

# BRIGHT BROTHERS LIMITED

CIN: L25209MH1946PLC005056

Registered Office : 610-611, Nirman Kendra, Famous Studio Lane, Dr. E'Moses Road, Mahalaxmi, Mumbai - 400011.  
• Tel.: 91 22 24905324 • E-mail: invcom@brightbrothers.co.in • Website: www.brightbrothers.co.in

## NOTICE

Notice is hereby given that the 72nd Annual General Meeting of BRIGHT BROTHERS LIMITED will be held on Tuesday, 13th August, 2019 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 Financial Statements for the year ended 31st March, 2019 including the Audited Balance Sheet and Cash Flow Statement as at that date and the statement of Profit and Loss for the year ended 31st March, 2019 together with the Report of the Board of Directors and the Auditor's Report thereon.

**2. Declaration of Dividend**

To declare a dividend on Equity shares for the financial year 2018-19.

**3. Re-appointment of Smt. Hira Bhojwani (DIN: 00032997), Director who is liable to retire by rotation**

To re-appoint Smt. Hira Bhojwani, Director of the Company who will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

**4. Payment of Remuneration to Cost Auditors for the financial year 2019-20.**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and 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 Rs. 1,50,000/- plus tax as applicable and reimbursement of out of pocket expenses as recommended by Audit Committee, considered and approved by the Board of Directors of the Company and set out in the statement annexed to the Notice, to be paid to M/s. S. R. Singh and Co. as Cost Accountants for conducting the audit of the cost records of the Company for the financial year ending 31st March, 2020 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 such acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

**5. Re-appointment of Mr. K. P. Rao (DIN 00027577) as 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 a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. K. P. Rao (DIN 00027577), who was appointed as an Independent Director and who holds office of Independent Director up to the date of this Annual General Meeting being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five consecutive years on the Board of the Company and to whom remuneration shall be paid in the form of sitting fees for attending meetings and profit-related commission, if any, which was approved by the members at its Annual General Meeting held on 16th September, 2015."

**6. Re-appointment of Dr. T. S. Sethurathnam (DIN 00042704) as an Independent Director for the period of five years.**

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 149 and 152 of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. T. S. Sethurathnam (DIN 00042704), who was appointed as an Independent Director and who holds office of Independent Director up to the date of this Annual General Meeting being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five consecutive years on the Board of the Company and to whom remuneration shall be paid in the form of sitting fees for attending meetings and profit-related commission, if any, which was approved by the members at its Annual General Meeting held on 16th September, 2015.”

**7. Re-appointment of Mr. Byram Jeejeebhoy (DIN 00033204) as an Independent Director for the period of five years.**

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 149 and 152 of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Byram Jeejeebhoy (DIN 00033204), who was appointed as an Independent Director and who holds office of Independent Director up to the date of this Annual General Meeting being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five consecutive years on the Board of the Company and to whom remuneration shall be paid in the form of sitting fees for attending meetings and profit-related commission, if any, which was approved by the members at its Annual General Meeting held on 16th September, 2015.”

**8. Appointment of Smt. Hira Bhojwani (DIN 00032997) as Non-Executive Non-Independent Director 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 Sections 152 of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Smt. Hira Bhojwani (DIN 00032997), in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as Non-executive Director of the Company with effect from 1st April, 2019 for three years, who is liable to retire by rotation and to whom remuneration shall be paid in the form of sitting fees for attending meetings and profit-related commission, if any, which was approved by the members at its Annual General Meeting held on 16th September, 2015.”

**9. Appointment of Mrs. Devika Bhojwani (DIN 08355381) as Whole-time Director 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 152 and other applicable provisions of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications(s) or re-enactment thereof for the time being in force), Mrs. Devika Bhojwani (DIN 08355381), who was appointed as an Additional Director w.e.f. 1st April, 2019 and who holds office upto the date of ensuing Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule V to the Act & rules made thereunder (including any statutory modification or re-enactment thereof) and such other consents and approvals as may be required, Mrs. Devika Bhojwani be and is hereby appointed as a Whole Time Director for a period of 3 years with effect from 1st October, 2019 who shall be liable to retire by rotation on terms and conditions as contained in an agreement to be entered into between the Company and Mrs. Devika Bhojwani, with authority to the Board of Directors and the Nomination and Remuneration Committee, to alter and vary the terms and conditions as may be permissible under law in the best interest of the Company and on the terms as to remuneration and perquisites as set out in the explanatory statement.

**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profit in any financial year comprised in the period of appointment, the Company will pay to the Whole Time Director, remuneration in accordance with the applicable provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to this resolution.”

**10. Re-appointment of Mr. Karan Bhojwani, Vice President- Operations for a period of five years:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its powers) Rules, 2013 (including any statutory modifications(s) or re-enactments thereof for the time being in force), Mr. Karan Bhojwani, be and is hereby re-appointed as Vice President- Operations for a period of five years on the same remuneration which was approved by the members at its Annual General Meeting held on 10th August, 2017.”

**By Order of the Board of Directors,  
For BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

*Place* : Mumbai  
*Date* : 21st May, 2019

**Registered office:**  
610-611, Nirman Kendra,  
Famous Studio Lane,  
Dr. E'Moses Road,  
Mahalaxmi, Mumbai – 400011.

## ANNEXURE TO THE NOTICE

### DETAILS OF DIRECTOR RETIRING BY ROTATION/ SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE 72nd ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (LODR) Regulations, 2015]

<b>Particulars</b>	Mr. K. P. Rao	Dr. T. S. Sethurathnam	Mr. Byram Jeejeebhoy
<b>Designation</b>	Independent Director	Independent Director	Independent Director
<b>Date of Birth and age</b>	11th September, 1927, 92 years	11th April, 1929, 89 years	12th June, 1945, 74 years
<b>Date of Appointment</b>	28th August, 2014	28th August, 2014	28th August, 2014
<b>Qualifications</b>	B.Com.,F.C.A.	B.A., M.Com., LL.B., ACA, IA&AS (Retd)	B.A.(Econ) Hons LTCL (Lon) FRGS FRSA
<b>Experience in specific functional area</b>	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.	Wide experience in Real Estate business and Property Development, Financial and Investment expertise.
<b>Number of equity shares held in the Company as on 31st March, 2019</b>	651	NIL	5,000
<b>List of Public Companies in which Directorships held as on 31.03.2019 (Excluding Private limited companies)</b>	NIL	Oil Country Tabular Limited	NIL
<b>Chairman/member of the Committees of the Board of the Companies in which he is a Director</b>	NIL	Chairperson of Audit Committee and Remuneration Committee of Oil Country Tabular Limited	NIL
<b>Board of the Companies in which he is a Director</b>	NIL	Oil Country Tabular Limited	<ul style="list-style-type: none"> <li>• Beeline Impex Private Limited</li> <li>• Benreeza Estates And Investments Private Limited</li> <li>• Drizzle Marketing Pvt Ltd</li> <li>• Aipita Marketing Private Limited</li> <li>• Palladian Hotels Private Limited</li> <li>• Imperial Cuisines &amp; Restaurants Private Limited</li> <li>• Byramjee Jeejeebhoy Private Limited</li> </ul>
<b>Remuneration Last Drawn *</b>	NIL	NIL	NIL
<b>Remuneration proposed to be paid *</b>	NIL	NIL	NIL
<b>Relationship with other Director/ Key Managerial Personnel</b>	No relationship with any other Director/ Key Managerial Personnel	No relationship with any other Director/ Key Managerial Personnel	No relationship with any other Director/ Key Managerial Personnel
<b>Number of meetings of the Board attended during the year</b>	4	4	1

\* Note: Only sitting fees and commission, if any, as decided by the Board of Directors is paid to Independent Director.

