

# BRIGHT BROTHERS LIMITED

CIN: L25209MH1946PLC005056

Registered Office : 610-611, Nirman Kendra, Famous Studio Lane, Dr. E'Moses Road, Mahalaxmi, Mumbai - 400011.  
Tel.: 91 22 6665 8282 • Fax: 91 22 6665 8801 • E-mail: invcom@brightbrothers.co.in • Website: www.brightbrothers.co.in

## NOTICE

Notice is hereby given that the 67th Annual General Meeting of BRIGHT BROTHERS LIMITED will be held on Thursday, 4th September, 2014 at "Walchand Hirachand Hall", 4th Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai - 400 020 at 11.30 a.m. to transact the following businesses:-

### ORDINARY BUSINESS:

#### 1. Adoption of Accounts:

To receive, consider and adopt the Audited Profit and Loss for the year ended 31st March, 2014 and the Balance Sheet as at that date together with the Report of the Directors and the Auditor's Report thereon.

#### 2. To declare a dividend on Equity shares for the financial year 2013-14.

#### 3. Appointment of Auditors:

To re-appoint M/s. Desai Saksena & Associates, Chartered Accountants, Mumbai, (Firm Registration No. 102358W) as Auditors of the Company to hold office for a term of three years from the conclusion of this Annual General Meeting until the conclusion of the 70th Annual General Meeting subject to ratification of their appointment at every Annual General Meeting held after this Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESSES:

#### 4. Alteration of Articles of Association of the Company:

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

**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent and approval of the members of the Company be and is hereby accorded to alter/delete/substitute the Article 1, Article 134 (1) and 134 (3) of the existing Articles of Association in the manner as set out below:

Article 1:

Below stated portion be substituted with Article 1

The regulations contained in Table F of Schedule I of the Companies Act, 2013 shall apply to the Company in so far as they are not inconsistent with or repugnant to any of the regulations contained in the Article of Association of the Company.

Article 134 : Retirement of Directors.

(1) The below stated portion be deleted:

"The Debenture Director or any two Directors appointed under Article 115(b) or 116 and the Managing Director for the time being shall not be subject to retirement under this clause and shall not be taken into account to determine the rotation of retirement or the number of Directors to retire."

(2) Be deleted.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

5. **Re-appointment of Mr. Suresh Bhojwani as Managing Director and fixation of remuneration:**

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 Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) (hereinafter referred to as “Act”) and subject to approval of the Central Government, if required, the Company be and is hereby approve the re-appointment of Mr. Suresh Bhojwani (DIN 00032966) as a Director of a Company designated as “Managing Director” as defined u/s. 2(54) of the Act (whose term of office shall be liable to determination by retirement by rotation) for a period of 3 (three) years with effect from 1st February, 2015 upon such salary, terms and conditions as set out in the explanatory statement annexed hereto and also in the agreement to be executed between the Company and Mr. Suresh Bhojwani, a copy whereof initialed by the Chairman for the sake of identification is placed before the meeting with the liberty to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any authorized committee of the Board) to alter and vary the terms and conditions of the said re-appointment as may be agreed between the Board and Mr. Suresh Bhojwani.

RESOLVED FURTHER THAT in the event there being inadequacy or absence of profits in any financial year during the tenure of Managing Director, he will be paid remuneration as set out in Section II of Part II of Schedule V of the Act.

RESOLVED FURTHER THAT any one of the Directors of the Company and Company Secretary be and are hereby severally authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution, to remove any difficulty in implementation of this resolution and accept any modifications/conditions that may be prescribed by the Central Government while according its approval, if any.”

6. **Appointment of Mr. Byram Jeejeebhoy as an Independent Director for a period of five years.**

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time, Mr. Byram Jeejeebhoy (DIN 00033204), Director of the Company, who retires by rotation at this Annual General Meeting and who, pursuant to the provisions of the Act, (being an Independent Director) is no longer liable to retire by rotation and who in accordance with the Act, is required to be appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years from conclusion of this Annual General Meeting till the conclusion of 72nd Annual General Meeting of the Company.

7. **Appointment of Mr. K. P. Rao as an Independent Director for a period of five years.**

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time, Mr. K. P. Rao (DIN 00027577), Director of the Company whose period of office is liable to determination by retirement of Directors by rotation and who, pursuant to the provisions of the Act, (being an Independent Director) is no longer liable to retire by rotation and who in accordance with the provisions of the Act, is required to be appointed

as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years from conclusion of this Annual General Meeting till the conclusion of 72nd Annual General Meeting of the Company."

**8. Appointment of Dr. T. S. Sethurathnam as an Independent Director for a period of five years:**

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time, Dr. T. S. Sethurathnam (DIN 00042704), Director of the Company, whose period of office is liable to determination by retirement of Directors by rotation and who, pursuant to the provisions of the Act, (being an Independent Director) is no longer liable to retire by rotation and who in accordance with the Act, is required to be appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing candidature for the office of Director be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of 72nd Annual General Meeting of the Company."

**9. Invitation and Acceptance of Fixed Deposits from members:**

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 73(2) of Companies Act, 2013, all other applicable provisions of Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014, the consent of the Company be and is hereby accorded to invite and accept deposits from members of the Company subject to the fulfillment of terms and conditions as are specified in the relevant sections of Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to finalise the scheme for invitation and acceptance of deposits from members and to execute deeds, documents, circulars and applications as may be necessary, proper or expedient or incidental for giving effect to this Resolution."

**10. Payment of Remuneration to Cost Auditors for the financial year 2014-15:**

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

"RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 1,50,000/- per annum plus reimbursement of out of pocket expenses as recommended by Audit Committee, considered and approved by the Board of Directors of the Company, to be paid to M/s. S. R. Singh & Co. as Cost Auditors for conducting the audit of the cost records of the Company for the financial year ending 31st March, 2015 be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board of Directors,  
For Bright Brothers Ltd.**

**TUSHAR NAIK**  
CFO & Company Secretary

Place : Mumbai  
Date : 30th May, 2014.

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special business set out in Item Nos. 4 to 10 above, is annexed hereto.
2. The relevant details as required under Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange, of directors seeking appointment/re-appointment relating to Item Nos. 5 to 8 above, are also annexed.
3. **A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.

The instrument appointing the Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/authority as applicable.

4. The Register of Members and Share Transfer Books of the Company will be closed from Thursday, 28th August, 2014 to Thursday, 4th September, 2014 (both days inclusive).
5. The dividend as recommended by the Board of Directors, if declared, at the Annual General Meeting will be paid before, 9th September, 2014.
  - (a) To all the shareholders of the Company holding shares in electronic form whose name appears in the (BENPOS) at the close of business hours on Wednesday, 27th August, 2014 as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd.
  - (b) To all Members or their mandates in respect of shares held in physical mode whose name appears on the Register on Wednesday, 27th August, 2014.
6. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
7. Members holding shares in physical form are requested to advise any change of address, bank details etc. immediately to the Company's Registrar and Share Transfer Agent, M/s Sharepro Services (India) Private Limited.
8. Pursuant to provisions of Section 124 of the Companies Act, 2013, dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account and all shares in respect of which unpaid or unclaimed dividend is to be so transferred will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The following are the details of the dividends paid by the Company and respective due dates for claim by the Shareholders:

Financial Year	Date of Declaration of Dividend	Date of transfer to unpaid Dividend Account	Last date for claim
2006-07	27/06/2008	29/07/2008	28/07/2015
2008-09	26/06/2009	28/07/2009	27/07/2016
2009-10	29/07/2010	30/08/2010	29/08/2017
2010-11	04/08/2011	05/09/2011	04/09/2018
2011-12	03/08/2012	04/09/2012	03/09/2019
2012-13	12/08/2013	13/09/2013	12/09/2020

The Company has uploaded the information of unclaimed/unpaid dividend in respect of the financial years from 2006, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors" Section on the Website of the Company viz. [www.brightbrothers.co.in](http://www.brightbrothers.co.in)

Further, the Company shall not be in a position to entertain the claims of Shareholders for the unclaimed dividends after the last date as mentioned in the table. In view of the above, the Shareholders are advised to send all the un-encashed dividend warrants pertaining to the above years to M/s Sharepro Services (India) Private Limited, Registrar and Transfer Agent (RTA) for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF.

9. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
10. In accordance with Companies Act, 2013, the Annual Reports are sent through electronic mode to those members whose email IDs are registered with the Company/Depository Participant(s). For members who have not registered their email address, physical copies of the Annual report is being sent through the permitted mode.
11. To promote Green Initiative, the members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
12. Members may also note that the Annual Report for FY 2013-14 will also be available on the Company's website [www.brightbrothers.co.in](http://www.brightbrothers.co.in) for their download.

Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.

13. Members desirous of obtaining any information as concerning Accounts shall write to the Company Secretary at the Registered Office of the Company at least seven clear days before the date of Annual General Meeting so that information required can be made available at the meeting.
14. Pursuant to the provisions of Section 72 of Companies Act, 2013, facility for making nomination is available for individual members. Therefore, the Shareholders holding shares in physical forms and willing to avail this facility may make nomination. However, in case of demat holding, the shareholders should approach their respective depository participants for making nominations.
15. **Voting through electronic means:**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to the members to exercise their right to vote at the 67th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting platform provided by CDSL.

Instructions for members for voting electronically are as under:-

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "Bright Brothers Limited" from the drop down menu and click on "SUBMIT."
- (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.
- (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in electronic 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) For Shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cut off date in the Dividend Bank details field.</b></li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) For Members holding shares in physical form, the login details can be used only for e-voting on the resolutions contained in this Notice. On logging in, Members holding shares in physical form will be directed to the Company selection screen.
- (x) Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting on resolutions of other companies as well, on which they are eligible to vote provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) Click on the EVSN for Bright Brothers Limited.
- (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 Notice.
- (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 out print 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 same 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) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - 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).
  - After receiving the login details they have to create a compliance user should be created who would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Other Instructions:**

- (i) The e-voting period commences on Thursday, 28th August, 2014 (9.00 a.m. IST) and ends on Saturday, 30th August, 2014 (6.00 p.m. IST). The e-voting module shall be disabled by CDSL for voting thereafter.
- During this period, Members of the Company, holding shares either in physical form or in electronic form as on Friday, 8th August, 2014 may cast their vote electronically. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently.
- (ii) The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on Friday, 8th August, 2014.
- (iii) Mr. Abhishek Prakash, Practicing Company Secretary (C.P. No. 13269), has been appointed as the Scrutinizer to conduct the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (iv) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- (v) For the benefit of Members who do not have access to e-voting facility, a Ballot Form is being sent along with the Notice of the Annual General Meeting to enable them to send their assent or dissent by post.

Detailed instructions on voting through post are given on the reverse of the Ballot Form.

Ballot Forms received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts vote by both of these modes, then voting done through e-voting shall prevail and the vote cast through Ballot shall be treated as invalid.

The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Notice of Annual General Meeting.

- (vi) The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.brightbrothers.co.in](http://www.brightbrothers.co.in) and on the website of CDSL [www.evoting.cdsl.com](http://www.evoting.cdsl.com) within two days of the passing of the resolutions at the sixty-seventh AGM of the Company on Thursday, 4th September, 2014 and communicated to BSE Limited where the shares of the Company are listed.
16. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Registrars and Share Transfer Agent.
18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9 a.m. to 5 p.m.) on all working days except Saturdays and Sundays, up to the date of the Annual General Meeting of the Company.

**19. Poll at the Meeting:**

After all the items of the notice have been discussed, the Chairman will order poll in respect of all the items. Poll will be conducted and supervised by the Scrutinizer appointed for e-voting as stated above.

After conclusion of the poll, the Chairman may declare the meeting as closed. The results of the poll aggregated with the results of e-voting will be announced by the Company on its website : [www.brightbrother.co.in](http://www.brightbrother.co.in) within two day from the date of AGM of the Company and also informed to the stock exchange where the securities of the Company are listed within two (2) days of the AGM.

**By Order of the Board of Directors,  
For Bright Brothers Ltd.**

**TUSHAR NAIK**  
*CFO & Company Secretary*

Place : Mumbai  
Date : 30th May, 2014.

**Registered Office:**  
610-611, Nirman Kendra,  
Dr. E. Moses Road,  
Famous Studio Lane,  
Mahalaxmi, Mumbai 400 011.

## ANNEXURE TO THE NOTICE

### Statement pursuant to Section 102 of the Companies Act, 2013:

#### **Item No. 4:**

The Company has not adopted Table A of the Companies Act, 1956.

The New Companies Act, 2013 is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction/confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick Companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive Sections of the Act which deal with the general working of Companies stand notified.

The existing Articles of Association of the Company is drafted based on Companies Act, 1956 and with the implementation of Companies Act, 2013, the Company proposes to adopt Table F of Schedule I of the Companies Act, 2013 and accordingly, proposes to substitute the existing Article 1 with the new article as set out in the Resolution.

As per Section 152(6) clause (a) of the Companies Act, 2013, two third of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of directors by rotation.

For the purpose this sub-section, "total number of directors" does not include Independent Directors and hence they are not liable to retire by rotation and that their tenure of office can be fixed upto 5 years from the date of appointment.

At present, there are five Directors on the Board, out of these five Directors, three Directors are Independent Directors which are not liable to retire by rotation and not to be counted for total strength in calculating retirement of Directors by rotation. In order to bring clarity and to make the Executive Directors liable for retirement by rotation, it is proposed to delete certain portion in Article 134 (1) and entire Article 134 (3) of the existing Articles of Association of the Company.

A copy of Memorandum and Articles of Association of the Company will be available for inspection of members of the Company at its Registered Office between 11.00 a.m. and 1.00 p.m. on any working days of the Company upto the date of Annual General Meeting.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for your approval.

None of the Directors, key managerial personnel or their relatives other than Mr. Suresh Bhojwani and Smt. Hira Bhojwani is concerned or interested in the resolution.

#### **Item No. 5**

The Members of the Company at their 65th Annual General Meeting had approved the remuneration payable to Managing Director. The present term of appointment of Managing Director expires on 31st January, 2015. The Company proposes to re-appoint Mr. Suresh Bhojwani as a director in the capacity of Managing Director for a further period of three years w.e.f. from 1st February, 2015. The said re-appointment and remuneration was also approved by the Remuneration and Nomination Committee and the Board of Directors at its meeting held on 30th May, 2014.

- (I) The terms of remuneration for the period of three years from 1st February 2015 to 31st January, 2018 are as given below:

**Remuneration:**

- (1) Salary: Basic Pay shall be ₹ 5,00,000/- per month.

Basic Scale: ₹ 5,00,000/- ₹ 25,000/- ₹ 5,75,000/-.

Such Salary shall be increased annually in the scale mentioned above w.e.f. 1st February 2015.

- (2) Perquisites and other allowances: House Rent Allowance, Medical Allowance, Medical/ Personal Accident Premium, Special Allowance, Leave Travel Allowance and other benefits and amenities restricted to a sum not exceeding ₹ 20 lakhs per annum.

**Other Terms & Conditions:**

- For the purposes of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost or hire charges.
- Expenses incurred for traveling, boarding and lodging including attendants during business trips and provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to the Managing Director in accordance with Schedule V to the Act or any amendments thereto made hereinafter in this regard, as may be agreed by the Board and Mr. Suresh Bhojwani.
- If at any time the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall also cease to be a Managing Director of the Company.

