of Personnel	Designation
(a) Mr. Janardan Agarwal	Director
(b) Mr. Aman Agarwal	Director
(c) Mr. Prashant Agarwal	Director

• **Holding Company**

Bombay Rayon Fashions Limited

• **Subsidiary Company**

BRFL Europe BV  
BRFL ITALIA SRL

• **Others**

Reynolds Shirting Ltd.  
Ashwell Holding Pvt. Ltd.  
Bombay Rayon Clothing Ltd.  
Bestsellers Retail India Pvt. Ltd.  
Best United Lifestyles Pvt. Ltd.  
Best United India Comforts Pvt. Ltd.  
Best Seller Wholesale India Pvt. Ltd.  
B.R. Machine Tools Pvt. Ltd.

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STI India Limited  
STI Sanoh Limited  
DPJ Clothing Limited  
BRFL Bangladesh Pvt. Ltd.

**(B) Transactions with Related Parties**

Particulars	Holding Company		Subsidiary Company		Associates Company	
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
Rental Income	Nil	Nil	Nil	Nil	552.00	512.00
Repayment of Loans taken (Net)	184.68	389.35	Nil	Nil	Nil	Nil
Advances given during the year	Nil	Nil	427.60	411.77	Nil	100.00

**Expenditure & Earning in foreign currency**

	(Rs. In Lacs) 31/03/15	(Rs. In Lacs) 31/03/14
Expenditure:	Nil	Nil
Earnings	Nil	Nil

**Contingent Guarantee not provided for:**

Corporate Guarantee given to holding company	6493.00	6000.00
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In the opinion of the Board of Directors, the current assets, loans and advances have a value, which on realization in the ordinary course of business is at least equal to the amount stated in the Balance Sheet.

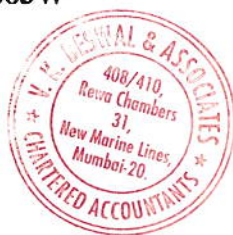
Figures of previous years have been regrouped/ rearranged wherever necessary. Figures in bracket indicate previous year figures.

As per our report of even date


**For V.K. BESWAL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN NO 101083W**



**CA K.V. BESWAL**  
Partner  
M.No.131054  
Place: Mumbai  
Date: 22<sup>nd</sup> May, 2015



**For and on behalf of board**



[Director]



[Director]