<b>Particulars</b>	Smt. Hira Bhojwani	Mrs. Devika Bhojwani
<b>Designation</b>	Non-executive Director (w.e.f. 1st April, 2019 subject to member's approval)	Additional Director (w.e.f. 1st April, 2019)
<b>Date of Birth and age</b>	3rd January, 1923, 96 years	18th April, 1953, 66 years
<b>Date of Appointment</b>	1st April, 1994	1st April, 2019
<b>Qualifications</b>	B. Sc. (Hons) from Government College, Lahore (Stood first in the University) and M. Sc. (Hons) from Government College, Lahore	Graduated from J. J. School of Arts with Distinction in Design
<b>Experience in specific functional area</b>	Wide Managerial Experience	An artist, an educationist and a businesswoman who has contributed immensely towards various art festivals and has also set up an NGO at Tata Memorial Hospital for creating cancer awareness. She has received many awards and honours.
<b>Number of equity shares held in the Company as on 31st March, 2019</b>	3,70,310	41,300
<b>List of Public Companies in which Directorships held as on 31.03.2019 (Excluding Private limited companies)</b>	NIL	NIL
<b>Chairman/member of the Committees of the Board of the Companies in which she is a Director</b>	NIL	NIL
<b>Terms and conditions of previous Appointment/ Re-appointment</b>	As per resolution passed by the shareholders at the Annual General Meeting held on 3rd August, 2016, Smt. Hira Bhojwani was re-appointed as a Whole-time Director for a period of three years.	As per resolution passed by the Board of Directors at its meeting held on 13th February, 2019, Mrs. Devika Bhojwani was appointed as an Additional Director w.e.f. 1st April, 2019 upto the date of ensuing Annual General Meeting.
<b>Remuneration Last Drawn</b>	Rs. 10.02 lakhs as on 31st March, 2019	NIL as on 31st March, 2019
<b>Remuneration proposed to be paid</b>	As per resolution at item no. 8 of the Notice covering Annual General Meeting on 13th August, 2019 read with explanatory statement thereto.	As per resolution at item no. 9 of the Notice covering Annual General Meeting on 13th August, 2019 read with explanatory statement thereto.
<b>Relationship with other Director/ Key Managerial Personnel</b>	Mother of Mr. Suresh Bhojwani and Mother-in-law of Mrs. Devika Bhojwani and not related to any other Director/ Key Managerial Personnel.	Spouse of Mr. Suresh Bhojwani and Daughter-in-law of Smt. Hira Bhojwani and not related to any other Director/ Key Managerial Personnel.
<b>Number of meetings of the Board attended during the year</b>	2	NIL

**NOTES:**

1. Updation of bank account details is mandatory for all members as per SEBI's circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018. These details will be printed on the dividend warrants issued to the members. Therefore, the members who have not updated their bank details are requested to provide original cancelled cheque bearing the member's name and account number pre-printed on the cheque or Bank passbook / statement duly attested by branch manager to Link Intime India Pvt. Ltd. (RTA) The members who are holding shares in their demat account are requested to approach their depository participants for updation of bank details. The members can also opt for receiving dividend directly to their bank account by submitting ECS Mandate letter to Link Intime India Pvt. Ltd.

2. **Members who are holding shares in physical form are requested to dematerialize the same to ensure safe and speedy transaction in securities.**
3. **Members are requested to register nomination in respect of their holdings in 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.**
4. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in Item Nos. 4 to 9 above, is annexed hereto.
5. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. A person can act as a 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 of 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 letter as applicable.

6. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 7th August, 2019 to 13th August, 2019 (both days inclusive) for determining the entitlement of the shareholders to the payment of dividend.
7. Subject to the provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared, at the Annual General Meeting will be dispatched/ remitted paid on or after 13th August, 2019 to those members:
  - (a) whose names appear as Beneficial Owners in the list of Beneficial Owners on 6th August, 2019 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and
  - (b) whose names appear as a member in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/Registrar and Transfer Agent on 6th August, 2019.
8. 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.
9. Members holding shares in physical form are requested to inform any change of address, updation of bank details etc. immediately to the Company's Registrar and Share Transfer Agent (RTA), Link Intime India Private Limited.
10. 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 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 members:

Financial Year	Date of Declaration of Dividend	Date of transfer to unpaid Dividend Account	Last date for claim
2011-12	03/08/2012	07/09/2012	06/09/2019
2012-13	12/08/2013	18/09/2013	17/09/2020
2013-14	04/09/2014	10/10/2014	09/10/2021
2014-15	16/09/2015	23/10/2015	22/10/2022
2015-16	03/08/2016	09/09/2016	08/09/2023
2016-17	10/08/2017	16/09/2017	15/09/2024
2017-18	22/09/2018	25/10/2018	24/10/2025

The Company has uploaded the information of unclaimed/unpaid dividend in respect of the financial years from 2011-12, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Download → Investors" Section on the Website of the Company viz. [www.brightbrothers.co.in](http://www.brightbrothers.co.in).

**After the last date of claim, the company shall transfer the unpaid dividend to IEPF, including all benefits accruing on such shares, if any, and the same can be claimed only from the IEPF Authority by making a separate application to the IEPF Authority in Form IEPF-5 as prescribed under the Rules and the same is made available at IEPF website i.e. [www.iepf.gov.in](http://www.iepf.gov.in). In view of the above, the members are advised to send a written request for claiming unpaid dividend pertaining to the above years to Link Intime India Private Limited, Registrar and Transfer Agent (RTA) for issuance of Demand Draft in lieu thereof/ for crediting unpaid dividend directly in your bank account through NEFT.**

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. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participants. 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, 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 financial year 2018-19 is also available on the Company's website [www.brightbrothers.co.in](http://www.brightbrothers.co.in) for 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 in advance so that the 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. For Security reasons and for proper conduct of AGM, entry to the place of the AGM will be regulated by the Attendance Slip, which is annexed to this Notice. Members/ Proxies are requested to bring their Attendance Slip in all respects and signed at the place provided there at and hand it over at the entrance of the venue. The route map of the AGM venue is also annexed to this Notice.

**16. Voting through electronic means:**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services Limited (CDSL).
- II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 8th August, 2019 (9.00 am) and ends on 12th August (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date of 6th August, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - i. Login to E-voting: Type the following address in the address bar [www.evotingindia.com](http://www.evotingindia.com) and click Enter.
  - ii. Click on Shareholders / Members and enter the User id as provided in the notice of the company.
    - For CDSL: 16 digits beneficiary ID
    - NSDL: 8 Character DP ID followed by 8 Digits Client ID
    - For Members holding shares in Physical Form - Folio Number registered with the Company). After entering the User ID, enter the characters displayed and click on Login
  - iii. Enter the following:
    - a. PAN and
    - b. Any one detail from the following values
      - Bank Account Number or
      - Date of Birth (DOB) / Date of Incorporation (DOI).

Kindly enter the details as available on the demat account / folio number provided, then click on Submit.
  - iv. Members holding shares in physical form will be taken directly to the Company selection screen. The system will require demat account holders to enter a password of their choice. Enter the desired password in the New Password and the Confirm the Password field and then click on Submit. Please note that you would have to type the same password in both the text boxes.
  - v. Shareholders who are holding shares in demat form and have logged in for an earlier instance of e-Voting and voted on [www.evotingindia.com](http://www.evotingindia.com) should use their existing password. Such shareholders who have already logged in earlier would be required to enter only the password after entering the user ID and characters displayed.