**Minimum Remuneration:**

In the event of inadequacy or absence of profit in any financial year of the Company during the tenure of Managing Director, the minimum remuneration payable to him shall be subject to the provisions of Section 197 of the Companies Act, 2013 and subject to compliances required under Schedule V of the Companies Act, 2013 including such approval as may be required from the Central Government.

**General Information:**

The Company is a Manufacturer of Injection Moulded plastic products i.e. parts of Refrigerators, Washing Machine, Water Purifier and Material Handling Crates etc.

- (1) **Nature of Industry:**

Manufacturing and Marketing of Injection Moulded Plastics Products.

- (2) **Date of Commencement of Commercial Production:**

The Company was incorporated on 11th July, 1946 as a Private limited and has been operative since then.

- (3) **Financial Performance for the past three financial years based on the given indicators:**

(₹ in Cr.)

Particulars	2012-13	2011-12	2010-11
Total Income	150.46	124.02	131.27
Profit before Tax	(0.33)	2.96	5.00
Dividend on Equity (%) ₹ 10/- paid up.	20	20	20

**(4) Export Performance and Net Foreign Exchange Collaborations:**

Presently, the Company does not export any of the products and there are no significant foreign exchange earnings.

**(5) Foreign Investment or collaboration : Nil**

(II) Information about Mr. Suresh Bhojwani: He was Non Executive Director up to the year 1999-2000 and thereafter, he served office of a Director as Joint Managing Director up to the year 2006-07 and continues to be Managing Director thereafter.

**(1) Background Details:**

Age: 65 years

Qualifications: Bachelor of Science – Engineering

Past Remuneration	₹ in lakhs
Basic Salary	29.84
Allowances & Perquisites	12.16
Contribution to PF	3.60
	45.60

(2) **Recognition and awards:** Under the leadership of Mr. Suresh Bhojwani, the Company won Best Supplier Awards from Whirlpool of India Ltd. and Shriram Piston Ltd.

**(3) Job Profile and Suitability:**

Executive Chairman and Managing Director of Bright Brothers Ltd. 41 years of experience in plastic industry. He looks after the overall business and having very sound technical and administrative background. In the past, he was associated with Automotive Component Manufacturers' Association (ACMA). Currently, he is associated with Organisation of Plastic Processors of India (OPPI), Indian Centre for Plastics and the Environment (ICPE), Society of Plastics Engineers (SPE) USA, Indian Plastics Institute (IPI) and World Presidents Organisation.

He was the promoter of Brite Automotive & Plastics Ltd. which got amalgamated with Bright Brothers Ltd. in the year 2000-2001.

It is also agreed between the parties hereto that apart from remuneration as mentioned above, Mr. Suresh Bhojwani shall be entitled to reimbursement of expenses incurred in connection with the business of the Company. However, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committees thereof.

The Board shall have the discretion and authority to modify the foregoing terms of remuneration within, the parameters of the applicable provisions of the Act.

(4) **Comparative Remuneration profile with respect to Industry, size of the Company, profile of the position and persons:**

The proposed remuneration is comparable with the Industry Standards.

(5) **Pecuniary relationship directly/indirectly with the Company or managerial personnel, if any:**

Mr. Suresh Bhojwani is a Promoter Director and to the extent of his shareholding in the Company he has pecuniary relationship with the Company. Mr. Suresh Bhowani is a son of Smt. Hira Bhojwani, Whole time Director.

**(III) Other Information:**

(1) **Reasons of Loss:** Since the majority of Company business comprises of supplies to White Goods Industry, i.e. Refrigerator, Washing Machines and Water purifier which has been passing through degrowth and non compensation of increase in operational cost by customers has resulted in lower profitability.

**(2) Steps taken or proposed to be taken for improvement:**

The Company has initiated several actions to accelerate the growth and the results of these new initiatives would be visible in the years to come. Some of these initiatives are:

- Implementation of Total Productive Maintenance (TPM) for improvement of operational efficiency.
- Increased focus on Material Handling Products by way of introduction of new products and penetration in new markets.
- New manufacturing plant has been set up at Puducherry for mass manufacturing product line in FMCG segments.
- Strong Expense management.
- Minimum Capital expenditure for capacity expansion.
- Revival of Mould Development activity at Faridabad unit for better servicing the need of customers.
- Introducing new product line in Beauty and Hair care Division.

The above steps will enable the Company to come out of inadequate profit.

(3) **Expected increase in productivity and profits in measurable terms:** The Management is cautiously optimistic about 2014-15 and is taking steps to improve its profitability and operational performance during the year. In the current year, with increase in the processing and other measurers outline above, the Company will be back to profitability during the year.

**Disclosures:**

The Agreement to be entered into between the Company and Mr. Suresh Bhojwani which set out the terms and conditions of his appointments is available for inspection of the members of the Company at its Registered Office situated at 610/611, Nirman Kendra, Dr. E. Moses Road, Mahalaxmi (W), Mumbai-400 011 between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays upto the date of Annual General Meeting of the Company.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for your approval.

**Memorandum of Interest:**

Except Mr. Suresh Bhojwani being an appointee and Smt. Hira T. Bhojwani being relative of Mr. Suresh Bhojwani, none of the Directors and key managerial personnel of the Company and their relatives are concerned or interested in the said resolution.

**Item No. 6**

Mr. Byram Jeejeebhoy is a Non-Executive Independent Director joined the Board of Directors of the Company on 30th April, 2001. Details regarding the proposed appointment of Mr. Byram Jeejeebhoy and his brief resume have been given below as required under Clause 49 of Listing Agreement for the information of members.

Mr. Byram Jeejeebhoy retires by rotation at the forthcoming Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Byram Jeejeebhoy has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Byram Jeejeebhoy being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for a period of five consecutive years. A notice has been received from a member proposing Mr. Byram Jeejeebhoy as a candidate for the office of Director of the Company.

The matter regarding appointment of Mr. Byram Jeejeebhoy as an Independent Director was placed before the Nomination & Remuneration Committee which recommends his appointment as an Independent Director for a period of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of 72nd Annual General Meeting of the Company.

In the opinion of the Board, Mr. Byram Jeejeebhoy fulfills the conditions specified in the Act and the Rules made there under for appointment as an Independent Director and he is an independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Byram Jeejeebhoy as an Independent Director is now being placed before the Members in general meeting for their approval.

Copy of the draft letter for appointment of Mr. Byram Jeejeebhoy shall be open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the Company upto the date of Annual General Meeting.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. Byram Jeejeebhoy as an Independent Director.

None of the Directors/key managerial personnel of the Company and their relatives except Mr. Byram Jeejeebhoy are concerned or interested in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for your approval.

#### **Item No. 7**

Mr. K. P. Rao is a Non-Executive Independent Director joined the Board of Directors of the Company on 7th August, 1990. Details regarding the proposed appointment of Mr. K. P. Rao and his brief resume have been given below as required under Clause 49 of Listing Agreement for the information of members.

Mr. K. P. Rao is a Director whose period of Office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. K. P. Rao has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. K. P. Rao being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for a period of five consecutive years. A notice has been received from a member proposing Mr. K. P. Rao as a candidate for the office of Director of the Company.

The matter regarding appointment of Mr. K. P. Rao as an Independent Director was placed before the Nomination & Remuneration Committee which recommends his appointment as an Independent Director for a period of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of 72nd Annual General Meeting of the Company.

In the opinion of the Board, Mr. K. P. Rao fulfills the conditions specified in the Act and the Rules made there under for appointment as an Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. K. P. Rao as an Independent Director is now being placed before the Members in general meeting for their approval.

Copy of the draft letter for appointment of Mr. K. P. Rao shall be open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the Company upto the date of Annual General Meeting.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. K. P. Rao as an Independent Director.

None of the Directors/key managerial personnel of the Company and their relatives except Mr. K. P. Rao are concerned or interested in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for your approval.

#### **Item No. 8**

Dr. T. S. Sethurathnam is a Non-Executive Independent Director joined the Board of Directors of the Company on 7th March, 1991. Details regarding the proposed appointment of Dr. T. S. Sethurathnam and his brief resume have been given below as required under Clause 49 of Listing Agreement for the information of members.

Dr. T. S. Sethurathnam is a Director whose period of Office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Dr. T. S. Sethurathnam has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Dr. T. S. Sethurathnam being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for a period of five consecutive years. A notice has been received from a member proposing Dr. T. S. Sethurathnam as a candidate for the office of Director of the Company.

The matter regarding appointment of Dr. T. S. Sethurathnam as an Independent Director was placed before the Nomination & Remuneration Committee which recommends his appointment as an Independent Director for a period of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of 72nd Annual General Meeting of the Company.

In the opinion of the Board, Dr. T. S. Sethurathnam fulfills the conditions specified in the Act and the Rules made there under for appointment as an Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Dr. T. S. Sethurathnam as an Independent Director is now being placed before the Members in general meeting for their approval.

Copy of the draft letter for appointment of Dr. T. S. Sethurathnam shall be open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day of the Company upto the date of Annual General Meeting.

The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Dr. T. S. Sethurathnam as an Independent Director.

None of the Directors/key managerial personnel of the Company and their relatives except Dr. T. S. Sethurathnam are concerned or interested in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for your approval.

**Item No. 9**

As per the new Companies Act, 2013, the exemption which was granted in the erstwhile provision of Companies Act, 1956 in respect of deposits from relatives of Directors' has been removed. As per the new act, if the Company would like to continue the said deposits then the rules and regulations in that regard need to be fulfilled. Even the members of the Company can place fixed deposit with the Company.

In order to avail this facility, as per provisions of Section 73(2) of Companies Act, 2013 a consent of members is required to be obtained in general meeting by way of an Ordinary Resolution in order to accept the deposits from members of the Company and also comply with terms and conditions as prescribed in the Act and Rules made thereunder.

Except to the extent of their deposits with the Company none of the Directors/key managerial personnel of the Company and their relatives are concerned or interested in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 9 of the Notice for your approval.

**Item No. 10**

The Company is directed, under Section 148 of Companies Act, 2013 to have the audit of its cost records conducted by a Cost Accountant in practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of M/s. S. R. Singh & Co., Cost Accountants as the Cost Auditors of the Company to conduct Cost Audits for the year ending on 31st March, 2015 at a remuneration of ₹ 1.5 lakhs per annum plus out-of-pocket expenses.

M/s. S. R. Singh & Co. has furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

The Board has approved the remuneration of ₹ 1.5 lakhs per annum plus out-of-pocket expenses to M/s. S. R. Singh & Co. as the Cost Auditors and the ratification of the shareholders is sought for the same by an Ordinary Resolution.

None of the Directors/key managerial personnel of the Company and their relatives are concerned or interested in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 10 of the Notice for your approval.

**By Order of the Board of Directors,  
For Bright Brothers Ltd.**

**TUSHAR NAIK**  
*CFO & Company Secretary*

Place : Mumbai  
Date : 30th May, 2014.

**Registered Office:**  
610-611, Nirman Kendra,  
Dr. E. Moses Road,  
Famous Studio Lane,  
Mahalaxmi, Mumbai 400 011.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN  
THE FORTHCOMING ANNUAL GENERAL MEETING**

**(IN PURSUANT OF CLAUSE 49 OF THE LISTING AGREEMENT)**

<b>Particulars</b>	<b>Mr. Suresh Bhojwani</b>	<b>Mr. Byram Jeejeebhoy</b>	<b>Mr. K. P. Rao</b>	<b>Dr. T. S. Sethurathnam</b>
Date of Birth	16th April, 1948	12th June, 1945	11th September, 1927	11th April, 1929
Date of Appointment	1st February, 2001	30th April, 2001	7th August, 1990	7th March, 1991
Qualifications	Graduate in Engineering and Management (Boston University)	B.A.(Econ) Hons LTCL (Lon) FRGS FRSA	B.Com.,F.C.A.	B.A., M.Com., LL.B., ACA, IA&AS (Retd)
Experience in specific functional area	More than four decades of experience in Plastics Industry.  Elected Member of Automotive Component Manufacturers Association (ACMA) Executive Committee.  Chairman of ACMA Raw Materials Committee Past President and Elected Member of the Organisation of Plastic Processors of India (O.P.P.I.) Executive Committee	Wide experience in Real Estate business and Property Development, Financial and Investment expertise.	In areas of Audit, Finance and Taxation, Management Consultancy in Business Restructuring.	Past Chairman of M.P. Electricity Board, BSES Ltd., Power Finance Corporation Ltd. and Arbitrator in the Power Sector.
Number of equity shares held in the Company as on 31st March, 2014	12,83,418	5,000	NIL	NIL
List of Public Companies in which Directorships held as on 31.03.2014 (Excluding private limited companies)	NIL	NIL	NIL	Oil Country Tabular Limited
Chairman/ member of the Committees of the Board of the Companies in which he is a Director	NIL	NIL	NIL	Chairperson of Audit Committee and Remuneration Committee of Oil Country Tabular Ltd

# 67th Annual Report 2013-2014

Bright Brothers Limited

*Brite*

## COMPANY INFORMATION

### Board of Directors

Mr. Suresh Bhojwani – *Chairman & Managing Director*  
Smt. Hira T. Bhojwani – *Whole Time Director*  
Mr. Byram Jeejeebhoy – *Independent Director*  
Mr. K. P. Rao – *Independent Director*  
Dr. T. S. Sethurathnam – *Independent Director*

### Board Committees

#### Audit Committee

Mr. K. P. Rao – *Chairman*  
Dr. T. S. Sethurathnam  
Mr. Suresh Bhojwani

#### Stakeholders Relationship Committee

Mr. K. P. Rao – *Chairman*  
Mr. Suresh Bhojwani  
Smt. Hira Bhojwani

#### Nomination & Remuneration Committee

Mr. K. P. Rao – *Chairman*  
Mr. Byram Jeejeebhoy  
Dr. T. S. Sethurathnam

#### CFO and Company Secretary

Mr. Tushar Naik

#### Banker

Bank of Baroda

#### Auditors

M/s. Desai Saksena & Associates  
Chartered Accountants

#### Website

[www.brightbrothers.co.in](http://www.brightbrothers.co.in)

#### Registrar and Share Transfer Agent

M/s. Sharepro Services (India) Private Limited

**AGM Venue** : Walchand Hirachand Hall, 4th Floor  
Indian Merchant Chamber Building  
IMC Marg, Churchgate  
Mumbai 400 020

**Date** : 4th September, 2014.

**Time** : 11.30 a.m.

### Registered Office

610-611, Nirman Kendra,  
Famous Studio Lane,  
Dr. E. Moses Road, Mahalaxmi,  
Mumbai-400 011.  
Tel.: 022 2490 5324  
Fax : 022 2490 5325  
E-Mail: [ho@brightbrothers.co.in](mailto:ho@brightbrothers.co.in)  
CIN: L25209MH1946PLC005056

### Corporate Office

B-54, Road No. 33,  
Gyaneshwar Nagar,  
Wagle Industrial Estate,  
Thane-400 604.  
Tel.: 022-2583 5158

### Factories:

Puducherry  
Plant I and II  
Plot No. 1/1 to 1/4,  
Thirubhuvanai,  
Mannadipet Commune,  
Puducherry-605 107.

Faridabad  
Plot No. 16-17, Sector 24,  
Faridabad-121 005.

Bhimtal  
Hiltron Electronic Complex,  
Plot No. C, D, E, F & G  
Mallital, Bhimtal,  
Nainital-263136

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## DIRECTORS' REPORT

To  
The Members,

Your Directors are pleased to present the 67th Annual Report together with the Audited Financial Statement for the year ended 31st March, 2014.

### Financial Highlights:

The financial performance for the year ended 31st March, 2014 vis-à-vis performance for the previous year ended 31st March, 2013 is as under:

(₹ in Lakhs)

Particulars	Year Ended March-2014	Year Ended March-2013
<b>Net Sales and Operating Income</b>	<b>14982.53</b>	14712.59
Less: Expenses	<b>14229.39</b>	14160.27
Operating Profit	<b>753.14</b>	552.32
Add: Other Income	<b>175.47</b>	334.27
Financial Costs	<b>461.10</b>	471.46
Depreciation	<b>457.40</b>	448.42
<b>Profit for the Year</b>	<b>10.11</b>	(33.29)
Less: Tax Related to Earlier Years Refund/(Expenses)	<b>252.76</b>	(43.58)
<b>Profit / (Loss) After Tax</b>	<b>262.87</b>	(76.87)
Balance of Profit of previous year	<b>1270.02</b>	1478.92
Distributable profit	<b>1532.89</b>	1402.04
<b>APPROPRIATIONS :</b>		
Proposed Dividend	<b>113.60</b>	113.60
Tax on Dividend	<b>18.43</b>	18.43
Balance Carried to Balance Sheet	<b>1400.87</b>	1270.02

### Operating Results:

The total operational income for the year ended 31st March, 2014 stood at ₹ 14982.53 lakhs as against ₹ 14712.59 lakhs in the previous year resulting in an increase of ₹ 269.94 lakhs (1.83%) as compared to the previous year.

The Operating Profit before Depreciation, Finance Cost and Tax for the year ended March 31, 2014 amounted to ₹ 753.14 lakhs as against ₹ 552.32 lakhs in the previous year showing an increase of 36%. Due to reduction in other income, the Profit for the year under review has shown a marginal increase compared to the previous year.

### The Year in Repectspect:

During the period under review, the Country's external trade has been impacted by slower than expected recovery in the developed markets. On the other hand, high inflation has impacted domestic consumption. India's economy continued to face serious domestic as well as external challenges. The decline in the GDP growth rate as also in industrial activity and investments continued. Apart from overall growth slippage, inflation remained a major concern leading to higher input cost, thus putting pressure on margins. The Current Account Deficit is likely to be lower due to a steep reduction in gold imports, stable oil prices, increased exports in the second half of the year and a major reduction in Government expenditure. However, the Fiscal account deficit is still likely to be 4.5% of the GDP, which is a major threat to the economy. The major factors which have led to the above situation include policy paralysis/executional bottlenecks and a rise in oil, coal and gold imports.

Indian Industry has been in turmoil over the past few years. Bureaucratic hurdles to industrial projects such as delays in grant of approval, a down beat business environment due to slow policy reforms and a restrictive monetary policy have contributed to a collapse in investments, thus dragging down economic growth to its lowest level in a decade.

Factors like higher interest rates which have reduced consumer spending, reduction in expenditure, hawkish stand by RBI towards inflation have resulted in a negative growth in the Consumer Durable Industry. For the Indian economy, bringing down inflation without hurting growth remains a major challenge.

**Outlook for the Current Year:**

According to NCAER, India's economic growth is likely to accelerate to 5.6% while Asian Development Bank projected India's GDP growth rate at 5.5% for 2014-15 depending upon its ability to implement structural changes. The global economy has shown signs of recovery with improved financial conditions. The US is expected to emerge as the key growth driver with the EUROZONE turning the corner and with Japan initializing liberal financial policies. Due to this, it is expected that global growth will be higher at 3.9% compared to 3.7% in the previous year.

With an expected turnaround in developed economies, a stable Government at the Centre and considering the competitive position of the rupee, it is expected that exports of goods and services will increase.

However, during 2014-15 India faces the threat of a bad monsoon which in turn can strengthen inflation and dampen the growth spirit.

**Dividend:**

Your Directors are pleased to recommend a dividend of ₹ 2/- per Equity Share for the year ended 31st March, 2014 on 56,80,235 Equity Shares of ₹ 10/- each. The said Dividend, if approved by the Members, would involve a cash outflow of ₹ 132.03 lakhs comprising of ₹ 113.60 lakhs as dividend and ₹ 18.43 lakhs as tax on dividend which is at par with the previous year.

The dividend will be paid subject to the approval of shareholders at the forthcoming Annual General Meeting to those shareholders whose names appear on the Register of Members of the Company as on the specified date.

**Fixed Deposits:**

The Company has accepted fixed deposits from Directors and relatives of Directors under the Companies Act, 1956. The Company has not accepted any public deposits. There were no outstanding dues on account of principal and interest of fixed deposits as at the end of the year. The Company proposes to invite and accept fixed deposits from the shareholders in accordance with Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. Attention of the Members is invited to the Item No. 9 in the Notice of the Annual General Meeting and the Explanatory Statement thereto.

**Directorate:**

Terms of appointment of Mr. Suresh Bhojwani, Managing Director of the Company expires on 31st January, 2015. Pursuant to the provisions of Section 196 and Section 197 of the Companies Act, 2013, the necessary resolution seeking the re-appointment and approving remuneration is placed before the Members in the Annual General Meeting for your approval.

During this Annual General Meeting, it is proposed to confirm the appointment of all the Independent Directors to bring their appointment in tune with the provisions of the Companies Act, 2013.

At present, your Company has 3 (Three) Non-executive Directors who are Independent Directors pursuant to the provisions of Clause 49 of the Listing Agreement. Pursuant to Section 149(4) of the Companies Act, 2013, every listed Company shall have one third of its total strength of the

Board of Directors as Independent Directors. Based on the present Composition of the Board of Directors and the number of Independent Directors, the Company complies with this requirement.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 (Section 257 of the Companies Act, 1956) three (3) Non executive Directors will be seeking an appointment as Independent Directors at the ensuing Annual General Meeting. Consequent to appointment as Directors, they will occupy the position of Independent Directors.

The Company has, pursuant to the provisions of Clause 49 of Listing Agreement entered into with Stock Exchange appointed Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Byram Jeejeebhoy as Independent Directors of the Company. The Company has received declarations from the said Independent Directors confirming that they meet the criteria prescribed both under Section 149(6) of the Companies Act, 2013 and under Clause 49 of the Listing Agreement.

In accordance with the provisions of Section 149(4) and proviso to Section 152(5) of the Companies Act, 2013, these Directors are being appointed as Independent Directors to hold office for a period of five consecutive years.

**Corporate Governance:**

A separate report on Corporate Governance is set out in Annexure III.

**Management Discussion and Analysis:**

Management discussion and analysis of the financial conditions and result of operations of the Company for the period under review as required under Clause 49 of the Listing Agreement with Stock Exchange is given in a separate statement in the Annual Report in Annexure II.

**Insurance:**

All the assets of the Company are fully insured against major risks.

**Directors' Responsibility Statement:**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representation received from operative Management, confirm that:

- (a) in the preparation of the annual accounts for the year ended 31st March, 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2014 and of the profit or loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) the Directors have prepared the annual accounts of the Company on a going concern basis.

**Auditors:**

At the ensuing Annual General Meeting, Members will be required to appoint Auditors for the financial year 2014-15. M/s Desai & Saksena, Chartered Accountants, the existing Auditor have furnished a certificate that if re-appointed for the financial year 2014-15, their re-appointment will be in accordance with Section 139 of the Companies Act, 2013.

The Board recommends their re-appointment. Members are requested to consider their re-appointment as Auditors of the Company for the current financial year and authorize the Board of Directors to fix their remuneration.

**Secretarial Audit:**

As required under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint a Secretarial Auditor for auditing the secretarial and related record of the Company as prescribed under Companies Act, 2013 and to provide a report in this regard.

M/s. Kiran Martin Golla & Associates is appointed as Secretarial Auditor of the Company by the Board of Directors of the Company at its meeting held on 30th May, 2014 to carry out the necessary audit as required under the Companies Act, 2013.

**Cost Audit:**

The Ministry of Corporate Affairs, Cost Audit Branch, Government of India has issued an Order on 24th January 2012. In terms of this order, Companies whose shares are listed on the Stock Exchange or whose turnover is more than ₹ 100 crores in the immediately preceding financial year and engaged in specific industries are required to have the Cost Accounting records audited by a Cost Accountant or a firm of Cost Accountants effective 1st April, 2012.

Accordingly, the Board at their meeting held on 30th May, 2014 had on the recommendation of Audit committee appointed M/s. S. R. Singh & Co., Mumbai as Cost Auditors of the Company. They will audit the cost records for the year 2014-15.

The Company has filed the Cost Audit Report for the year 2012-13 with the Ministry of Corporate Affairs on 29th October, 2013.

**Particulars of Employees:**

There is no employee covered under Section 217(2A) of the Companies Act, 2013, read with the Companies (Particulars of Employees) Rules, 1975.

**Companies Act, 2013:**

The Companies Act, 2013 has become effective from April 1, 2014 and the rules relating to the Act were made effective subsequently. As per clarification given by Ministry of Corporate Affairs, the Board's Report and the Financial Statement of the Company were prepared as per the provisions of Companies Act, 1956.

**Other Information:**

The particulars relating to conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be given pursuant to Section 217(1)(e) of the Companies Act 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto and forms part of this report.

**Acknowledgements:**

Your Directors would like to express their appreciation towards the contribution made by the employees at all levels and for their dedication and commitment to the Company. The Directors also acknowledge and are grateful to its customers, members, suppliers, bankers, business partners and Central and State Governments for their valuable support and co-operation. The Directors specially thank the shareholders for the confidence reposed by them in the Company.

**For and on behalf of the Board of Directors**

**SURESH BHOJWANI**  
*Chairman & Managing Director*

*Place : Mumbai*

*Date : 30th May, 2014*

## ANNEXURES TO DIRECTORS' REPORT

### Annexure-I

Information given as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

#### A. Conservation of Energy:

Continuous monitoring and awareness amongst employees has helped to avoid wastage of energy. Various investments in power consumption equipments has helped the Company to reduce the overall power consumption.

Continuous study and analysis for energy conservation, installation of energy efficient equipments has resulted into lower units of power consumption per kg production of finished products.

#### Energy Conservation measures taken:

- Installation of Variable Frequency Drives (VFD) to reduce the power consumption of old machines.
- Energy efficient pump for cooling tower.
- Installation of servo drive in injection molding machines to reduce power consumption.

#### B. Technology Absorption, Adaptation and Innovation:

NOT APPLICABLE

#### C. Foreign Exchange Earnings and Outgo:

The particulars of foreign exchange utilised during the year are given in Clause a, b and c of Note No. 34 of Notes accompanying the financial statements.

##### (a) C. I. F. Value of Imports {Para 4D (a)}

	(₹ in Lakhs)	
	2013-2014	2012-2013
Raw Materials	—	39.93
Traded Goods	39.75	33.87
Machinery & Spares	4.34	401.20

##### (b) Expenditure in Foreign Currency {Para 4 D(b)}

Foreign Travel	6.42	2.30
Royalty	44.90	—
Moulds & Machinery	13.02	401.20

##### (c) Raw Materials Consumed:

	2013-14	2012-2013
Imported	—	42.08
Percentage to Total Consumption	—	0.48
Indigenous	9206.31	8813.57
Percentage to Total Consumption	100%	99.52%
Total	9206.31	8855.65
	100%	100%

For and on behalf of the Board of Directors

**SURESH BHOJWANI**  
Chairman & Managing Director

Place : Mumbai

Date : 30th May, 2014

## Annexure-II

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Economic and Business Overview:

The financial year 2013-14 (FY-14) began with multiple developments including elevation of inflation, heightened rupee volatility and worsening current account deficit apart from a growth slowdown and a sharp industrial contraction. However, from the third quarter onwards, the revival of the US economy partially resulted in the easing of inflationary pressures and a positive growth outlook.

The Indian economy is estimated to have grown by 4.56% in (FY-14), lower than the growth of 4.98% in (FY-13), with the farm sector registering a healthy growth of 4.6%. However a slow down persisted in the mining and manufacturing sectors which suffered from low investor sentiment, weak demand and policy bottlenecks. This is the first time since 1991-92, that India's manufacturing sector has contracted, reflecting the stress confronting the sector. The service sector that accounts for nearly 60% of the economy is expected to have grown by 6.9% in F.Y.-14, slightly lower than the growth of 7% in FY-13. High and persistent inflation remained a key macro economic challenge throughout the year. While the WPI based inflation rate averaged 5.92% in FY-14, the CPI based retail inflation rate averaged 9.49%. Around June-July 2013, India was faced with significant capital outflows and pressure on its currency, equity and bond markets as global liquidity conditions tightened. Investor concerns were amplified with the high current account and fiscal deficit, persistent inflation and weak macro economic fundamentals. Monetary policy during the year remained tilted towards controlling inflation despite the growing weakness in the economy.

From the third quarter onward, with uncertainties surrounding "taper" diminishing, a slew of policy initiatives introduced by the Government, resulted in the stabilisation of the rupee. By end March, 2014, India's foreign exchange reserves crossed the mark of US \$ 300 billion and touched the level of US \$304 billion.

On the basis of promises made by the new government on account of growth, development and controlling inflation, the people of India for the first time after 1984 gave a clear mandate to the NDA government. In order to boost the manufacturing sector and increase India's cost competitiveness, the new government is opening up more sectors for Foreign Direct Investment, including strategic sectors like defence, and increasing the list of industries which will be eligible for automatic route approval. The thrust on infrastructure spending and rural electrification should result in cost competitiveness. With the reduction in growth in China in the last quarter of FY-14, and improving prospects in the US and Euro economies, the scope to increase exports has increased. This will help the Indian economy to revert back to more than 6% growth provided proper policy initiatives are given. With a combination of monetary and fiscal policies, the Government is confident of achieving the desired growth rate.

#### Industry Structure and Development

According to the All India Plastic Manufacturers' Association (AIPMA), domestic consumption of plastics has been growing at 10-12% CAGR over the last decade. Going ahead, the size of the plastic processing industry is expected to touch US\$ 50 billion by 2018. This exponential growth will see the number of manufacturing units go up to 40,000, with employment increasing to 7 million from the current 3.5 million-plus people (direct and indirect). To achieve this target, India will require fresh investment in machinery estimated at US\$ 10 billion by 2018.

As your Company is engaged in manufacturing of Consumer Durable components and Brite branded plastic crates for both industrial and non industrial purpose, the growth of your Company is directly linked to the GDP growth of the country. Considering the projected growth in GDP @5%, the industry is expected to grow between 7.5% and 10%.

In the case of plastic crates, your Company was a pioneer in the business and enjoys a good reputation in the industrial and non industrial sector. Considering the huge potential, our future growth will be from this segment.

The below mentioned table gives the present composition of business:

Category	Percentage Share in Total Turnover
CONSUMER DURABLE (WHITE GOODS) INJECTION MOULDED PLASTIC COMPONENTS	89%
BRITE BRANDED PRODUCTS (MATERIAL HANDLING CRATES AND BEAUTY PRODUCTS)	11%

#### OVERALL FINANCIAL PERFORMANCE:

The financial performance of the Company has been summarised in the table below followed by explanatory remarks for significant changes in 2013-14 compared to the previous year.