- vi. The list of eligible companies for which a shareholder is eligible to vote as on the day of login would be displayed. Click on the relevant Issuer Company's EVSN for which voting is required.
- vii. After clicking on the EVSN of the relevant Issuer Company screen would be displayed for the user to vote.
- viii. **To cast your vote:**
  - Read the Resolution Description carefully. The detailed description of the same is available under the "**Resolution file**" link.
  - The total number of securities as per the record date is already mentioned in the e-Voting system. Select the relevant options viz, Assent or Dissent for a resolution.
  - Shareholders having the option to enter the number of votes should enter the relevant number of votes in the text boxes provided.
  - Repeat the voting process for all the resolutions on which you intend to vote.
  - You can either vote on all the resolutions in one login or vote partially on certain resolutions.
  - Click on Submit.
- ix. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote. After clicking on Confirm a dialog box would be displayed.
- x. After Clicking on OK a screen will be displayed.
- xi. The user also has an option to print the voting done or save it in soft copy by clicking on Click here to Print till the voting end period of that Company.
- xii. The user will be directed to the login home page where voting for the remaining companies can be done or the user can re-login later to cast vote on the remaining resolutions till the expiry of the voting period. The resolutions against which votes have already been recorded will not be available for voting but the already voted details will be displayed on the screen.
- xiii. The user can re-login after voting with the user id and password provided to them any number of times.
- xiv. Users not intending to vote can simply Logout.
- xv. Demat Account Holders have the option to change their password to a password of their choice by clicking on Change Password button.
- xvi. Enter the existing password and desired password in the New Password and the Confirm Password field and click on Submit. Click on OK and re-login with the revised password.
- xvii. Demat Account Holders have the option to reset their password if the same has been forgotten in order to login to the e-Voting system and vote on resolutions proposed by their company. The Forgot Password would enable demat shareholders to login.
- xviii. Click on Shareholders and enter the User ID and the Characters Displayed and click on Forgot Password.  
After clicking on Forgot Password, enter the following:
  1. PAN and
  2. any one detail from the following:
    - a. **Email id:** An email containing the new password would be sent to email address provided for the respective member id.
    - b. **Mobile No:** An message containing the new password would be sent to mobile number provided for the respective member id.

- c. **Bank Account Number or DOB or DOI:** The user would be able to self generate a new the password on the screen.

**Please note if any of the details viz, Email id or Mobile No. has not been provided in the information uploaded by the Company / RTA then user would be unable to enter details in those respective fields.**

After entering the details click on Submit.

- xix. Click on OK you will be directed to the change password screen as shown below. Enter the New Password of your choice and confirm the same.
- xx. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and Windows Phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xxi. Additional instructions to be followed for corporate shareholders:
- Type the following address in the address bar [www.evotingindia.com](http://www.evotingindia.com) and click Enter.
  - Click on Registration and the screen would be displayed.
  - Put a tick in the box named Corporate Shareholders and fill in all the details. Click on Submit.
  - Click on Continue and print the page which is displayed.
  - Go towards the bottom of the page and click on Print or View as PDF. Print the document and affix the sign and stamp on the form. The scanned image of the document should then be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - Please note that once the registration has been confirmed by CDSL, the same registration has to be used for any future voting of any company and re-registration does not have to be done.**
- xxii. The detailed instructions for e-voting are provided by CDSL on its website at the following link <https://www.evotingindia.com/Help.jsp>. Members are requested to refer the same.
- xxiii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [csabhishekprakash@gmail.com](mailto:csabhishekprakash@gmail.com).
- xxiv. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 6th August, 2019.
- xxv. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- xxvi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
- xxvii. Mr. Abhishek Prakash, Practising Company Secretary (C.P.No. 13269 ) has been appointed as the Scrutinizer for providing facility to the members of the Company and to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xxviii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- xxix. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xxx. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
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 Transfer Agent.
18. All documents referred to in the accompanying Notice, the Explanatory Statement and Annual Report shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 A.M. to 5.00 P.M.) on all working days except Saturdays and Sundays up to the date of the Annual General Meeting of the Company.

**By Order of the Board of Directors,  
For BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

*Place : Mumbai*  
*Date : 21st May, 2019.*

**Registered office:**  
610-611, Nirman Kendra,  
Famous Studio Lane,  
Dr. E'Moses Road,  
Mahalaxmi, Mumbai – 400011.

## STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

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 at its meeting held on 21st May, 2019 has, on the recommendation of the Audit Committee, approved the appointment of M/s. S. R. Singh and Co. as the Cost Auditors of the Company to conduct Cost Audits for the year ending 31st March, 2020 at a remuneration of Rs. 1,50,000 lakhs p.a. plus tax and out of pocket expenses.

M/s. S. R. Singh and Co. has furnished a certificate regarding its eligibility for appointment as Cost Auditors of the Company. M/s. S.R.Singh & Co. has vast experience in the field of cost audit.

The Board commends the remuneration of Rs. 1,50,000 lakhs plus tax and out-of-pocket expenses to M/s. S.R. Singh & Co. as the Cost Auditors and the approval of the members is sought for the same by an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

### Item no. 5, 6 and 7

Mr. K. P. Rao (DIN 00027577), Dr. T. S. Sethurathnam (DIN 00042704) and Mr. Byram Jeejeebhoy (DIN 00033204), were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. They hold office as Independent Directors of the Company up to the conclusion of the ensuing Annual General Meeting of the Company ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

The Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Byram Jeejeebhoy as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company. The Board, based on the performance evaluation of Independent Directors, considers that, given their background and experience and contributions made by them during their tenure, their continued association would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, it is proposed to re-appoint them as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company as per the provisions of Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Byram Jeejeebhoy are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has received notices in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing their candidature for the office of Independent Directors of the Company.

The Company has also received:

- i. consent in writing to act as an Independent Directors for a further period of 5 years;
- ii. intimation that they are not disqualified under section 164(2) of the Companies Act, 2013;

- iii. declarations from them that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations;
- iv. a declaration to the effect that they are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

In the opinion of the Board, Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Byram Jeejeebhoy fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations and they are independent of the management. Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 5, 6 and 7, are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. Copy of draft letters of appointment of Mr. K. P. Rao, Dr. T. S. Sethurathnam, Mr. Byram Jeejeebhoy setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Mr. K. P. Rao, Dr. T. S. Sethurathnam, Mr. Byram Jeejeebhoy are interested in the resolutions set out respectively at Item Nos. 5, 6 and 7 of the Notice with regard to their respective re-appointments. Their relatives may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Special Resolution set out at Item Nos. 5, 6 and 7 of the Notice for approval by the members.

#### **Item no. 8**

Smt. Hira Bhojwani (DIN 00032997) was appointed as Whole-time Director by the members of the Company at the Annual General Meeting held on 3rd August, 2016 for a period of three years expiring on 31st March, 2019. The Board of Directors at its meeting held on 13th February, 2019 on the basis of recommendation of Nomination and Remuneration Committee has considered her appointment as a Non-executive Director w.e.f. 1st April, 2019 for a period of three years subject to approval of the members at the ensuing Annual General Meeting.

The Company has also received:

- i. consent in writing to act as a Non-executive Director for a period of 3 years;
- ii. intimation that she is not disqualified under section 164(2) of the Companies Act, 2013;
- iii. a declaration to the effect that she is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

Except the promoters of the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Special Resolution set out at Item No. 8 for approval by the members.

#### **Item no. 9**

Mrs. Devika Bhojwani (DIN 08355381) was appointed as Additional Director by the Board of Directors at its meeting held on 13th February, 2019 on the basis of recommendation of Nomination and Remuneration Committee. She was appointed as an Additional Director w.e.f. 1st April, 2019 till the conclusion of this Annual General Meeting. As per the recommendation from the Nomination and Remuneration Committee, the Board of Directors propose

to appoint her as Whole-time Director for a period of three years i.e. from 1st October, 2019 to 30th September, 2022 on the terms and conditions mentioned below:

a)	Basic Salary	Rs. 50,000/- p.m. (Fifty Thousand only) with such increment(s) as may be decided from time to time
	Perquisites as under:	
a)	House Rent Allowance	Rs. 21,000/- p.m.
b)	Gas, Electricity, Water and Furnishing	The expenditure incurred shall be evaluated as per the applicable Income tax Rules. In the absence of any specific rule the same shall be valued on actual payment.
c)	Medical Expenses	One month's basic or overall ceiling of three month's basic for a period of three years.
d)	Leave Travel Expenses	Once in a year for self subject to a ceiling of one month's basic salary.
e)	Club Fees	Membership of two clubs (excluding admission and life membership fee).
f)	Entertainment, Traveling and Other Business Expenses	Reimbursement as per the rules of the Company.
g)	Personal Accident Insurance	Amount not exceeding Rs. 10,000/- per annum.
h)	Car and Telephone	The Company shall provide car with driver and telephone at the residence of Whole Time director, for Company's business.
i)	Leave encashment	As per the rules of the Company.
j)	PF contribution	Contribution to Provident Fund shall be as per the rules of the Company.
k)	Other allowances, benefits and perquisites.	Any other allowances, benefits and perquisites admissible to the senior officers of the Company as per Rules of the Company from time to time.