(₹ in lakhs)

	2013-14	2012-13	Change	% Change	Remarks
Tonnage processed (in tons)	7423	8601		(14)	1
Tonnage processed (in tons) Job Work	923	439		110	2
Total operational income (net)	14982.53	14712.59	269.94	2	
Changes in finished goods inventory	8.88	64.92			
Consumption of material	10651.93	10680.46			
Purchase of traded goods	178.14	103.38			
Employee cost	1179.09	1038.48	(140.61)	(14)	3
Operating and other expenses	2211.35	2273.03	61.68	3	
Earning before depreciation and finance cost	753.14	552.31	(200.83)	(36)	4
Other non-operational income	175.47	334.27			5
Depreciation	457.40	448.42	(8.98)	(2)	
Finance costs	461.10	471.46	10.36		
Profit/(Loss) before tax	10.11	(33.29)			
Tax expenses	(252.76)	43.58			
Profit/(Loss) after tax	262.87	(76.87)			
Earning per share ₹	4.63	(1.35)			
Reserves & Surplus	5443.64	5312.79			
Current Liabilities	2687.30	2066.65	(620.66)	(30)	
Net Fixed Assets (Incl. CWIP)	3506.23	3876.52			
Current Assets	4322.92	3276.65	(1046.37)	(32)	

- Due to higher raw material prices prevailing throughout the year, the top line was maintained at last year's level, but the tonnage processed during the year has reduced by 14% mainly due to a slump in consumer durable supplies to OEM's compared to the previous year.
- In respect of job work income, there was a quantum jump of 110% in tonnage processed mainly due to full year working of Puducherry unit-II compared to eight months working in the previous year and higher business from the customer.
- Employee cost has increased by 14% due to full year working of Puducherry unit-II and general increase. During the year the government has also increased the minimum wages.
- The gross contribution has increased during the year on account of better performance by unit-II at Puducherry and higher thrust on Material Handling Division business. With more focus on cost control, the Company was able to reduce operational costs.
- During the year, the other income has reduced due to withdrawal of funds from Inter Corporate deposit market and deploying the same in risk free securities.

(₹ in lakhs)

Particulars		2013-14	2012-13
Net cash flow from/(used in) operating activities (A)		929.54	787.77
Net cash flow from/(used in) investing activities (B)		(309.01)	(485.08)
Net cash flow from/(used in) financing activities (C)		(713.69)	(408.05)

**REVIEW OF OPERATIONS:**

During the year 2013-14, due to persistently high inflation, consumer spending, especially in the Consumer Durable segment has been affected which has affected demand for plastic components. The refrigerator business was flat and in respect of washing machines, our share of revenue was reduced due to a change in the product mix between automatic and semi automatic models. Further, the water purifier business has also shown de growth during the year, which has affected the profitability of the Company.

In MHD division, the Company has added a new range of products. Penetration in new territories and a focus on value added items has resulted in higher sales and profitability from this segment. The Company has targeted this segment as a focused area of growth for the current year. With newer territories yet to be tapped and the "Brite" brand commanding a premium in the market, the Management is confident of delivering the desired result.

In respect of the Hair and Beauty Care business, the "DIVO" brand has established its presence in the major metros and TIER I cities. During the year the division bagged a major order from a leading Indian FMCG company. With the introduction of new products with better margins, the division is expected to break even in the current year.

**Growth Driver:**

Considering the projections given by our customers and based on marketing projections for our branded products, the major growth will come from higher penetration of our existing customers and widening our territorial reach in respect of our MHD products. The other focus area will be on increasing the throughput by way of productivity improvements and controlling costs. The Management expects improvement from the third quarter onwards provided the economy grows by minimum 5% in 2014-15.

In respect of Hair Care and Beauty products business, the new range of products will be the growth driver as Management expects good business from trade and organized retail.

Considering the progress made in the area of mould development in the year 2013-14, the Management has taken up this activity as a core area for expansion. New investments will be made during the year in the latest technology and state-of-the-art machines. Not only will it be an area of high profitability, but will also help in getting new business.

**OPPORTUNITIES:**

- Recent surveys indicate that India is having the best demographic population in the age between 25 and 40, which offers immense growth opportunities in the Consumer Durable Industry, which in turn will fuel the growth for plastic components. With the changing life style, higher disposable income and with rural markets still to be penetrated, the Management expects healthy growth in future.
- The "Brite" branded MHD products, due to strong brand recall, wider product range, untapped market, strong replacement demand and ease of handling, offers vast business potential.
- The thrust on electrification by the Government will lead to a higher demand of Consumer Durables from the rural market.
- Distributor presence in more than 10 cities and supplies to organized retail players will lead to higher sales in the Hair and Beauty care segment.
- The Government's emphasis on controlling inflation and more emphasis on financial inclusion will lead to availability of credit to the masses which will lead to higher demand for the Consumer Durable industry.

**THREATS:**

- Due to change in marketing strategy by leading Consumer Durable Industry players, the import of finished products and selling under their own brand names, has led to higher competition in the existing product categories which has resulted in reduction of margins. In order to compensate for reduction in margins, the OEM's are squeezing the margins of component suppliers. This may lead to reduction in profitability of the Company.
- Exchange rate fluctuation between Dollar and Rupee could also impact the costs of raw material which could lead to lower demand and reduction in margin.
- Sticky inflation, poor growth and diversion of savings to financial assets has led to reduction in discretionary spending and contraction in demand. Due to inflation, it can lead to increase in cost of production which can add pressure on margins unless accompanied by volume increases.
- RBI Monetary policy which is tilted towards controlling inflation has resulted in delay in reduction of interest rates.
- The non availability of credit from banking sector, has resulted in lower demand from rural sector.
- Increase in power cost and non availability of grid power will lead to higher cost of production which may result in margin erosion.
- Delay in implementation of GST may hurt the growth of the economy.
- Continuation of multiple taxation is hurting demand due to higher prices of finished goods.

**OUTLOOK**

A stable Government at the centre with a clear mandate, should lead to faster decision making in respect of policies relating to reforms in FDI and taxation. The Government's success in stimulating growth whilst controlling inflation at the same time will help in reducing the interest rates. With the overall reduction in monsoon deficit, it is expected that the economy will gain its momentum from the second half of the year which will stimulate investment.

On a macro level, the strengthening US economy, renewed commitment by EUROZONE countries, measures announced by Japan for revival of their economy and slow down in China, offers good opportunities for the Indian economy to regain its growth momentum.

With the competition heating up with the entry of new players especially multinationals, the focus will be to attract new customers and fully exploit the area of material handling crates so that capacity gets utilised.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has a proper and adequate system of internal controls commensurate with the size and needs of business to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal thereof. All transactions are authorized, recorded and reported correctly. The internal controls and systems are checked by Internal Auditors. As part of audit reporting process, significant observations are reported to the Audit Committee. These are reviewed and monitored through the Action taken reports. The observation made by them, Management action and time frame are reviewed by the Audit Committee of the Board of Directors. Concerns, if any are reported to the Board.

**Cautionary Statement**

Statement in the Management Discussion and Analysis Report describe the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic operations markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

## Annexure-III

# REPORT ON CORPORATE GOVERNANCE

(Clause 49 of the Listing Agreement)

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

Bright Brothers Limited ("BBL"/"the Company") believes in ethical conduct and makes all conscious efforts to conduct business in the best interest of stakeholders in a transparent manner. The Company is proud to belong to a group whose founder lived his life with ethical values and built the business enterprise on a foundation of good governance.

BBL is engaged in continuous improvements of products, processes and work environment to deliver the best in class product and services to customers.

The Company firmly believes that Management must have freedom of execution and this freedom must be exercised within the framework of accountability to meet stakeholder's aspirations and society expectations. It ensures compliance with all the applicable laws.

BBL consistently meets its commitment towards continuous upgradation of Corporate Governance Standards.

The Company has always upheld the core values of integrity, responsibility, empowerment and accountability.

BBL also believes that good corporate governance practices helps to enhance performance and valuation of the Company.

### 2. Board of Directors:

#### 1.1 Composition and category of directors:

The Board of Directors provides leadership, strategic guidance and objective judgement to the Company's Management and directs, supervises and controls performance of the Company. The Composition of the Board of Directors is in conformity with Clause 49 of the Listing Agreement with Stock Exchange and Companies Act, 2013. The composition of the Board ensures a judicious mix of Executive and Non-Executive Directors as well as Independent and Non Independent Directors. There are three Non Executive Independent Directors and two Executive Directors. The Chairman is a Managing Director and a member of the Promoter Group. The Independent Directors provide their independent judgement, external perspective and objectivity on the issues placed before them.

#### 1.2 During the year 2013-14, the Board met four times on 31-05-2013, 12-08-2013, 15-11-2013, and 7-02-2014 and the gap between two meetings did not exceed fourmonths. The Agenda for the Board meetings containing relevant information and supporting data as may be required, are circulated at least five days in advance to take informed decisions.

When deemed expedient, the Board also approved by Circular Resolution for important urgent items of business as permitted under the Act which cannot be deferred till the next Board Meeting.

#### 1.3 Attendance and other directorship:

Names and categories of Directors on the Board, their attendance at the Board Meetings held during the year and at the last Annual General Meeting held on 12th August, 2013, and

the number of other directorship and Chairmanship/Membership of committee in other Companies as on 31st March, 2014 are given below:

Name of the Director	No. of Meetings held & attended during the year	Category of Directorship	Attendance at last AGM	No. of Directorship(s) in other public companies		No. of Committee positions held in other public companies	
				Chairman	Member	Chairman	Member
Mr. Suresh Bhojwani (Chairman & Managing Director)	4(4)	Promoter Executive	Yes	Nil	Nil	Nil	Nil
Smt. Hira T. Bhojwani (Whole-time Director)	4(3)	Promoter Executive	Yes	Nil	Nil	Nil	Nil
Mr. K. P. Rao	4(4)	Non Executive & Independent	Yes	Nil	Nil	Nil	Nil
Dr. T. S. Sethurathnam	4(4)	Non Executive & Independent	Yes	Nil	1	2	2
Mr. Byram Jeejeebhoy	NIL	Non Executive & Independent	No	Nil	Nil	Nil	Nil

**(b) Board's functioning and Procedure:**

The Board of Directors being an apex body constituted by the Shareholders plays an important role in ensuring good governance and functioning of the Company. The detailed Agenda and background notes/papers are sent to each Director in advance before Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director apprises the Board at every Meeting of the overall performance of the Company followed by presentations by the Chief Financial Officer. The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussions.

Evolving strategy, annual business plan, review of actual business plan and course correction, as deemed fit, constitute the primary business of the Board.

The Board reviews the declarations made by the Company Secretary of the Company regarding compliances of all applicable laws on quarterly basis.

**3. Committees of the Board of Directors:**

The Board has constituted the following Committees of Directors to deal with matters and to monitor the activities falling within the terms of reference as follows:

**(i) Audit Committee:**

The Audit Committee was constituted to review the financial statements, annual budget, accounting policies and practices and internal audit.

The Audit Committee comprises of three directors, Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Suresh Bhojwani as its members. Mr. K. P. Rao, Chartered Accountant, Independent Director is the Chairman of the Committee. The composition of the committee is in accordance with the requirements of Clause 49 of the Listing Agreement read with Section 177 of the Companies Act, 2013. The Company Secretary acts as the Secretary to the Committee.

During the financial year 2013-14, four Audit Committee meeting were held on 31-05-2013, 12-08-2013, 15-11-2013, and 7-02-2014.

All the Members of the Audit Committee attended all the four meetings. The Chairman of the committee, Mr. K. P. Rao, was present at the Annual General Meeting of the Company held on 12-08-2013.

• **Terms of Reference:**

The Terms of Reference of the Audit Committee have been further enhanced/modified to be in line with the enhanced scope for the committee as laid down under Section 177

of the Companies Act, 2013 and Listing Agreement which will become effective from 1st October 2014 are briefly as follows:

- (a) Oversight of the Company's financial reporting process and the disclosure of its financial information.
- (b) Reviewing with the management quarterly and annual financial statements before submission to the Board for Approval with particular reference to the matters specified in the Listing Agreement:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with Listing Agreement and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- (c) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- (d) To consider the appointment or re-appointment of the statutory auditors, the audit fee, any questions of resignation or dismissal and payment to statutory auditors for any other services rendered by them.
- (e) Reviewing 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.
- (f) 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.
- (g) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(ii) **Nomination and Remuneration Committee:**

The Board has constituted the Nomination and Remuneration Committee which has been mandated to recommend to the Board, salary (including annual increments), perquisites and commission to be paid to the Company's Executive Directors and other senior personnel. Under the enhanced terms of reference, the scope of the Committee, in addition to the above, includes formulation of criteria for evaluation of Independent Directors and the Board, remuneration policy relating to key managerial personnel and other employees.

Mr. K. P. Rao acts as the Chairman of the Committee with Mr. Byram Jeejeebhoy and Dr. T. S. Sethurathnam being the other members. All three members of the committee are Non-executive Independent directors.

- Remuneration of Managerial Personnel:

Details of remuneration paid/payable to Managing Director and Whole-time Director for the financial year ended 31st March 2014 are as follows:

(₹ in lakhs)

Particulars	Managing Director	Wholetime Director
Salary	36.40	8.52
Perquisites & Allowances	5.60	1.65
Contribution to PF	3.60	0.72
Commission	—	—
<b>Total</b>	<b>45.60</b>	<b>10.89</b>

The Nomination and Remuneration Committee decides on the commission payable to the Managing Director.

The additional information in respect of Executive Directors is as under:

	Mr. Suresh Bhojwani	Smt. Hira T. Bhojwani
Service contract	Three years	Three years
Notice period	Six months	Six months
Severance fees	Not applicable	Not applicable

- Independent and Non-Executive Directors are paid sitting fees of ₹ 15,000/- per Board meeting, ₹ 5,000/- per Audit Committee meeting and ₹ 1,000/- for every other Committee meeting. No sitting fee is payable to Executive Directors.
- In addition to this, Non-executive Directors are paid commission collectively up to 1% of the net profits computed in the manner provided in Section 197 of the Companies Act, 1956. The amount of Commission payable is determined after assigning weightage to the attendance at the Board meeting and contribution made at the Board meeting.
- Presently the Company has no stock option scheme.

Details of Sitting fees and Commission paid to Independent and Non-Executive Directors for attending Board / Committee Meetings for the period 01/04/2013 to 31/03/2014 are as follows:

(₹ in lakhs)

Sr. No.	Name of the Non-Executive Director	Board Meetings	Committee Meetings	Commission
1.	Mr. K. P. Rao	60000.00	32000	NIL
2.	Dr. T. S. Sethurathnam	60000.00	21000	NIL
3.	Mr. Byram Jeejeebhoy	-	-	NIL

- Mr. Byram Jeejeebhoy – Non-Executive Director of the Company holds 5,000 Equity Shares of the Company. None of the other Non-Executive Directors hold any shares of the Company.

(iii) **Stakeholders Relationship Committee:**

The Board has renamed Share Transfer and Investors' Grievance Committee as Stakeholders Relationship Committee to redress Shareholders' complaints like transfer/transmission of shares, issue of duplicate share certificates, non-receipt of annual report, dividends, notices etc.

The composition of committee is as follows:

Name of the Director	Designation	Category
Mr. K. P. Rao	Chairman	Independent, Non Executive
Mr. Suresh Bhojwani	Member	Non-Independent, Executive
Smt. Hira T. Bhojwani	Member	Non-Independent, Executive

The Company Secretary acts as the Secretary to the Committee.

Name, designation and address of the Compliance Officer:

Mr. Tushar Naik  
610/611 Nirman Kendra,  
Famous Studio Lane,  
Dr. E. Moses Road,  
Mahalaxmi, Mumbai 400 011  
e-mail id : invcom@brightbrothers.co.in

There were no complaints received during the year 2013-14.

#### 4. General Body Meetings:

Particulars of last three AGMs.

AGM	Year	Location of the Meeting	Date	Time	Special Resolution
66 <sup>th</sup> AGM	2012-13	Walchand Hirachand Hall IMC, 4th floor, IMC Marg, Churchgate, Mumbai 400020	12/08/2013	11.00 a.m.	<ul style="list-style-type: none"> <li>– Remuneration to be paid to Managing Director.</li> <li>– Re-appointment of Ms. Ruchika Bhojwani as “Chief Operating Officer – Consumer Products”</li> <li>– Re-appointment of Mr. Karan Bhojwani as “Vice President - Operations”</li> <li>– Alteration of Articles of Association of the Company to insert clause of participation in general meetings through electronic mode.</li> </ul>
65 <sup>th</sup> AGM	2011-12	Walchand Hirachand Hall IMC, 4th floor, IMC Marg, Churchgate, Mumbai 400020	03/08/2012	3.00 p.m.	Payment of commission to directors (other than whole time and Managing Director)
64 <sup>th</sup> AGM	2010-2011	Walchand Hirachand Hall IMC, 4th floor, IMC Marg, Churchgate, Mumbai 400020	04/08/2011	3.00pm	Nil

No resolution was passed by Postal Ballot during the Financial Year.

#### Extraordinary General meeting:

No Extraordinary General Meeting was held during the year 2013-14.

#### 5. Disclosures:

##### Compliance with Mandatory Requirements

- **Related Party Transaction:**

Details of related party transactions entered into by the Company are included in the notes to the Financial Statements.

All the transactions covered under the related party transaction are fair, transparent and at arms length. No significant material transactions have been made with the directors, their relatives or management which is in conflict with the interest of the Company.

- **Risk Management:**

The Company has laid down the procedures for informing the Board about risk assessment and minimization. The risk minimization procedures have been reviewed periodically to ensure that risks are controlled through properly defined management process.

- **Disclosure of Accounting Standards:**

The Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and Companies (Accounting Standards) Rules, 2006.

**Others**

- The Company does not have any subsidiaries.
- The Company has complied with the requirements of Listing Agreement/Regulations/Guidelines/Rules of the Stock Exchanges/SEBI and other Statutory Authorities. Consequently there have been no strictures/penalties imposed on the Company during the last three years.

**6. Compliance with Non-Mandatory requirements:**

Adoption of non-mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time and implemented as per the need of the Company.

**7. Means of Communication:**

- The quarterly, half yearly and annual results are generally published in "The Free Press Journal" (English) and "Nav-Shakti" (Marathi) in Mumbai edition. The results are also submitted on a timely basis in a prescribed format to the Stock Exchange where the Equity shares of the Company are listed so as to enable it to put it on its website.
- A Management Discussion and Analysis is being presented as a part of the Annual Report.

**8. General Shareholders Information:**

<b>Annual General Meeting</b>	
• <b>Date and Time</b>	: 4th September, 2014 at 11.30 a.m.
• <b>Venue</b>	: Walchand Hirachand Hall, 4th Floor IMC Bldg., IMC Marg, Churchgate, Mumbai- 400 020
• <b>Dividend Payment date</b>	: 9th September, 2014.
<b>Date of Book Closure</b>	: 28th August, 2014 to 4th September, 2014.
<b>Financial Calendar for 2013-14</b>	
Reporting for June 2014 quarter	: On or before 15th August 2014
Reporting for September 2014 quarter	: On or before 15th November 2014
Reporting for December 2014 quarter	: On or before 15th February 2015
Reporting for quarter & year ended March 2015	: On or before 30th May 2015

**Listing:**

The Equity shares of the Company are listed on Bombay Stock Exchange Limited.

The Company has paid the Annual Listing Fee for the year 2014-15.

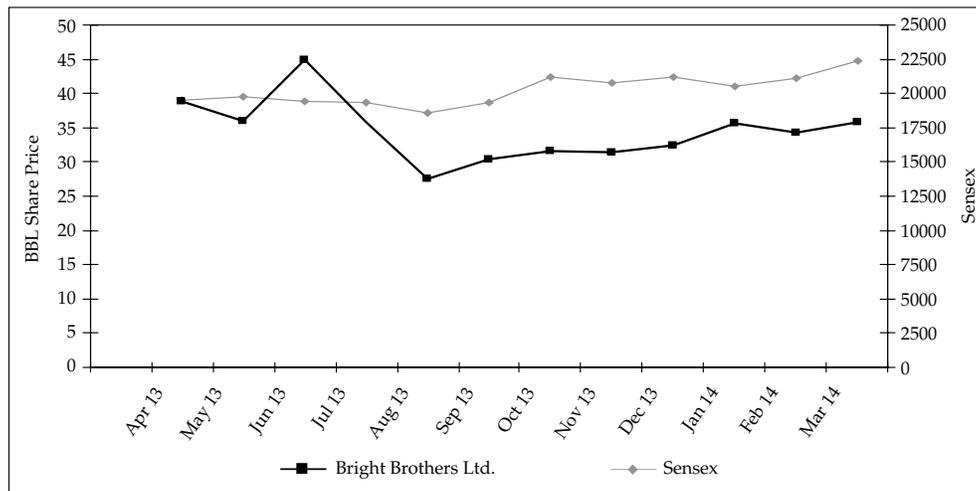
• <b>Stock Code</b>	: 526731
• <b>ISIN No. for NSDL and CDSL</b>	: INE630D01010
• <b>Scrip ID</b>	: BRIGHTBR
• <b>CIN</b>	: L25209MH1946PLC005056

- **Stock Market Data (BSE):**

Monthly high and low quotations of shares and volume of Equity Shares traded on Bombay Stock Exchange Limited are as follows:

Month	High (In ₹)	Low (In ₹)	Closing (In ₹)	Volume (in Nos.)	Sensex (Closing)
April 2013	39.40	34.10	38.90	81,056	19,504.18
May 2013	37.75	34.60	35.90	3,431	19,760.30
June 2013	45.00	35.55	45.00	6,960	19,395.81
July 2013	42.80	35.70	35.75	1,116	19,345.70
August 2013	34.65	27.10	27.55	14,760	18,619.72
September 2013	30.45	26.45	30.45	3,435	19,379.77
October 2013	31.95	29.20	31.55	7465	21,164.52
November 2013	34.75	30.55	31.45	17,300	20,791.93
December 2013	34.30	29.90	32.50	2,548	21,170.68
January 2014	35.80	31.05	35.60	9,087	20,513.85
February 2014	37.80	31.75	34.25	87,731	21,120.12
March 2014	38.40	31.50	35.85	76,234	22,386.27

**Share Performance of the Company in Comparison to BSE Sensex**  
**BSE Sensex Vs BBL Share Price (Monthly Closing Price)**



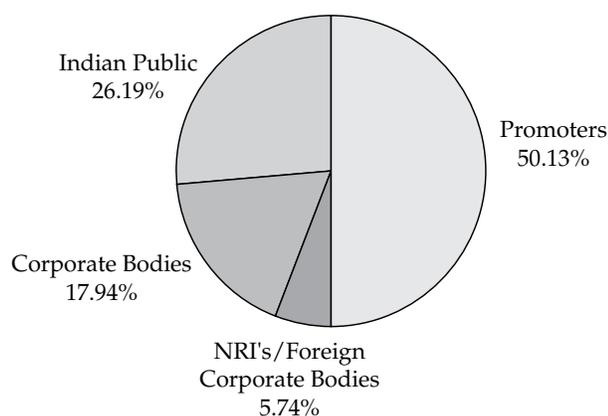
**Pattern of Shareholding as on 31st March, 2014:**

Category	No. of Shares	%
<b>** Promoters</b>	<b>28,47,425</b>	<b>50.13</b>
<b>Non Promoters</b>	<b>28,32,810</b>	<b>49.87</b>
a. NRIs / Foreign Nationals/ Foreign Corporate Bodies	3,98,994	7.02
b. Mutual Funds/ Banks/ Financial Institutions	350	0.01
c. Private Corporate Bodies	9,86,534	17.37
d. General Public	14,87,456	26.73
<b>Grand Total</b>	<b>56,80,235</b>	<b>100.00</b>

Note: None of the Promoters have pledged their shares as on March 31, 2014.

\*\* Promoter holdings comprised in “Promoter and Promoter Group” as defined in Clause 40A of the Listing Agreement are as follows:

Sr. No	Name of the shareholder	No. of Shares	% of total shareholding
1	M/s. T. W. Bhojwani Leasing Pvt. Ltd.	8,57,217	15.09
2	Mr. Suresh Bhojwani	12,83,418	22.59
3	Smt. Hira T. Bhojwani	3,70,310	6.52
4	T. W. Bhojwani – HUF	2,40,430	4.23
5	Mrs. Devika S. Bhojwani	41,050	0.72
6	S. T. Bhojwani – HUF	20,000	0.35
7	Ms. Ruchika S. Bhojwani	17,500	0.31
8	Mr. Karan S. Bhojwani	17,500	0.31
		<b>28,47,245</b>	<b>50.12</b>



#### Distribution of Shareholding as on 31st March, 2014:

Range of Shares held	No. of Folios	No. of Shares held	% Total Shares
1 - 500	4004	4,73,089	8.33
501-1000	128	1,03,697	1.83
1001-2000	65	95,996	1.69
2001-3000	18	46,775	0.82
3001-4000	8	28,340	0.50
4001-5000	12	58,141	1.02
5001-10000	14	1,06,829	1.88
10001 and above	50	47,67,368	83.93
<b>Grand Total</b>	<b>4375</b>	<b>56,80,235</b>	<b>100.000</b>

#### Share Transfer System:

The Company has appointed M/s. Sharepro Services (India) Private Limited as its Registrar and Share Transfer Agent to process all the matters related to transfers in physical form. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents if the documents are complete in all respects. All requests for dematerialization of shares which are in order, are processed within 7 days from the receipt of request and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**Dematerialisation and Liquidity:**

The shares of the Company are required to be compulsorily traded in dematerialised form. 54,08,159 Equity Shares representing 95.21% of the total Equity Capital of the Company are held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India)Limited (CDSL) as on 31st March, 2014.

**Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion date and likely impact on equity:**

The Company has not issued any of these instruments so far.

**Plant locations:**

<b>Puducherry:</b> Plot No. 1/1 to 1/4, Thirubhuvanai, Mannadipet Commune, Puducherry – 605 107. Phone No. : 0413 2640105 0413 2640368	<b>Faridabad:</b> Plot No. 16-17, Sector 24, Faridabad – 121 005 Phone No. : 0219 2232049 0219 5021455
<b>Bhimal:</b> Hiltron Electronic Complex, Plot No. C,D,E,F & G Mallittal, Bhimal Nainital – 263136 Telephone No. : 05942 247219/ 212	

**Address for Investor's correspondence:**

For all matters relating to shares, dividends, Annual Reports:	M/s. Sharepro Services (India) Pvt. Ltd. Samhita Warehousing Complex, 13AB, Gala No. 52, 2nd Floor, Near Sakinaka Telephone Exchange, Off. Kurla Andheri Road, Sakinaka, Mumbai 400 072 Contact person: Mr. Laxman Poojary. Email: <a href="mailto:laxmanp@shareproservices.com">laxmanp@shareproservices.com</a>	Phone : 022 67720300 Fax : 022 28375646
For any other general matters	Company Secretary Bright Brothers Limited 610/611, Nirman Kendra, Famous Studio Lane, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011 Email: <a href="mailto:tusharnaik@brightbrothers.co.in">tusharnaik@brightbrothers.co.in</a>	Phone : 022 25828486 Fax : 022 25837051

**9. CEO/CFO Certification:**

The Managing Director (CEO) and Chief Financial Officer (CFO) have in respect of the financial year ended 31st March, 2014 certified to the Board regarding compliances of covenants contained in Clause 49(V) of the Listing Agreement.

**10. Compliance Certificate of the Auditors:**

The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. The Certificate is annexed hereto.

## 11. Compliance with the Code of Conduct:

### DECLARATION

As provided under Clause 49I(D) of the Listing Agreement with the Stock Exchange, I, Mr. Suresh Bhojwani, Chairman & Managing Director of the Company hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the Code of conduct for the year ended 31st March, 2014.

## 12. Request to shareholders:

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to serve them efficiently and avoid risks while dealing in securities of the Company.

### Demat of Shares:

Shareholders are requested to convert their physical holding to demat/electronic form through any of the depository participants (DPs) to avoid any possibility of loss, mutilation etc. of physical share certificates and also to ensure safe and speedy transaction in securities.

### Registration of Electronic Clearing Service (ECS) Mandate:

ECS helps in quick remittance of dividend without possible loss/delay in postal transit. Shareholders, who have not earlier availed this facility, are requested to register their ECS details with the STA or their respective DPs.

### Transfer of shares in physical mode:

Shareholders should fill in complete and correct particulars in the transfer deed for expeditious transfer of shares. Wherever applicable, registration number of power of attorney should also be quoted in the transfer deed at the appropriate place.

Shareholders, whose signatures have undergone any change over a period of time, are requested to lodge their new specimen signature duly attested by a bank manager to the STA.

Shareholders are requested to note that as per SEBI circular no. MRD/DoP/Cir -05/1009 dated 20th May 2009, it is mandatory for transferees to furnish a copy of Permanent Account Number (PAN) for registration of transfer of shares to be held in physical mode.

In case of loss/misplacement of share certificates, shareholders should immediately lodge a FIR/Complaint with the police and inform the Company/STA with original or certified copy of FIR/acknowledged copy of complaint for marking stop transfer of shares.

### Consolidation of Multiple Folios:

Shareholders, who have multiple folios in identical names, are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.

### Registration of Nominations:

Nomination in respect of shares - Section 109A of the Companies Act, 1956 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his/her nominee without having to go through the process of obtaining succession certificate/probate of the Will etc.

It would, therefore, be in the best interests of the shareholders holding shares in physical form registered as a sole holder to make such nominations. Investors who have not availed nomination facility, are requested to avail the same by submitting the nomination in Form 2B. This form will be made available on request. Investors holding shares in demat form are advised to contact their DPs for making nominations.

**Updation of address:**

Shareholders are requested to update their address registered with the Company, directly through the STA at the address mentioned above to receive all communications promptly.

Shareholders holding shares in electronic form, are requested to deal only with their depository participant (DP) in respect of change of address and furnishing bank account number, etc.

**SMS Alerts:**

Investors are requested to note that National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) have announced the launch of SMS alert facility for demat account holders whereby investors will receive alerts for debits/credits (transfers) to their demat accounts a day after the transaction. These alerts will be sent to those account holders who have provided their mobile numbers to their Depository participants (DPs). No charge will be levied by NSDL/CDSL on DPs providing this facility to investors. This facility will be available to investors who request for the same and provide their mobile numbers to the DPs. Further information is available on the website of NSDL and CDSL namely [www.nsdl.co.in](http://www.nsdl.co.in) and [www.cdslindia.com](http://www.cdslindia.com), respectively.