Notwithstanding, where in any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration including benefit in accordance with the provisions of Schedule V of the Act.

The Company has also received:

- i. consent in writing to act as a Whole-time Director for a period of 3 years;
- ii. intimation that she is not disqualified under section 164(2) of the Companies Act, 2013;
- iii. a declaration to the effect that she is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

Except the promoters of the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Special Resolution set out at Item No. 9 for approval by the members.

#### Item no. 10

As per the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its powers) Rules, 2014 approval of the members by way of Special resolution was obtained at the Annual General Meeting held on 10th August, 2017 for payment of salary upto Rs. 50 lakhs p.a. to Mr. Karan Bhojwani, Vice President - Operations.

As the tenure of his appointment expired on 31st March, 2019, the Nomination and Remuneration Committee at its meeting held on 13th February, 2019 has recommended his re-appointment for a further period of five years on the existing term and conditions. The Board of Directors has also considered his re-appointment w.e.f. 1st April, 2019 subject to approval from the members of the Company.

Except the promoters of the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

**By Order of the Board of Directors,  
For BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

*Place* : Mumbai  
*Date* : 21st May, 2019

**Registered office:**  
610-611, Nirman Kendra,  
Famous Studio Lane,  
Dr. E'Moses Road,  
Mahalaxmi, Mumbai – 400011.

Route map to the venue of AGM



# 72nd Annual Report 2018-2019

Bright Brothers Limited



# Our Valued Customers

**EUREKA FORBES**  
Your friend for life

**Carrier**



**TITAN**

**Rialto**

**Midea**

## COMPANY INFORMATION

### Board of Directors

Mr. Suresh Bhojwani – *Chairman & Managing Director*

Smt. Hira Bhojwani – *Non-executive Director*  
(w.e.f. 1st April, 2019, subject to members' approval)

Mr. K. P. Rao – *Independent Director*

Dr. T. S. Sethurathnam – *Independent Director*

Mr. Byram Jeejeebhoy – *Independent Director*

Mrs. Devika Bhojwani – *Additional Director*  
(w.e.f. 1st April, 2019)

### 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 and Remuneration Committee

Mr. K. P. Rao – *Chairman*

Dr. T. S. Sethurathnam

Mr. Byram Jeejeebhoy

#### Chief Financial Officer

Mr. Chirag Shah

#### Company Secretary & Compliance Officer

Mrs. Sonali Pednekar

#### Banker

Bank of Baroda

Kotak Mahindra Bank Ltd.

#### Auditors

M/s. Desai Saksena & Associates,  
Chartered Accountants

#### Registrar and Transfer Agent

Link Intime India Private Limited  
C 101, 247 Park, L. B. S. Marg,  
Vikhroli West, Mumbai- 400 083

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

**Day and Date** : Tuesday, 13th August, 2019

**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

E-Mail: [invcom@brightbrothers.co.in](mailto:invcom@brightbrothers.co.in)

CIN: L25209MH1946PLC005056

ISIN: INE630D01010

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

### Corporate Office

B-54, Road No. 33,

Gyaneshwar Nagar,

Wagle Industrial Estate,

Thane-West,

Maharashtra-400 604.

### Factories:

- Plant I, II and III,  
Plot No. 1/1 to 1/4,  
Thirubhuvanai,  
Mannadipet Commune,  
Puducherry-605 107.
- Plot No. 16-17, Sector 24,  
Faridabad, Haryana-121 005.
- Hiltron Electronic Complex,  
Plot No. C, D, E, F & G,  
Mallital, Bhimtal, Nainital  
Uttarakhand-263 136.
- Khasara No. 3962, 3963, 3946 & 3947,  
Lal Tapper Industrial Area,  
Majri Grant, Dehradun,  
Uttarakhand-248 140.

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## DIRECTORS' REPORT

Dear Shareholders (Members),

On behalf of the Board of Directors, it is our pleasure to present the 72nd Annual Report together with the Audited Statement of Accounts of **Bright Brothers Limited** ("the Company") for the year ended 31st March, 2019.

### Financial Performance:

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>Net Sales and Operating Income</b>	<b>23,078.64</b>	21,441.70
Less: Expenses	<b>21,711.35</b>	20,304.46
<b>Operating Profit</b>	<b>1,367.29</b>	1,137.24
Add: Other Income	<b>41.24</b>	103.15
<b>Profit before Depreciation, Finance Cost and Tax</b>	<b>1,408.53</b>	1,240.39
Finance Costs	<b>621.67</b>	581.19
Depreciation and amortization expenses	<b>576.75</b>	545.93
<b>Profit before tax</b>	<b>210.11</b>	113.27
Less: Tax expense	<b>9.80</b>	(7.08)
<b>Profit after tax</b>	<b>200.31</b>	120.35
Other comprehensive income	<b>(7.59)</b>	10.99
<b>Total comprehensive income</b>	<b>192.72</b>	131.34

### Summary of Operations

The total operational income of your company for the year ended 31st March, 2019 stood at ₹ 23,078.64 lakhs as against ₹ 21,441.70 lakhs in the previous year resulting in an increase of ₹ 1,636.94 lakhs as compared to the previous year.

The Operating Profit before Depreciation, Finance Cost and Tax for the year ended 31st March, 2019 amounted to ₹ 1,367.29 lakhs as against ₹ 1,137.24 lakhs in the previous year.

### The Year in Retrospect

During the financial year 2018-19, India's GDP growth is estimated to be 6.8%. The Indian economy did face a growth risk due to fluctuation in rupee and crude price, demonetisation and disruption in supply chains following the implementation of the Goods and Services Tax (GST). Industrial activity across sectors showed only a marginal improvement as labour-intensive sectors such as textiles, gems and jewellery, leather, etc. continued to struggle throughout the year.

Consumer sentiments remained suppressed for most part of the year with urban consumers feeling the overhang of inadequate job/income growth and high oil prices. At the same time, persistent deflation in food prices and lack of Minimum Support Price (MSP) realisations adversely impacted rural demand. In addition, credit growth was severely affected in the second half of the financial year with the non-banking financial sector under stress from defaults by a few large players in the sector.

However, this continued volatility will not impact India's sovereign credit profile as per Moody's analysis; as the rupee-denominated government bonds and robust foreign exchange reserves will help mitigate the risk. Hence, the world is confident of India's growth potential. The confidence in the Indian economy has increased substantially because of the various policy measures taken by the Government. India's future growth trend will be driven by structurally positive factors – favourable demographics, structural reforms, increased digitization, focus on development of infrastructure and housing and acceleration of productive job opportunities.

#### **Outlook for the current year**

India has emerged as one of the fastest growing major economies in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India.

Growth in India is expected to stabilise at 7 per cent over the medium term, based on continued implementation of structural and financial sector reforms, easing of infrastructure bottlenecks with efforts to reduce public debt which is essential to secure the economy's growth prospects.

#### **Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year till the date of report**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2018-19 and the date of this report. There has been no change in the nature of business of the Company.

#### **Dividend and Reserves**

Your Directors are pleased to recommend a dividend of ₹ 2 per Equity Share on 56,80,235 Equity Shares of ₹ 10 each for the financial year ended 31st March, 2019. The said dividend, if approved by the members, would involve a cash outflow ₹ 136.96 lakhs comprising of ₹ 113.60 lakhs as dividend and ₹ 23.36 lakhs as tax on dividend.

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.

#### **Share Capital**

The paid up Equity Share Capital as on 31st March, 2019 was ₹ 567.60 lakhs. During the year, the Company has not issued any shares.

#### **Loans, guarantees or investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes accompanying the financial statements.

#### **Fixed Deposits**

Your Company has not accepted any deposits from public and its members during the financial year 2018-19. There has been no deposit which was unpaid or unclaimed as at the end of the year. There has not been any default in repayment of deposits or payment of interest thereon during the year. The Company is holding deposits of ₹ 263 lakhs from its Directors and ₹ 45 lakhs from its members as on 31st March, 2019.