**Timely encashment of dividends:**

Shareholders are requested to encash their dividends promptly to avoid hassles of revalidation/losing your right of claim owing to transfer of unclaimed dividends beyond seven years to Investor Education and Protection Fund.

As required by SEBI, shareholders are requested to furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.

Shareholders who have not encashed their dividend warrants in respect of dividends declared for the year ended 31st March, 2008 and for any financial year thereafter may contact the Company and surrender their warrants for payment.

**On behalf of Board of Directors**

**SURESH BHOJWANI**

*Chairman & Managing Director*

*Place* : Mumbai

*Date* : 30th May, 2014

**CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE  
STOCK EXCHANGE IN INDIA**

**Auditor's Certificate on Corporate Governance**

TO THE MEMBERS OF  
BRIGHT BROTHERS LIMITED

We have examined compliance of the conditions of Corporate Governance by **Bright Brothers Limited** ('the Company') as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges for the year ended on 31st March, 2014.

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

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for review and the information and explanations given to us by the Company.

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

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

For **DESAI SAKSENA & ASSOCIATES**  
*Chartered Accountants*

**DR. S. N. DESAI**  
*Partner*  
Membership No. 32546

*Place* : Mumbai  
*Date* : 30th May, 2014

## Independent Auditors' Report For the year ended 31st March 2014

TO THE MEMBERS OF,  
**BRIGHT BROTHERS LIMITED**

### Report on the Financial Statements:

We have audited the accompanying financial statements of Bright Brothers Limited ("the Company") which comprise of the Balance Sheet as at 31st March, 2014, 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 Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the 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 31st March, 2014;
- (b) In the case of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Acts read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - (e) On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **Desai Saksena & Associates**  
Chartered Accountants  
Firm's Registration No.: 102358W

**DR. S. N. DESAI**  
Partner  
Membership No.: 32546

Place : Mumbai  
Date : 30th May, 2014

## Annexure to Auditor's Report:

**The Annexure referred to in our report to the Members of M/s. Bright Brothers Limited ("the Company")  
on the accounts for the year ended 31st March 2014,**

We report that:

- i. In respect of its fixed assets:
  - (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - (c) The assets disposed off during the year are not substantial therefore do not affect the going concern status of the Company.
- ii. In respect of its inventories:
  - (a) As explained to us the inventories have been physically verified at reasonable interval during the year.
  - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) In our opinion the company has maintained proper records of inventories and no material discrepancies were noticed on physical verification of inventories as compared to the book records.
- iii. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:
  - (a) During the year, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. As the Company has not granted any loans, secured or unsecured to the parties listed in the Register maintained under section 301 of the Companies Act, 1956, paragraphs (iii) (b), (c) and (d) of the Order are not applicable.
  - (b) According to the information and explanations given to us, the Company has not taken any loan secured or unsecured from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- iv. In our opinion, and according to the information and explanation given to us, having regard to the explanation, except that some of the items purchased are of a special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods services. During the course of our audit, no major weakness has been notice in the internal control systems.
- v. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956;
  - (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the particulars of contract or arrangements that need to be entered in the Register maintained under section 301 of the Companies Act, 1956 have been entered.
  - (b) The transaction made in pursuant of such contracts or arrangements entered in the register maintained under section 301 Companies Act, 1956 and exceeding the value of ₹ five lakhs in respect of any part during the have been made at price which are reasonable having regard to the prevailing price at the relevant time.
- vi. According to the information and explanations given to us, in our opinion the Company has complied with the provisions of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under. To the best of our knowledge and according to the information and explanations given to us, the Company has not received any order under above-mentioned sections from the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any Court or any other Tribunal.
- vii. In our opinion, the Company has an internal audit system which in our opinion commensurate with the size and the nature of its business.
- viii. We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie accounts and cost records have been made and maintained. We have, however, not made a detailed examination of books of accounts and cost records with a view to determine whether they are accurate or complete.
- ix. In respect of statutory dues :
  - (a) According to the information, explanations and records of the Company in respect of statutory and other dues, In our opinion the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Sales Tax, Custom Duty, Excise Duty, Cess, Service Tax, Wealth Tax and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2014 for a period more than six months from the date they became payable. However, there have been marginal delays in respect of Income tax deducted at source.

- (b) According to the information and explanation given to us, the following are the details of disputed statutory dues that were not deposited with the authorities concerned:

Sr. No.	Name of the Statute	Nature of dues	Financial Year to which it pertains	Forum where dispute is pending	Amount (₹ in lakhs)
1	Service Tax under the Finance Act, 1994	Disallowance of Input credit (service tax) and penalty	2007-08	CESTAT	51.50
2	Bombay Sales Tax Act and Central Sales Tax Act (Refer Note)	Sales tax, Interest and Penalty	1987-1989, 1992-1993, 2003-04, 2005-06, 2006-07	Joint/Dy. Commissioner (Appeal-Sales Tax)	275.88
3	Bombay Sales Tax Act and Central Sales Tax Act	Sales Tax, Interest and Penalty	1992-1993, 1998-99, 1999-2000, 2001-2002, 2004-2005, 2006-2007	Maharashtra Sales Tax Tribunal	65.86
4	The Central Excise Act, 1944	Duty and Penalty	1996-1997 to 1998-1999 and 1998-1999 to 2002-2003	CESTAT	124.92
5	Income Tax Act, 1961	Income Tax Dues	2010-11	CIT (Appeals)	19.70
6	Provident Fund Act	P.F. dues	2010-11, 2011-12, 2012-13	Commissioner (PF)	8.66

Note: The Company has made provision of ₹ 22.21 lakhs in the past on account of disputed Sales-Tax liabilities.

- x. The Company has no accumulated losses and has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xi. Based on our verification and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions or banks.
- xii. In our opinion and according to the explanations given to us and based on the information available, loans and advances have been granted by the Company on the basis of security by way of pledge of shares and other securities.
- xiii. The Company is not a chit fund/nidhi/mutual benefit fund/society and as such reporting is not applicable to the Company.
- xiv. In our opinion the Company is not dealing or trading in securities. The Company has invested surplus funds in marketable securities and mutual funds. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities and other investments and timely entries have been made therein. All shares, securities and other investments have been held by the Company in its own name.
- xv. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi. During the financial year, the Company has not availed any term loan.
- xvii. On the basis of our examination of the Balance Sheet of the Company, prima facie, we report that the company has not used short-term funds for long-term investments.
- xviii. The Company has not made preferential allotment of shares during the year, to parties and companies covered under the register maintained under section 301 of the companies act, 1956.
- xix. The Company has not issued any secured debentures during the year.
- xx. The Company has not raised any money by public issue during the year.
- xxi. Based on the audit proceeding adopted and information and explanations given to us, we have neither come across any instances of material fraud on or by the Company has been noticed or reported during the year.

For **Desai Saksena & Associates**  
Chartered Accountants  
Firm's Registration No.: 102358W

**DR. S. N. DESAI**  
Partner

Membership No.: 32546

Place : Mumbai  
Date : 30th May, 2014

## Balance Sheet as at 31st March, 2014

	Note No.	(₹ in Lakhs)	
		As at 31st March, 2014	As at 31st March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	2	567.60	567.60
(b) Reserves and surplus	3	5443.64	5312.79
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	4	233.94	410.73
(b) Deferred tax liabilities (net)	5	158.10	213.05
<b>3. Current liabilities</b>			
(a) Short-term borrowings	6	178.15	121.93
(b) Trade payables		1265.15	776.23
(c) Other current liabilities	7	913.72	842.91
(d) Short-term provisions	8	330.28	325.58
<b>Total</b>		<b>9090.58</b>	<b>8570.82</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets	9		
(i) Tangible assets		3496.15	3864.74
(ii) Capital work-in-progress		10.08	11.78
(b) Non-current investments	10	5.10	5.10
(c) Long-term loans and advances	11	1216.52	1372.74
(d) Other non-current assets	12	39.81	39.81
<b>2. Current assets</b>			
(a) Current investments	13	1439.32	994.87
(b) Inventories	14	1087.56	1028.53
(c) Trade receivables	15	1,211.88	793.59
(d) Cash and bank balances	16	164.28	232.75
(e) Short-term loans and advances	17	419.88	226.91
<b>Total</b>		<b>9090.58</b>	<b>8570.82</b>
Significant accounting policies	1		

The accompanying notes referred to herein form an integral part of financial statements

As per our Report annexed  
For Desai Saksena & Associates  
Firm Registration No.: 102358W  
Chartered Accountants

Dr. S. N. Desai  
Partner  
Membership No. 32546  
Mumbai, 30th May, 2014.

Tushar B. Naik  
Chief Financial Officer and  
Company Secretary

Mr. Suresh Bhojwani      *Chairman &  
Managing Director*  
Smt. Hira T. Bhojwani      *Whole-time Director*  
Mr. K. P. Rao  
Dr. T. S. Sethurathnam      } *Directors*



## Cash Flow Statement for the year ended 31st March, 2014

	Year ended 31st March, 2014	Year ended 31st March, 2013
(₹ in Lakhs)		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit/(loss) before tax	10.11	(33.29)
<b>Adjustments for:</b>		
Depreciation	457.40	448.42
Finance cost	461.10	471.46
Provision for inter corporate deposits	120.00	40.00
Loss/(gain) on sale of fixed assets	(7.48)	(6.12)
Interest income	(69.35)	(249.01)
Dividend income	(16.55)	(17.57)
Net gain/loss on sale of investments	(81.17)	(61.57)
<b>Operating profit before working capital changes</b>	<b>874.06</b>	<b>592.32</b>
<b>Adjustments for:</b>		
Movements in working capital:		
Increase/(Decrease) in trade payables and other current liabilities	559.73	(225.97)
Increase/(Decrease) in long-term and short-term provisions	2.85	12.48
(Increase)/Decrease in trade receivables	(418.29)	157.79
(Increase)/Decrease in inventories	(59.03)	282.56
(Increase)/Decrease in long-term and short-term loans and advances	(229.44)	(78.56)
<b>Working capital changes:</b>	<b>(144.18)</b>	<b>148.30</b>
Cash flow from/(Used In) Operating Activities	729.88	740.62
<b>Income tax Refund/(Paid)</b>	<b>199.66</b>	<b>47.15</b>
<b>Net Cash from Operating Activities</b>	<b>(A) 929.54</b>	<b>787.77</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets, including capital work in progress and capital advances	(130.35)	(726.43)
Proceeds from sale of fixed assets	50.72	8.12
Interest Income	69.35	249.01
Dividend Income	16.55	17.57
Purchase of investment	(2581.06)	(773.86)
(Increase)/Decrease in inter-corporate deposits	48.00	740.51
Proceeds from sale of investments	2217.78	—
<b>Net cash flow from/(Used in) investing activities</b>	<b>(B) (309.01)</b>	<b>(485.08)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) in long-term borrowings	(176.79)	284.30
Increase/(Decrease) in short-term borrowings	56.23	(88.86)
Finance Cost	(461.10)	(471.46)
Dividend paid (including dividend distribution tax)	(132.03)	(132.03)
<b>Net Cash From (Used) In Financing Activities</b>	<b>(C) (713.69)</b>	<b>(408.05)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	<b>(A+B+C) (93.16)</b>	<b>(105.36)</b>
Cash and cash equivalents at the beginning of year	183.43	288.79
Cash and cash equivalents at the end of the year	90.27	183.43
(1) The above statement has been prepared in indirect method.		
(2) Previous year's figures have been reclassified to conform to current year's presentation.		
(3) Figures in the bracket indicate out go.		

This is the Cash Flow Statement referred to in our report of even date.

As per our Report annexed

For Desai Saksena & Associates

Firm Registration No.: 102358W

Chartered Accountants

Dr. S. N. Desai

Partner

Membership No. 32546

Mumbai, 30th May, 2014.

Tushar B. Naik

Chief Financial Officer and  
Company Secretary

Mr. Suresh Bhojwani

Chairman &  
Managing Director

Smt. Hira T. Bhojwani

Whole-time Director

Mr. K. P. Rao

Dr. T. S. Sethurathnam

Directors

## Notes accompanying the Financial Statements

### Note 1

#### SIGNIFICANT ACCOUNTING POLICIES

##### COMPANY INFORMATION:

The Company is engaged in the business of manufacturing injection moulded plastics products for supplies to Original Equipment Manufacturers for Consumer Durable Industry and market its own products under "Brite" brand for material handling crates.

The Company has hair care division which market hair brushes AND beauty products under "DIVO" brand.

##### (A) Basis of Preparation of Financial Statements:

The financial statements have been prepared on a going concern basis under the historical cost convention, on the accrual basis of accounting with generally accepting accounting principles, Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

##### (B) Use of Estimates:

The presentation of financial statements requires the management to make certain judgments, estimates and assumption that affects the reported amounts reported under the financial statements and notes thereto. Although such estimates and assumptions are based on the management evaluation of relevant facts and circumstances as on the date of financial statements, the actual amounts (crystallization after preparation of financial statements) may differ from this estimates.

##### (C) Fixed Assets and Depreciation:

- (i) All the fixed assets, other than certain revalued land, are stated at cost, net of Cenvat and Value added tax less accumulated depreciation including impairment loss. All direct cost including financing cost till commencement of commercial production are capitalized as part of fixed assets.
- (ii) Cost of land includes lands acquired under lease.
- (iii) Cost of building includes buildings constructed on leasehold lands.
- (iv) Depreciation on Fixed Assets has been provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.
- (v) Intangible Assets are amortised for a period not exceeding three years.
- (vi) Depreciation in respect of assets costing less than ₹ 5000/- is provided at 100%.
- (vii) On a fixed assets added/disposed of during the year, depreciation is provided on a prorate basis.

##### (D) Foreign Currency Transactions:

- (i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- (ii) Foreign currency monetary assets and liabilities are translated at year end exchange rates. Any income or expense on account of exchange differences arising on either on settlement or on translation of monetary items at the year end are recognised as income or expenses in the year in which they arise.

##### (E) Inventories

- (i) Raw Materials are valued at cost or net realisable value, whichever is lower, includes taxes, duties which are non refundable in nature.
- (ii) Finished stock and work in progress stock are valued at cost or net realisable value, whichever is lower.
- (iii) Stores, spares and packing materials are valued at cost.

## Notes accompanying the Financial Statements

### (F) Investments

Trade investments comprise investments in which the Company has strategic business interest. Investments, which are readily realizable and are intended to be held for not more than one year from the date of acquisition, are classified as current investments. All other investments are classified as long term investments.

Long Term Investments are carried at cost less provision, if any, for permanent diminution in value of such investments. 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.

Current investments are carried at lower of cost or realizable value.

### (G) Employee Benefits

*Defined contribution Plan:*

Gratuity:

The company has an obligation towards gratuity, a defined benefit retirement plan covering all eligible employees. In accordance applicable laws, the Company provides for gratuity benefit retirement plan (Gratuity Plan) covering all staff, workers and officers. The Gratuity plan provides for, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the year of employment with the Company. The Company provides the Gratuity benefits through annual contribution to a Gratuity Trust which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India (LIC). Under this plan the settlement obligation remains with the Gratuity trust. Life Insurance Corporation of India administers the plan and determines the contribution premium to be paid by the trust.

Superannuation:

Defined contribution plan wherein contributions are made to a Trust which in turn contributes to LIC.

Apart from being covered under the Gratuity plan described above, the employee of the Company who are Manager and above have the options to participate in a defined contribution superannuation plan maintained by the Company.

Provident Fund:

In addition to the above benefits, all employees are entitled to be provided benefits as per the law. For this Company makes contribution to Regional provident fund commissioner and there is no further obligation on the Company in future.

Leave encashment:

The Company provides for the encashment of leave or leave with pay subject to certain limits, for future encashment. The liability is provided on the basis of unutilized leave at each balance sheet date.

### (H) Impairment of Assets:

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

- (i) the provision for impairment loss, if any; and
- (ii) the reversal of impairment loss recognised in previous periods, if any, Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- (i) In the case of an individual asset, at the higher of the net selling price and the value in use;
- (ii) In the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life).

## Notes accompanying the Financial Statements

### (I) Taxes on Income:

- (i) Tax expense comprises of current and deferred taxes.  
Provision for Current (inclusive of Minimum Alternative Tax) is made on based on taxable income in accordance with relevant tax rates and laws. MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal tax during the specified period.
- (ii) Deferred Tax, being tax on “timing differences” between accounting income and taxable income that originate in one year and capable of reversal in one or more subsequent years has been recognized accounted by using the tax rates and laws that have been substantively enacted as on the Balance Sheet date.
- (iii) Deferred tax assets, excluding assets arising from loss/depreciation carried forward are not recognized unless there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In case of carried forward loss/depreciation, it is recognized only if virtual certainty exists.

### (J) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- (a) the Company has a present obligation as a result of a past event,
- (b) a probable outflow of resources is expected to settle the obligation and
- (c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- (a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- (b) A present obligation when no reliable estimate is possible;
- (c) A possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent assets are neither recognised, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

### (K) Leased Assets

Operating Leases: Assets acquired on lease where a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease Rentals are charged to the Profit and Loss account on an accrual basis.

### (L) Extraordinary and Exceptional Items

- (i) Extraordinary items:

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expenses, is classified as extraordinary items and disclosed as such.

## Notes accompanying the Financial Statements

(ii) Exceptional Items:

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to ordinary activities of the Company is such that its disclosure improves an understanding of performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

**(M) Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. All other borrowing costs are charged to revenue.

**(N) Revenue Recognition:**

- (i) Sales are net of sales return and trade discounts and excludes all taxes and levies.
- (ii) Revenue from the sale of goods/mould is recognized in the statement of profit and loss account when the significant risks and rewards of ownership have been transferred to the customer.
- (iii) Income from services is recognized upon completion of the contract, in accordance with the specific terms of the contract with the customer.
- (iv) Interest income is recognized on a time proportion basis, determined by the amount outstanding and the rate applicable.
- (v) Dividend Income has been accounted on receipt basis.

**(O) Excise Duty**

Excise duty has been accounted on the basis of payments made in respect of goods cleared. No excise duty provision has been made on closing inventory of finished goods. However, it does not have impact on the profits of the Company.

**(P) Earnings per share**

Earning per share is calculated by divided the profit attributable to the shareholders by the number of equity shares outstanding at the close of the year. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The weighted diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

**(Q) Earnings per share as per Accounting Standard "Earnings Per Share", AS-20 is as follows:**

Particulars	(₹ in Lakhs)	
	2013-14	2012-13
Net profit after tax	262.90	(76.86)
Weighted average number of equity shares	5680235	5680235
Basic and diluted Earning per share	4.63	(1.35)
Face value per equity share (₹ 10/- paid-up)		

**(R) Cash Flow Statement:**

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- I. transactions of a non-cash nature.
- II. any deferrals or accruals of past or future operating cash receipts or payments and
- III. items of income or expense associated with investing or financing cash flows.

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2014 Amount	As at 31st March, 2013 Amount
<b>Note 2</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
7,000,000 (Previous year 70,00,000) Ordinary Shares of ₹ 10/- each	700.00	700.00
3,000,000 (Previous year 30,00,000) Cumulative redeemable preference shares of ₹ 10/- each	300.00	300.00
<b>Issued, Subscribed and Paid up</b>		
5,680,235 (Previous year 56,80,235) Ordinary Shares of ₹ 10/- each paid up	568.02	568.02
Less: Calls in arrears	0.42	0.42
<b>Total</b>	<b>567.60</b>	<b>567.60</b>

**Aggregate number of bonus shares issued, shares issued for consideration other than cash, and shares bought back during the period of five years preceding the reporting date.**

2,95,295 Shares were bought back and extinguished in the last five years. (Amount ₹ 29.53 Lakhs)

**(Terms/Rights and Restriction attached to shares):**

The Company has one class of shares i.e. Ordinary shares having a par value of ₹ 10/- per share. Every Shareholder has a right to attend the meeting of the shareholders, to receive the dividend distributed.

Each Shareholder is eligible for one vote per share held. In the event of liquidation, Ordinary shareholders will be eligible to receive the assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting except in the case of Interim Dividend.

**Preference Shares:**

The Company has the power to issue cumulative redeemable preference shares. In the event of liquidation, the Preference shareholders of the Company have the preference over equity shares when it comes to payment of dividend and return of capital.

The holder of such shares shall have the right to receive all notices of general meeting of the Company but shall not confer on the holders thereof the right to vote at any meeting of the Company save to the extent and in the manner provided in the Companies Act, 1956 or reenactment thereof.

**Reconciliation of the number of equity shares.**

	2013-14		2012-13	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5680235	568.02	5680235	568.02
Shares outstanding at the end of the year	5680235	568.02	5680235	568.02

**Details of shareholders holding more than 5 percent shares.**

Name of Shareholder	As at 31-3-2014		As at 31-3-2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Suresh Bhojwani	1283418	22.59%	1283418	22.59%
Smt. Hira T. Bhojwani	370310	6.52%	370310	6.52%
M/s. T. W. Bhojwani Leasing Pvt. Ltd.	785653	13.83%	785653	13.83%
M/s. Patton International Limited	320000	5.63%	320000	5.63%
M/s. Byramjee Jeejeebhoy Pvt. Ltd.	291785	5.14%	—	—

**Unpaid Calls**

	2013-14	2012-13
By Directors	Nil	Nil
By Others	42000	42000

## Notes accompanying the Financial Statements

	As at 31st March, 2014	(₹ in Lakhs) As at 31st March, 2013
<b>Note 3</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Reserves</b>		
<b>a. Capital reserves</b>		
As per last balance sheet	156.83	156.83
<b>b. Capital redemption reserve</b>		
As per last balance sheet	229.53	229.53
<b>c. Securities premium account</b>		
As per last balance sheet	967.00	967.00
<b>d. Revaluation reserve</b>		
As per last balance sheet	84.79	84.79
<b>e. General reserve</b>		
As per last balance sheet	2465.62	2465.62
<b>f. Amalgamation reserve</b>		
As per last balance sheet	139.00	139.00
<b>Surplus</b>		
Opening balance	1270.02	1478.92
<i>Add/less: Net profit/(loss) transferred from statement of profit and loss</i>	262.88	(76.87)
<i>Less: Appropriations</i>		
(a) Proposed dividends	113.60	113.60
(b) Tax on dividends	18.43	18.43
Closing balance	1400.87	1270.02
<b>Total</b>	<b>5443.64</b>	<b>5312.79</b>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2014	As at 31st March, 2013
<b>Note 4</b>		
<b>LONG TERM BORROWINGS</b>		
<b>SECURED</b>		
<b>Term loans</b>		
Finance company	—	0.57
(Secured against hypothecation of Vehicles)		
Banks	<b>118.68</b>	238.68
(Rupee Term loan of ₹ 2.99 Cr. from Bank of Baroda is secured by first charge by an equitable mortgage of immovable properties and hypothecation of Plant & Machinery and other movable assets both present and future situated at Puducherry)		
i. Working capital non fund based limit of ₹ 6.50 Cr. is Secured against hypothecation of Debtors and Inventories.		
ii. The Term loan carry interest at 2.50% over base rate payable in quarterly basis @ ₹ 30.00 lakhs.		
	<u>118.68</u>	<u>239.25</u>
<b>UNSECURED</b>		
<b>Fixed Deposits</b>		
Related parties	107.26	163.48
Others	8.00	8.00
	<u>115.26</u>	<u>171.48</u>
<b>Total</b>	<u><b>233.94</b></u>	<u><b>410.73</b></u>
<b>Note 5</b>		
<b>DEFERRED TAX LIABILITY (NET)</b>		
<b>(a) Deferred tax liabilities (net)</b>		
(i) Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	256.97	380.34
<b>Gross deferred tax liability (A)</b>	<u><b>256.97</b></u>	<u><b>380.34</b></u>
<b>(b) Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis</b>		
(i) Other item giving rise to timing difference	64.13	26.67
(ii) Unaborsed business loss	34.74	140.62
<b>Gross deferred tax assets (B)</b>	<u><b>98.87</b></u>	<u><b>167.29</b></u>
<b>Net deferred tax liabilities (A-B)</b>	<u><u><b>158.10</b></u></u>	<u><u><b>213.05</b></u></u>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2014	As at 31st March, 2013
<b>Note 6</b>		
<b>SHORT TERM BORROWINGS (unsecured)</b>		
Fixed Deposits (from related parties)	178.15	121.93
<b>Total</b>	<u>178.15</u>	<u>121.93</u>

### Note 7

#### OTHER CURRENT LIABILITIES

Unpaid dividends	21.79	17.75
Current maturities of long-term borrowings	120.00	120.00
Other liabilities	771.93	705.16
<b>Total</b>	<u>913.72</u>	<u>842.91</u>

### Note 8

#### SHORT TERM PROVISIONS

Proposed equity dividend	113.60	113.60
Corporate dividend tax	18.43	18.43
Provision for employees benefits	40.90	36.17
Provision for taxation (income tax and wealth Tax)	157.35	157.38
<b>Total</b>	<u>330.28</u>	<u>325.58</u>

## Notes accompanying the Financial Statements

Note 9

### FIXED ASSETS

(₹ in Lakhs)

	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	
	Opening Balance as at 1 April 2013	Additions	Balance as at 31 March 2014	Opening Balance as at 1 April 2013	Depreciation charge for the year	On disposals	Balance as at 31 March 2014	Balance as at 31 March 2013
<b>a. Tangible assets</b>								
Land - Leasehold	125.22	—	125.22	—	—	—	125.22	125.22
Land - Freehold	209.69	—	209.69	—	—	—	209.69	209.69
Buildings	969.62	25.14	994.76	218.24	30.31	—	746.21	751.38
Plant and Equipment	4703.09	54.37	4720.89	2310.25	353.71	(29.27)	2086.20	2392.84
Furniture and Fixtures	175.90	2.55	178.45	108.92	9.07	—	60.46	66.98
Vehicles	159.42	—	145.61	77.72	14.64	(11.14)	64.39	81.70
Office Equipment	67.85	4.75	71.95	43.06	2.20	(0.26)	26.95	24.80
Moulds	482.81	33.83	484.01	350.90	29.47	—	103.64	131.91
Computers	113.73	3.54	116.83	87.93	10.46	(0.20)	18.64	25.80
Electric Installation	182.97	7.87	190.84	128.55	7.54	—	54.75	54.42
<b>Total</b>	<b>7190.30</b>	<b>132.05</b>	<b>7238.25</b>	<b>3325.57</b>	<b>457.40</b>	<b>(40.87)</b>	<b>3496.15</b>	<b>3864.74</b>
Previous Year	6058.28	1136.25	7190.30	2879.36	448.43	(2.22)	3864.74	3178.92
<b>b. Capital Work-in-Progress</b> (Tangible assets)	—	10.08	10.08	—	—	—	10.08	11.78

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2014	As at 31st March, 2013
<b>Note 10</b>		
<b>NON-CURRENT INVESTMENTS</b>		
Investment in equity instruments (unquoted)	5.10	5.10
<b>Total</b>	<u>5.10</u>	<u>5.10</u>

	No. of Shares		Amount (₹ in Lakhs)	
	2013-14	2012-13	2013-14	2012-13
<b>Investment in equity instruments (at cost) – Unquoted</b>				
The Saraswat Co-op. Bank Ltd. (Share of ₹ 10/- each, fully paid up)	1000	1000	0.10	0.10
Shalimar Infotech Ltd. (Share of ₹ 300.12/- each, fully paid up)	1666	1666	5.00	5.00
<b>Total</b>			<u>5.10</u>	<u>5.10</u>

	(₹ in Lakhs)	
	As at 31st March, 2014	As at 31st March, 2013
<b>Note 11</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered goods unless otherwise stated</b>		
Inter corporate loans	897.67	985.67
Less: Provided during the year	120.00	40.00
	<u>777.67</u>	<u>945.67</u>
Security and other deposits	99.06	90.29
Advance tax	218.84	213.56
MAT credit	87.77	87.77
Advances recoverable in cash or in kind or for value to be received	33.18	35.45
<b>Total</b>	<u>1216.52</u>	<u>1372.74</u>

<b>Note 12</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
Deposit against disputed stamp duty	39.81	39.81
<b>Total</b>	<u>39.81</u>	<u>39.81</u>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2014	As at 31st March, 2013
<b>Note 13</b>		
<b>CURRENT INVESTMENTS</b>		
<b>(i) Trade Investments</b>		
(a) Investments in mutual funds	1257.14	813.91
(b) Investment in equity instruments (Quoted)	81.96	82.76
<b>(ii) Non Trade Investments</b>		
(a) Investment in equity instruments (at cost) - Unquoted	0.87	—
(b) Units of venture fund	99.35	98.20
<b>Total</b>	<u>1439.32</u>	<u>994.87</u>
Market value of quoted Investments	128.73	120.52
Book value of unquoted Investments	1357.36	912.11

	No. of Units		Amount	
	2013-14	2012-13	2013-14	2012-13
<b>(i) Trade Investments</b>				
<b>(a) Investments in Mutual Funds (trade)</b>				
Kotak Bond Short Term Plan	—	2316,326	—	512.31
Birla Dynamic Bond Fund	—	209192	—	41.50
Kotak Floater Short Term - Daily Dividend (253)	—	2421	—	24.49
Kotak Flexi Debt Scheme Plan A-Direct Plan-Daily Dividend (199D)	—	2344894	—	235.61
Kotak Flexi Debt Fund	3233927	—	510.00	—
Uti-Floating Rate Fund-Stp-Regular Plan-Growth	10,162	—	210.00	—
Birla Sunlife Short Term Opportunities Fund - Dividend -Regular Plan	338899	—	44.54	—
Uti Fixed Term Income Fund Series Xvii - Xx (369 Days) - Direct Growth Plan	152416	—	15.24	—
Birla Sun Life Medium Term Plan - Growth - Regular Plan	273475	—	40.93	—
Kotak Bond Scheme Plan A - Qtrly Dividend	2684773	—	286.43	—
Kotak Bond Scheme Plan A - Growth	426324	—	150.00	—
			<u>1257.14</u>	<u>813.91</u>
<b>(b) Investment in Equity instruments (Quoted)</b> (No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified)				
Indusind Bank Ltd.	5000	12100	2.24	2.57
Ashok Leyland Ltd. (Face value of ₹ 1 each)	10000	10000	2.47	2.47
Bannari Amman Spinning Ltd.	1500	1500	1.75	1.75
Bharat Electronics Ltd.	150	150	2.94	2.94