### **Related party transactions**

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in AOC-2 is not required. The details of transaction are provided in Note No. 39 of the Notes to Accounts. Further, there are no material related party transactions during the year under review with the Promoters, Directors, and Key Managerial Personnel.

All Related Party Transactions are placed before the Audit Committee as also before the Board for approval. Omnibus approval was obtained for transactions which are repetitive in nature. A statement giving details of all the transactions entered into pursuant to omnibus approval are placed before the Audit Committee and Board for a review.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. None of the Directors have any pecuniary relationships or transactions vis-a-vis the Company.

### **Insurance**

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

### **Unsecured Loan**

The company has obtained unsecured loan from Smt. Hira Bhojwani, Whole Time Director to meet the short term requirements of the company. The total outstanding loan as on 31st March, 2019 is ₹ 460 lakhs.

### **Internal financial controls**

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. The Company has appointed Internal Auditors who periodically audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements. The Audit Committee periodically approves the audit reports, implementation of audit recommendations, if any and adequacy of internal controls. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors, the Board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2018-19.

### **Significant and material orders passed by the Regulators**

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

### **Directors' Responsibility Statement**

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, 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 at the end of the financial year and of the profit and 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 this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **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 Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in a separate statement in the Annual Report as Annexure I.

### **Corporate Governance**

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

### **Meetings of the Board and its Committees**

The details of the Board meetings and various Committee meetings have been mentioned in the Report of Corporate Governance annexed as Annexure II.

### **Extract of Annual Return**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the annual return in the form of MGT-9 is annexed as Annexure III.

### **Report of the Statutory Auditors and Notes to Financial Statements**

At the 70th Annual General Meeting held on 10th August, 2017, the members had appointed M/s. Desai Saksena & Associates, Chartered Accountants as Statutory Auditors of the Company from the conclusion of the 70th Annual General Meeting till the conclusion of the 75th Annual General Meeting. As per the Companies (Amendment) Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

Further, the Report of the Statutory Auditors alongwith notes to Schedules is enclosed to this report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The observations made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments.

### **Cost Audit**

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company needs to conduct a Cost Audit for the financial year ending on 31st March, 2020.

The Board of Directors, on recommendation of the Audit Committee, has appointed M/s. S. R. Singh & Co., Cost Accountants, as Cost Auditor to audit the cost accounts of the Company for the financial year 2019-20 at a remuneration of ₹ 1,50,000/- plus tax as applicable and reimbursement of out of pocket expenses. As required under Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening Annual General Meeting.

### **Secretarial Audit**

In terms of Section 204 of the Act and Rules made there under, Ms. Purnima Shetty, Practicing Company Secretary has been appointed Secretarial Auditor of the Company. The report of the Secretarial Auditor for the financial year 2018-19 is enclosed as Annexure IV to this report.

The Report is self-explanatory and does not call for any further comments.

### **Whistle Blower Policy**

Pursuant to the requirement of the Act, the Company has approved its Whistle Blower Policy which is also called as vigil mechanism. It is uploaded on website of the company.

This mechanism enables directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

### **Risk Management Policy**

The Company has developed and implemented the Risk Management Policy.

The Company considers ongoing risk management to be a core component of the management of the Company and understands that the Company's ability to identify and address risk is central to achieving its corporate objectives.

The policy is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter referred to as "Listing Regulations" and provisions of the Companies Act, 2013 which requires the Company to lay down procedures about risk assessment and risk minimization.

### **Directors and Key Managerial Personnel**

#### **i. Re-appointment of Smt. Hira Bhojwani, Director who is liable to retire by rotation**

Smt. Hira Bhojwani (DIN 00032997), Director of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

#### **ii. Re-appointment of Independent Directors of the company**

Mr. K. P. Rao (DIN 00027577), Dr. T. S. Sethurathnam (DIN 00042704) and Mr. Byram Jeejeebhoy (DIN 00033204), were appointed as Independent Directors on the Board of the Company at the Annual General Meeting held on 4th September, 2014 for a period of 5 (five) years. They hold office as Independent Directors of the Company up to the conclusion of the ensuing Annual General Meeting of the Company. The Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Byram Jeejeebhoy as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company subject to approval of the members of the Company in the ensuing Annual General Meeting.

#### **iii. Appointment of Mrs. Devika Bhojwani as Whole-time Director**

Mrs. Devika Bhojwani (DIN 08355381) was appointed as Additional Director by the Board of Directors at its meeting held on 13th February, 2019 on the basis of recommendation of Nomination and Remuneration Committee. She is appointed as an Additional Director w.e.f. 1st April, 2019 till the conclusion of this Annual General Meeting. As per the recommendation from the Nomination and Remuneration Committee, the Board of Directors propose to appoint her as Whole-time Director for a period of three years i.e. from 1st October, 2019 to 30th September, 2022 subject to approval of the members of the Company in the ensuing Annual General Meeting.

**iv. Appointment of Smt. Hira Bhojwani as Non-executive Director**

Smt. Hira Bhojwani (DIN 00032997) was appointed as Whole-time Director by the members of the Company at the Annual General Meeting held on 3rd August, 2016 for a period of three years expiring on 31st March, 2019. The Board of Directors at its meeting held on 13th February, 2019 on the basis of recommendation of Nomination and Remuneration Committee have considered her appointment as a Non-executive Director w.e.f. 1st April, 2019 for a period of three years subject to approval of the members at the ensuing Annual General Meeting.

**Declaration by Independent Directors**

Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Byram Jeejeebhoy are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in Section 149 of the Act and the Rules made thereunder and Regulations 16(1)(b) of Listing Regulations about their status as Independent Directors of the Company.

There has been no change in the circumstances affecting their status as Independent Directors of the Company. During the year under review, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

**Company's Policy on Appointment and Remuneration**

The objective of Remuneration Policy is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing interest of stakeholders.

**Formal Annual Evaluation by the Board of its own performance and that of its Committees and individual Directors**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees. The evaluation process inter alia considers attendance of Directors at Board and Committee meetings, participation at meetings, domain knowledge, cohesion the Board's meetings, awareness and observance of governance, etc.

The Board carried out performance evaluation of the Board, Board committees, individual Directors and Chairperson.

**Familiarisation programme**

The Company has put in place an induction and familiarization programme for all its directors including the Independent Directors. The familiarization programme for Independent Directors in terms of provisions of Regulation 46(2) of Listing Regulations is uploaded on the website of the company.

**Transfer of Unclaimed dividend and underlying shares to Investor Education and Protection Fund (IEPF)**

In accordance with the applicable provisions of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund ) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority.

Pursuant to the provisions of IEPF Rules, the Company has filed the necessary forms and uploaded the aforesaid details on IEPF website (www.iepf.gov.in).

### **Compliance with Secretarial Standards issued by the Institute of Company Secretaries of India**

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

### **Particulars of Employees**

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure forming part of the Annual Report.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary.

None of the employees of the Company is falling under the criteria as set out in Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration.

### **Human Resources**

Your Company treats its "human resources" as one of its most important assets.

Your Company is focused on the promotion of talent internally through job rotation and job enlargement.

### **Prevention, Prohibition and Redressal of Sexual Harassment at Workplace**

The Company has formulated a policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. It has also formulated Internal Complaints Committee under the Act. During the year under review, no complaints were filed under the said Act.

### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

Information given as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

#### **A. Conservation of Energy:**

Continuous monitoring and awareness amongst employees has helped to avoid wastage of energy. Various investments in reducing the consumption of energy 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 drives in injection moulding machines to reduce power consumption.
- Replacement of higher HP motor with lower HP motor.
- Replacement of CFL with LED lights.

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

NOT APPLICABLE

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

Foreign Exchange Earnings: ₹ Nil

Foreign Exchange Outgo: ₹ 85.72 lakhs

**Acknowledgement**

Your Directors place on record their appreciation for employees at all levels who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Government and other statutory authorities for their continued support.

For and on behalf of the Board,  
**BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

*Place* : Mumbai

*Date* : 21st May, 2019

## Annexure-I

# MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC AND BUSINESS OVERVIEW:

The increase in tariff rates by United States (US) on goods imported from China has heightened trade barriers between the world's two largest economies. According to economists and portfolio managers, if the dispute is prolonged and escalates further it will lead to a slower economic growth. The US and China have placed tariffs on each other's goods for nearly 10 months as the US administration has pressed Beijing to change years of what it claims are unfair industrial and trade policies. As a consequence, the Federal Reserve has decided to cut the interest rates if the US and China don't reach a détente in their escalating trade war.

Consumer price inflation has generally remained contained in recent months in advanced economies but has inched up in the United States, where above-trend growth continues. Key sources of risk to the global outlook are the outcome of trade negotiations. If countries resolve their differences without raising distortive trade barriers further and market sentiment recovers, then improved confidence and easier financial conditions could reinforce each other to lift growth above the baseline forecast.

### INDUSTRY STRUCTURE AND DEVELOPMENT

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba and Boeing. India has become one of the most attractive destinations for investments in the manufacturing sector.

In the structure of Indian Plastics Industry and Exports, there has been significant progress and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90 percent of which are small and medium-sized enterprises. The Indian Plastics Industry offers excellent potential in terms of capacity, infrastructure and skilled manpower. It is supported by a large number of polymer producers, and plastic process machinery and mould manufacturers in the country.

Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on imports. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene and PVC, are manufactured domestically.

The below mentioned table gives the present composition of business of your Company.

Category	Percentage Share in Total Turnover
Consumer durable components	96%
Brite branded products	4%

**OVERALL FINANCIAL PERFORMANCE:**

The financial performance of the Company has been summarised in the table below followed by explanatory remarks for significant changes in 2018-19 compared to the previous year.

(₹ in lakhs)

	2018-19	2017-18	Change	% Change	Remarks
Tonnage processed including job work (In Tons)	12,553	11,863	690	5.82	1
Total operational income (net)	23,078.64	21,441.70	1,636.94	7.63	2
Changes in finished goods inventory	(81.47)	55.64			
Consumption of material	16,159.15	14,697.35			
Purchase of traded goods	166.75	113.28			
Employee costs	1,773.42	1,624.77			
Operating and other expenses	3,693.50	3,813.42			
Earning before depreciation and finance cost	1,367.29	1,137.24	230.05	20.23	3
Other non-operational income	41.24	103.15			
Depreciation and amortisation expenses	576.75	545.93			
Finance costs	621.67	581.19			
Profit before tax	210.11	113.27			
Tax expenses	9.80	(7.08)			
Profit after tax	200.31	120.35			
Other comprehensive income	(7.59)	10.99			
Total comprehensive income	192.72	131.34			
Earnings Per Share	3.53	2.12			
Other Equity	3,795.05	3,739.29			
Current liabilities	3,846.63	4,169.74	(323.11)	(7.75)	4
Net Property, Plant and Equipment (including CWIP)	4,533.27	4,109.75			
Current assets	3,875.44	4,353.90	(478.46)	(10.99)	4

1. The tonnage process during the year has increased due to the better customer demand at Puducherry Unit II and III.
2. The increase in operational income is mainly due to higher raw material prices during part of the year and value added activity.
3. EBDITA for the year 2018-19 is ₹ 1,367.29 lakhs as compared to ₹ 1,137.24 lakhs in the previous year.
4. As on 31st March, 2019, Current Assets and Current Liabilities, both have reduced by ₹ 478.46 lakhs and ₹ 323.11 lakhs respectively.
5. During the year, Company has invested ₹ 721.25 lakhs in Plant and Equipment.

(₹ in lakhs)

	2018-19	2017-18
Net cash flow from/(used in) operating activities (A)	1,053.20	785.87
Net cash flow from/(used in) investing activities (B)	(666.84)	(397.55)
Net cash from/(used in) financing activities (C)	(323.86)	(611.50)

## REVIEW OF OPERATIONS

During the year 2018-2019, our customer Whirlpool of India has shown continued growth along with gain in market share in both the refrigerator and washing machine segment. This is despite the uncertain market sentiment due to the upcoming election. Our business with Rialto, for whom we are manufacturing toothbrush handles, has seen an increase of 35% thanks to the introduction of new models which were awarded to us in the previous year. This growth has been accommodated in Puducherry Unit III which was set up last year. Our customer CMI (Carrier Midea India Private Limited) has been expanding its presence in the AC segment, in light of the same our business with them has seen growth in the fourth quarter. Our business with Eureka Forbes remains steady.

The Divo brand has been focusing on expanding its product range to help boost their sales.

Seeing the above our capacities in our Faridabad and Puducherry Unit I show a marginal increase in capacity utilization as compared to last year. Our Puducherry Unit II is showing good utilization in both existing and recently installed capacities.

## GROWTH DRIVER

The company has been awarded another prestigious project for its toothbrush handle manufacture in the Puducherry Unit II. This is a global project which will be sourced from India with an SOP (Start of Production) date of April 2020.

The company has been focusing on marketing its toolroom capabilities to external clients and has identified it as an independent profit centre.

The steady growth projected by our customer Whirlpool of India will ensure better utilization of our installed capacities.

## OPPORTUNITIES

- The move towards automation will see more reliability in manufacturing along with maximizing of outputs.
- India's young demographic along with low rural penetration continues to show growth potential in demand for consumer durables.
- Continuation of Stable government will see more multinational companies expand their manufacturing presence in India.

## THREAT

- The primary business of the company is supplying the consumer durable industry, the nature of which is highly competitive and price revisions are hard to come by, due to which margins remain tight.
- The haircare and beauty care division is based on trading and imports and hence any depreciation in Indian currency can have an adverse impact on margins.

## OUTLOOK

The outlook is positive for India, despite softer growth, the Indian economy remains one of the fastest growing and possibly the least affected by global turmoil.

Seeing the market uncertainty and late onset of monsoon we are viewing the year as being flat with minimal growth, the company is focusing on various methods of improving profitability.

**RATIOS**

The significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarised below:

Ratio	F.Y.2018-19	F.Y.2017-18	Change (%)	Reason for change
Debt Equity Ratio	0.32	0.20	56%	The change in ratio is due to increase in debt as compared to the previous year.
Net Profit Margin (%)	0.87%	0.56%	55%	Decrease in fixed expenses add to bottom-line profit and increased net profit margin.

**INTERNAL CONTROL SYSTEMS**

The Company has adequate internal audit and control systems. Internal auditors comprising of professional firms of Chartered Accountants have been entrusted the job to conduct regular internal audits at all units and report the lapses, if any, to the management. Both internal auditors and statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up and remedial measures are being taken including review and increase in the scope of coverage, wherever necessary. The Audit Committee of Directors in its periodical meetings, review the adequacy of internal control systems and procedures and suggest areas of improvements.

The Company has undertaken a detailed exercise to revisit its control systems in technical and other non financial areas to align them properly with Management Information Systems (MIS) to make MIS more efficient and result oriented. Information technology base created by the Company over the period is providing a very useful helping hand in the process. Needless to mention that ensuring maintenance of proper accounting records, safeguarding assets against loss and misappropriation, compliance of applicable laws, rules and regulations and providing reasonable assurance against fraud and errors will continue to remain the central point of the entire control system.

**CAUTIONARY STATEMENT**

Statements in this "Management Discussion and Analysis" describing the Company's projections, expectations or predictions may be "forward looking statements" within the meaning of applicable Securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could make a difference to the Company's operation include cyclic demand and pricing of raw materials, changes in Government regulations, tax regimes, cost of power and interest cost and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events or otherwise.

For and on behalf of the Board,  
**BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
Chairman & Managing Director  
DIN: 00032966

Place : Mumbai  
Date : 21st May, 2019

## Annexure - II

### REPORT ON CORPORATE GOVERNANCE

[Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

Your Company firmly believes in effective corporate governance practices and ethical conduct. Transparency and accountability are the basic tenets of Corporate Governance. Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to ethical principles in all its dealings. It helps the Company to achieve its objectives, enhance stakeholders' value and discharge its social responsibility. It, therefore, continues to lay great emphasis on integrity, fairness, empowerment and responsibility for efficient and ethical conduct of its business.