## Notes accompanying the Financial Statements

	No. of Units		Amount	
	2013-14	2012-13	2013-14	2012-13
<b>(i) Trade Investments</b>				
TVS Motors Company (Face value of ₹ 1 each)	8000	8000	2.99	3.16
Rama Phosphates Ltd.	2000	2000	1.40	1.40
International Travel Ltd.	1100	1100	2.63	2.63
Sundaram Fastener Ltd. (Face value of ₹ 1 each)	10000	10000	5.11	5.11
Rane Holdings Ltd.	500	500	1.15	1.15
Sona Koyo Steering Ltd. (Face value of ₹ 1 each)	15000	5000	2.80	0.95
Banco Products Ltd. (Face value of ₹ 2 each)	500	500	0.52	0.52
Tata Sponge Iron Ltd.	—	1000	—	3.76
Sundaram Clayton Ltd. (Face value of ₹ 5 each)	1200	2500	4.11	5.11
Moil Ltd.	94	94	0.35	0.35
Lakshmi Machine Works Ltd.	225	225	5.10	5.10
Eid Parry (India) Ltd.	—	2000	—	4.78
Bharat Forge Ltd. (Face value of ₹ 2 each)	1155	2300	3.55	7.64
Sarda Energy & Minerals Ltd.	62	62	0.13	0.13
Dolphin Offshore Enterprises (India) Ltd.	4000	2500	5.08	3.56
Jindal Southwest Holdings Ltd.	—	380	—	3.53
Indian Hotels Co. Ltd. (Face value of ₹ 1 each)	5500	1000	3.21	0.89
JSW Steel Ltd.	1075	775	7.54	5.01
Fulford (India) Ltd.	5	5	0.05	0.05
Finolex Industries Ltd.	4000	2200	4.25	1.35
State Bank of India	100	100	1.96	1.96
Atul Ltd.	1370	1250	2.38	1.88
Thomas Cook (Face value of ₹ 1 each)	500	1000	0.36	0.73
MRF Ltd.	31	27	3.41	2.73
Kewal Kiran Clothing Ltd.	400	400	2.03	2.03
Orissa Minerals Development Company Ltd. (Face value of ₹ 1 each)	116	24	3.10	0.92
Tube Investments of India Ltd. (Face value of ₹ 2 each)	330	1350	0.53	2.27
Wabco India Ltd. (Face value of ₹ 5 each)	67	67	1.02	1.02
Mindtree Limited	—	325	—	2.41
Muthoot Capital Services Ltd.	—	750	—	0.90
Centum Electronics Ltd.	1000	—	1.38	—
Federal Bank (Face value of ₹ 2 each)	1700	—	1.44	—
Essel Propack (Face value of ₹ 2 each)	100	—	0.05	—
Ranbaxy Labs Ltd. (Face value of ₹ 5 each)	1400	—	4.93	—
			<b>81.96</b>	<b>82.76</b>
<b>(ii) Non Trade Investments</b>				
<b>(a) Investment in equity instruments (at cost) - Unquoted</b>				
Sundaram Investment Ltd.	1250	—	0.87	—
			<b>0.87</b>	<b>—</b>
<b>(b) Units of venture fund</b>				
Ambit Pragma Fund Scheme I	9935	9819	99.35	98.20
<b>Total</b>			<b>1439.32</b>	<b>994.87</b>

## Notes accompanying the Financial Statements

	As at 31st March, 2014	(₹ in Lakhs) As at 31st March, 2013
<b>Note 14</b>		
<b>INVENTORIES</b>		
Raw materials	429.72	397.02
Finished goods/work-in-progress	265.57	258.36
Stock-in-trade	242.59	258.68
Stores, spares and components	134.08	102.61
Packing materials	15.60	11.86
<b>Total</b>	<u>1087.56</u>	<u>1028.53</u>

<b>Note 15</b>		
<b>TRADE RECEIVABLES</b>		
Outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	1099.56	640.21
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	112.32	153.38
<b>Total</b>	<u>1211.88</u>	<u>793.59</u>

<b>Note 16</b>		
<b>CASH AND BANK BALANCES</b>		
(Unrestricted for use unless otherwise stated)		
<b>a. Cash and Cash Equivalents</b>		
i. Cash on hand	3.79	4.50
ii. Balances with Banks in current accounts	86.48	178.93
	<u>90.27</u>	<u>183.43</u>
<b>b. Other Bank Balances</b>		
i. Earmarked deposits	52.22	31.57
ii. Unpaid dividend accounts	21.79	17.75
	<u>74.01</u>	<u>49.32</u>
<b>Total</b>	<u>164.28</u>	<u>232.75</u>

<b>Note 17</b>		
<b>SHORT-TERM LOANS AND ADVANCES</b>		
Unsecured considered good, unless otherwise stated		
Deposits	—	10.50
Prepaid Expenses	8.93	27.54
Advances recoverable in cash or in kind or for value to be received [includes income tax refund ₹ 246.65 lakhs (P.Y. ₹ 55.37 lakhs)]	307.12	93.82
Loan and advances to employees	8.87	9.37
Balance with central excise and service tax authorities	94.96	85.68
<b>Total</b>	<u>419.88</u>	<u>226.91</u>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	Year ended 31st March, 2014	Year ended 31st March, 2013
<b>Note 18</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sale of Plastic Components (Gross)	15985.45	15879.77
Sale of Moulds	72.73	17.18
Job work	492.19	365.84
	<u>16550.37</u>	<u>16262.79</u>
<i>Less:</i>		
Excise duty	1567.84	1550.20
<b>Total</b>	<u>14982.53</u>	<u>14712.59</u>
<b>Note 19</b>		
<b>OTHER INCOME</b>		
Interest	69.35	249.01
Dividend	16.55	17.57
Net gain on sale of investments	81.17	61.57
Profit/(loss) sale of assets	7.48	6.12
Other non-operating income	0.92	—
<b>Total</b>	<u>175.47</u>	<u>334.27</u>
<b>Note 20</b>		
<b>COST OF MATERIALS CONSUMED</b>		
<b>A. Cost of raw material Consumed</b>		
Opening stock of raw materials	397.02	616.18
Add : Purchases	9239.01	8636.49
Less : Closing stock of raw materials	429.72	397.02
(A)	<u>9206.31</u>	<u>8855.65</u>
<b>B. Details of Components, packing and paints consumed</b>		
Consumption of components	893.43	1201.36
Consumption of packing	176.67	326.80
Consumption of paints and plating charges	375.52	296.65
(B)	<u>1445.62</u>	<u>1824.81</u>
<b>Total (A+B)</b>	<u>10651.93</u>	<u>10680.46</u>

## Notes accompanying the Financial Statements

	Year ended 31st March, 2014	(₹ in Lakhs) Year ended 31st March, 2013
<b>Note 21</b>		
<b>PURCHASES OF TRADED GOODS</b>		
Hair Care and Beauty products	178.14	103.38
<b>Total</b>	<b>178.14</b>	<b>103.38</b>
<b>Note 22</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Opening stock :</b>		
Finished goods/work-in-process/stock-in-trade	517.04	581.96
<b>Closing stock :</b>		
Finished goods/work-in-process/stock-in-trade	508.16	517.04
<b>Total</b>	<b>8.88</b>	<b>64.92</b>
<b>Note 23</b>		
<b>OTHER OPERATING EXPENSES</b>		
Consumption of stores and spare parts	77.43	87.23
Power and fuel	642.70	618.87
Contract labour and sub-contract charges	471.81	625.84
Repairs to machinery	82.19	104.27
Repairs to mould	15.98	32.57
<b>Total</b>	<b>1290.11</b>	<b>1468.78</b>
<b>Note 24</b>		
<b>EMPLOYEE BENEFITS</b>		
(a) Salaries, wages, bonus, contribution to P.F., gratuity and super annuation fund	1116.02	987.03
(b) Staff welfare expenses	63.07	51.45
<b>Total</b>	<b>1179.09</b>	<b>1038.48</b>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	Year ended 31st March, 2014	Year ended 31st March, 2013
<b>Note 25</b>		
<b>FINANCE COSTS</b>		
Interest and discounting charges	424.89	427.13
Interest on term loan	36.21	44.33
<b>Total</b>	<b>461.10</b>	<b>471.46</b>

### Note 26

#### OTHER EXPENSES

Security charges and other contract charges	68.54	61.86
Rent rates and taxes	135.28	161.19
Printing and stationery	16.45	17.48
Communication expenses	18.26	17.22
Insurance	12.09	12.28
Repairs and maintenance - building	20.75	7.90
Repairs and maintenance - others	20.44	18.26
Legal and professional fees	45.00	48.44
Directors sitting fees and commission	1.75	3.00
Audit fees	3.60	3.60
Travelling and conveyance	141.37	129.06
Bad Debts	10.71	—
Sales promotion and commission	57.95	74.25
Freight and forwarding charges	79.83	85.61
Advertisement and sales promotions	87.89	54.94
Provision for doubtful Inter Corporate Deposits	120.00	40.00
Miscellaneous expenses	81.33	69.16
<b>Total</b>	<b>921.24</b>	<b>804.25</b>

## Notes accompanying the Financial Statements

### (27) Contingent Liabilities not provided for:

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2014	As at 31st March, 2013
1.	Sales tax	341.74	648.97
2.	Service Tax	51.50	51.50
3.	Stamp Duty	36.75	36.75
4.	Excise Duty	114.92	114.92
5.	Income Tax (CIT, Appeal Mumbai) (Asst. Year 2011-12)	19.70	Nil
6.	Employees Provident Fund Organization	8.66	8.66
7.	Letter of Credit	10.33	Nil
8.	Bank Guarantee	0.85	0.85

### (28) Commitments:

Estimated value of contracts remaining to be executed on capital account and not provided for in the accounts as at 31st March, 2014 is ₹ 110.87 lakhs (P.Y. ₹ Nil).

(29) Details in respect of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are not available with the Company. Hence the details of the principal amounts and interest, if any, payable to the suppliers as on 31st March 2014 have not been furnished.

(30) The Company has given inter corporate loan to corporates. During the year the company has provided ₹ 120 lakhs (previous years ₹ 40 lakhs) towards doubtful loans. The Company has filed legal suit for recovery of the loan in respect of the same.

(31) Values of Current Assets, loans and Advances are stated at realisable in ordinary course of the business, as stated in balance sheet as per the opinion of the Management of the Company.

### (32) Auditors Remuneration:

(₹ in Lakhs)

Sr. No.	Particulars	2013-14	2012-13
1.	Audit fees	3.60	3.60

(33) As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

#### Defined Contribution Plans:

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

(₹ in Lakhs)

Sr. No.	Particulars	2013-14	2012-13
1.	Employer's Contribution to Provident Fund and Pension Scheme	57.22	57.16
2.	Gratuity Contribution	20.53	23.40

## Notes accompanying the Financial Statements

### (34) Details of expenditure and income in foreign currency:

#### (a) C. I. F. Value of Imports

(₹ in Lakhs)

Particulars	2013-2014	2012-2013
Raw Materials	Nil	39.93
Traded Goods	39.75	33.87
Machinery & Spares	4.34	401.20

#### (b) Expenditure in Foreign Currency

Particulars	2013-2014	2012-2013
Foreign Travel	6.42	2.30
Royalty	44.90	Nil

#### (c) Raw Materials Consumed:

Particulars	2013-2014	2012-2013
Imported	Nil	42.08
Percentage to Total Consumption	0.00%	0.48%
Indigenous	9206.31	8813.57
Percentage to Total Consumption	100%	99.52%
<b>Total</b>	<b>9206.31</b>	<b>8855.65</b>
	<b>100%</b>	<b>100%</b>

- (35) (i) Company is operating under only one segment namely a process plastic. Accordingly disclosure as required by Accounting Standard "Segment Reporting" AS-17 is not applicable. Hence; primary disclosure as required by Accounting Standard "Segment Reporting" AS-17 has not been furnished.
- (ii) Company do not have export turnover. Accordingly, the Secondary disclosure as required by Accounting Standard "Segment Reporting" AS-17 is not applicable to the Company.

- (36) The disclosure as required by Accounting Standard "Related Party Disclosure", AS-18 is as follows:

#### (a) Names of Related parties are as under.

##### (i) Associate Concerns:

M/s. Quality Plastics  
M/s. T. W. Bhojwani Leasing Pvt. Ltd.

##### (ii) Key Management Personnel:

Smt. Hira T. Bhojwani – Whole Time Director  
Mr. Suresh Bhojwani – Managing Director

##### (iii) Relatives of Key Management Personnel

Mrs. Devika S. Bhojwani  
Mr. Karan Bhojwani  
Ms. Ruchika Bhojwani  
M/s. T. W. Bhojwani HUF

## Notes accompanying the Financial Statements

(b) Transaction during the year with the related parties:

Particulars	Associate Concerns		Key Management Personnel		Relatives of Key Management Personnel	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
<b>(a) Remuneration</b>						
(i) Smt. Hira T. Bhojwani	—	—	10.89	9.96	—	—
(ii) Mr. Suresh Bhojwani	—	—	45.60	45.60	—	—
(iii) Mr. Karan Bhojwani	—	—	—	—	23.20	17.01
(iv) Ms. Ruchika Bhojwani	—	—	—	—	16.35	16.05
	—	—	<b>56.49</b>	<b>55.56</b>	<b>39.54</b>	<b>33.06</b>
<b>(b) Rent</b>						
(i) Quality Plastics	14.40	14.40	—	—	—	—
	<b>14.40</b>	<b>14.40</b>	—	—	—	—
<b>(c) Royalty</b>						
(i) Quality Plastics	3.36	2.96	—	—	—	—
	<b>3.36</b>	<b>2.96</b>	—	—	—	—
<b>(d) Purchase</b>						
(i) Quality Plastics	10.42	26.10	—	—	—	—
	<b>10.42</b>	<b>26.10</b>	—	—	—	—
<b>(e) Loans Accepted/(Repaid)</b>						
(i) Mr. Karan Bhojwani	—	—	—	—	—	(13.00)
	—	—	—	—	—	<b>(13.00)</b>
<b>(f) Year End Balances</b>	<b>31.03.14</b>	<b>31.03.13</b>	<b>31.03.14</b>	<b>31.03.13</b>	<b>31.03.14</b>	<b>31.03.13</b>
(i) Receivable						
(1) Quality Plastics	3.36	2.96	—	—	—	—
	<b>3.36</b>	<b>2.96</b>	—	—	—	—
(ii) Payable						
(1) Quality Plastics	1.36	3.23	—	—	—	—
(2) Smt. Hira T. Bhojwani	—	—	—	—	—	—
(3) Mr. Suresh Bhojwani	—	—	15.14	15.78	—	—
	<b>1.36</b>	<b>3.23</b>	<b>15.14</b>	<b>15.78</b>	—	—

(c) Details of payment and provisions on account of remuneration to Key Management Personnel included in the statement of Profit and Loss as under:

Sr. No.	Particulars	Year Ended 31st March	
		2014 ₹	2013 ₹
1	Salary	4491516	4556435
2	Leave Travel Assistance	350000	250000
3	Perquisites	220953	224650
4	Medical Reimbursements	154507	93027
5	Contribution to Provident Fund	432000	432000
	<b>Total</b>	<b>5648976</b>	<b>5556112</b>