Your 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. Your Company firmly believes that Management must have freedom of execution and this freedom must be exercised within the framework of accountability to meet stakeholders' aspirations and society expectations.

Your Company consistently meets commitment towards continuous upgradation of Corporate Governance Standards. It has complied with the requirements of Corporate Governance stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 2. Board of Directors:

##### 1.1 Composition and category of Directors:

The Board of Directors provide 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 Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 were three Independent Directors and two Executive Directors on the Board of the Company as on 31st March, 2019. With effect from 1st April, 2019, Mrs. Devika Bhojwani was inducted as an Additional Director and the designation of Smt. Hira Bhojwani was changed from Executive Director to Non-executive Director. The Chairman is a Managing Director and a member of the Promoter Group. The Independent Directors provide their independent judgment, external perspective and objectivity on the issues placed before them.

1.2 During the year 2018-19, the Board met four times on 29th May, 2018, 14th August, 2018, 14th November, 2018 and 13th February, 2019. The gap between two meetings did not exceed 120 days. The Agenda for the Board meeting were circulated in advance to take informed decisions.

### 1.3 Attendance of the Directors and directorship in other companies as on 31st March, 2019:

Names and categories of Directors on the Board, their attendance at the Board Meetings held during the year and at the previous Annual General Meeting held on 22nd September, 2018 and the number of other directorships and Chairmanship/ Membership of Committee/s in other public companies as on 31st March, 2019 are given below. Based on intimations/ disclosures received from the Directors periodically, none of the Directors of the Company hold memberships/Chairmanships more than the prescribed limits.

Name of the Director	No. of Meetings held & attended during the year	Category of Directorship	Attendance at previous 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) DIN: 00032966	5(5)	Promoter Executive	Yes	Nil	Nil	Nil	Nil
Smt. Hira Bhojwani (Whole Time Director) DIN: 00032997	5(2)	Promoter Executive	No	Nil	Nil	Nil	Nil
Mr. K. P. Rao (Independent Director) DIN: 00027577	5(5)	Non-Executive	Yes	Nil	Nil	Nil	Nil
Dr. T. S. Sethurathnam (Independent Director) DIN: 00042704*	5(4)	Non-Executive	No	Nil	1	2	Nil
Mr. Byram Jeejeebhoy (Independent Director) DIN: 00033204	5(1)	Non-Executive	No	Nil	Nil	Nil	Nil

\* Dr. T. S. Sethurathnam is also an Independent Director in Oil Country Tubular Limited which is a listed company.

None of the other directors are holding directorship in any other listed company as on 31st March, 2019.

### 1.4 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 are sent to each Director in advance of 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. The members of the Board have a 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 certificate issued by Chief Financial Officer and Company Secretary of the Company regarding compliances of all the applicable laws on quarterly basis.

### 1.5 Independent Directors:

Schedule IV of the Companies Act, 2013 and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of Non – Independent Directors. During the financial year 2018-19, the Independent Directors met on 28th March, 2019 and inter alia reviewed the performance of the Chairman and Managing Director, the Executive Director and senior officials of the Company who are in-charge of the management and administration of the business of the Company.

There have been no pecuniary or business relationship between the Non-Executive Directors and the Company, except for the sitting fees and commission payable to them annually in accordance with the applicable laws and with the approval of the shareholders. A declaration to this effect is also submitted by all the Independent Directors at the beginning of each financial year.

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company. The terms and conditions of their appointment, sitting fees payable to them and familiarization programme provided by the company is available on the Company's website at the following link: [http://www.brightbrothers.co.in/pdf/pdf\\_185.pdf](http://www.brightbrothers.co.in/pdf/pdf_185.pdf)

#### 1.6 Core skills/ expertise/ competencies of the Board:

- i. Sales & Marketing: Experience in sales and marketing management based on understanding of the customer's requirements.
- ii. General management/Governance: Strategic thinking, decision making and protect interest of all stakeholders.
- iii. Financial skills: Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
- iv. Technical skills and professional skills and knowledge including legal and regulatory aspects.

### 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 process.

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 Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

During the financial year 2018-19, four Audit Committee meetings were held on 29th May, 2018, 14th August, 2018, 14th November, 2018 and 13th February, 2019 and the gap between two meetings did not exceed 120 days.

All the Members of the Audit Committee attended all the four meetings. The Chairman of the Committee Mr. K. P. Rao attended the Annual General Meeting of the Company held on 22nd September, 2018.

- 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 which 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
- Matters required to be included in the Director's Responsibility Statement and to be included in the Board's Report in terms of Section 134 of the Companies Act, 2013.
  - 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 and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
  - Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same
- (c) 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.
- (d) 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.
- (e) 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.
- (f) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Other Details:
    - (a) The Committee invites representatives of Statutory Auditors to be present at the meetings whenever it considers appropriate.
    - (b) The Company Secretary acts as the Secretary to the Audit Committee.
    - (c) Mrs. Sonali Pednekar is the Compliance Officer, to ensure compliance and effective implementation of the Insider Trading Code. The disclosure under the Insider Trading Code filed with the Stock Exchange are reported to the Committee on Quarterly basis.
- (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 employees. Under the enhanced terms of reference, the scope of the Committee, in addition to the above, includes formulation of criteria for performance evaluation of Independent Directors and the Board, policy on Directors' appointment and remuneration and 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 the three members of the Committee are Non-Executive and Independent Directors.

During the financial year 2018-19, two meetings of the Committee were held on 29th May, 2018 and 13th February, 2019.

- Remuneration of Managerial Personnel:

Details of remuneration paid/payable to Managing Director and Whole-Time Director for the financial year ended 31st March, 2019 are as follows:

(₹ in lakhs)

Particulars	Managing Director	Whole Time Director
Salary & Allowances	80.99	9.27
Perquisites	3.00	0.03
Contribution to PF	7.92	0.72
<b>Total</b>	<b>91.91</b>	<b>10.02</b>

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

	Mr. Suresh Bhojwani	Smt. Hira T. Bhojwani
Service contract	Five 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 ₹ 20,000/- per Board meeting, ₹ 10,000/- per Audit Committee meeting and ₹ 1,000/- for every other Committee meeting. No sitting fee is payable to Executive Directors.
- 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 1st April, 2018 to 31st March, 2019:

(₹ in lakhs)

Sr. No.	Name of the Director	Board Meetings	Committee Meetings	Independent Directors Meeting	Commission
1.	Mr. K. P. Rao	0.80	0.47	0.20	0.84
2.	Dr. T. S. Sethurathnam	0.80	0.44	0.20	0.84
3.	Mr. Byram Jeejeebhoy	0.20	0.01	0.20	0.42

- Mr. Byram Jeejeebhoy – Independent Director of the Company holds 5,000 Equity Shares of the Company. Mr. K. P. Rao – Independent Director of the Company holds 651 Equity Shares of the Company.
- Dr. T. S. Sethurathnam does not hold any shares in the Company.

(iii) **Stakeholders Relationship Committee:**

The Committee is constituted to redress Shareholders' complaints like transfer/transmission of shares, duplicate issue of share certificates, non-receipt of annual report, dividends, notices etc.

The composition of the 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.

There were no complaints pending as on 31st March, 2019.

#### 4. General Body Meetings:

Particulars of previous three Annual General Meetings.

AGM	Year	Location of the Meeting	Date	Time	Special Resolutions
71st AGM	2017-18	M. C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Fort, Mumbai- 400 001	22nd September, 2018	3.00 p.m.	<ul style="list-style-type: none"> <li>- Payment of remuneration to Cost Auditors for the financial year 2018-19</li> <li>- Continuation of appointment of Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Byram Jeejeebhoy as Independent Directors as per Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015</li> </ul>
70th AGM	2016-17	Walchand Hirachand Hall, IMC, 4th floor, IMC Marg, Churchgate, Mumbai 400 020	10th August, 2017	11.00 a.m.	<ul style="list-style-type: none"> <li>- Re-appointmnet of Mr. Suresh Bhojwani as Chairman and Managing Director</li> <li>- Approval of remuneration to Mr. Karan Bhojwani- Vice President (Operations)</li> <li>- Payment of remuneration to Cost Auditors for the financial year 2017-18</li> </ul>
69th AGM	2015-16	Walchand Hirachand Hall, IMC, 4th floor, IMC Marg, Churchgate, Mumbai 400 020.	3rd August, 2016	11.00 a.m.	<ul style="list-style-type: none"> <li>- Re-appointment of Smt. Hira Bhojwani as a Whole Time Director – Commercial.</li> <li>- Payment of remuneration to Cost Auditors for the financial year 2016-17</li> </ul>

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

#### Extraordinary General Meeting:

No Extraordinary General Meeting was held during the year 2018-19.

#### 5. Disclosures under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations):

Particulars	Regulation	Details
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	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 transaction has been made with the directors, their relatives or management which is in conflict with the interest of the Company. The Board's approved policy for related party transactions is available on the website of the Company at the following link: <a href="http://www.brightbrothers.co.in/pdf/pdf_105.pdf">http://www.brightbrothers.co.in/pdf/pdf_105.pdf</a>
Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad	Schedule V (c) 9(q) to the SEBI Listing Regulations	The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March, 2019. The ratings given by ICRA for Term Loan and Bill Discounting facility is BB(Stable) and A4+ respectively. These ratings were assigned on 18th June, 2019 pursuant to the Term Loan and Bill Discounting Facility availed from Kotak Mahindra Bank Limited.
Details of Regulatory compliance	Schedule V (c) 10(b) to the SEBI Listing Regulations	There were no cases of non-compliance during the last three financial years. No penalty or strictures have been imposed on the Company by the stock exchange, or Securities and Exchange Board of India ("SEBI") or any statutory authority on any matter related to capital markets.

Particulars	Regulation	Details
Commodity price risk and hedging activities	Schedule V (c) 10(g) of the SEBI Listing Regulations	The activities carried out by the Company are not prone to commodity price risk. Hence, the Company has not undertaken commodity hedging positions during the financial year.
Compliance with the Code of Conduct	Regulation 34 (3) of the SEBI Listing Regulations	The declaration signed by the Chairman and Managing Director stating that the members of Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management forms part of the Annual Report.
CEO/CFO Certification	Regulation 17(8) of SEBI Listing Regulations, 2015	The Chairman and Managing Director and Chief Financial Officer have in respect of the financial year ended 31st March, 2019 certified to the Board regarding compliances of covenants contained in the Regulation. The Certificate forms part of the Annual Report.
Compliance Certificate from the Auditors	Regulation 34(3) of SEBI Listing Regulations, 2015	The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Certificate forms part of the Annual Report.
Certificate regarding directors qualifications	Schedule V (c) 10(i) to the SEBI Listing Regulations	The Company has obtained a certificate from a Company Secretary in practice that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee.
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted a Policy on Determination of Materiality for Disclosures. The Board's approved policy is available on the website of the Company at the following link: <a href="http://www.brightbrothers.co.in/pdf/pdf_103.pdf">http://www.brightbrothers.co.in/pdf/pdf_103.pdf</a>
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	The auditors' report on financial statements of the Company is unqualified. Internal auditors report of the manufacturing units of the Company is submitted to the Audit Committee on quarterly basis.

#### 6. Disclosures in relation to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as at the end of the financial year
NIL	NIL	NIL

#### 7. Fees to statutory auditors:

M/s. Desai Saksena and Associates, Chartered Accountants (Firm Registration No.102358W) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, given below:

(₹ in lakhs)

Particulars	2018-19	2017-18
Audit fees	6.00	6.00
Others	0.06	2.00
Reimbursement of expenses	0.10	—
Total Payment to Auditors	6.16	8.00

**8. 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.

**9. Others**

The Company does not have any subsidiaries.

**10. Compliance with non-mandatory requirements:**

Adoption of non-mandatory requirements under Regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time to time and implemented as per the requirements of the Company.

**11. 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 such a form to the Stock Exchange where the Equity shares of the Company are listed so as to enable it to put it on its website. The results are also uploaded on the website of the Company; [www.brightbrothers.co.in](http://www.brightbrothers.co.in).

- A Management Discussion and Analysis is being presented as a part of the Annual Report as required under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**12. General Shareholders Information:**

<b>Annual General Meeting</b>	
• <b>Date and Time</b>	: Tuesday, 13th August, 2019 at 11.30 a.m.
• <b>Venue</b>	: “Walchand Hirachand Hall”, 4th Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai- 400 020
• <b>Dividend Payment date</b>	: On or after 13th August, 2019
<b>Financial Year</b>	2018-19
<b>Date of Book Closure</b>	: 7th August, 2019 to 13th August, 2019 (both days inclusive)
<b>Financial Calendar for 2019-20</b>	
Reporting for June, 2019 quarter	: On or before 14th August, 2019.
Reporting for September, 2019 quarter	: On or before 14th November, 2019.
Reporting for December, 2019 quarter	: On or before 14th February, 2020.
Reporting for quarter & year ended March, 2020	: On or before 30th May, 2020.

**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 2018-19.

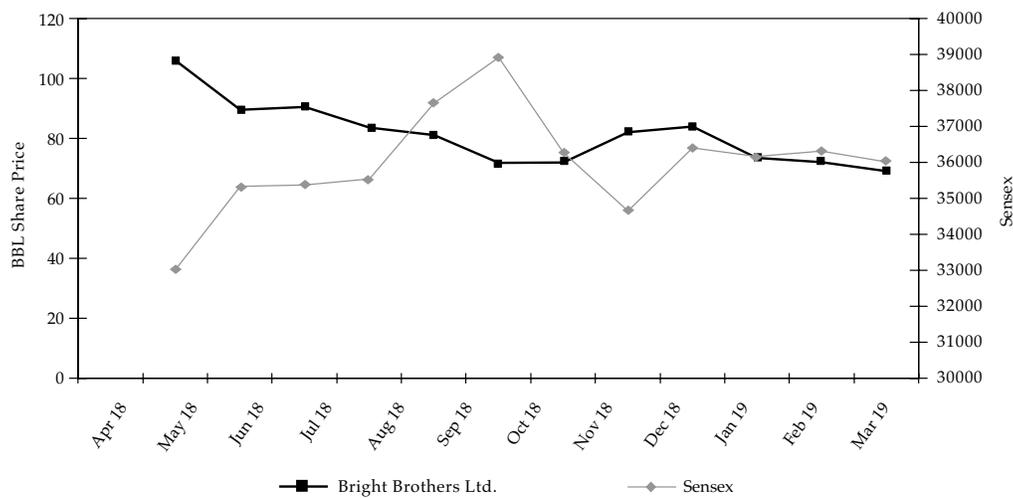
• Stock Code	: 526731
• ISIN No. for NSDL and CDSL	: INE630D01010
• Scrip ID	: BRIGHTBR
• CIN	: L25209MH1946PLC005056

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

Monthly high and low quotations of shares and volume of Equity shares traded on Bombay Stock Exchange Limited is as follows.

Month	High (in ₹)	Low (in ₹)	Closing (in ₹)	Number of shares traded	Sensex
April, 2018	110.25	87.00	105.90	68,189	33,030.87
May, 2018	107.00	89.45	89.45	49,150	35,328.91
June, 2018	95.00	81.30	90.50	35,237	35,373.98
July, 2018	98.90	80.30	83.60	36,321	35,545.22
August, 2018	94.80	78.05	81.05	34,272	37,643.87
September, 2018	85.80	70.00	71.85	18,899	38,915.91
October, 2018	82.80	60.30	72.00	46,380	36,274.25
November, 2018	91.35	67.00	82.00	1,17,289	34,650.63
December, 2018	87.90	76.00	83.90	1,02,554	36,396.69
January, 2019	86.00	67.00	73.50	1,11,695	36,161.80
February, 2019	80.00	62.50	72.05	32,150	36,311.74
March, 2019	78.90	59.65	69.05	1,58,933	36,018.49

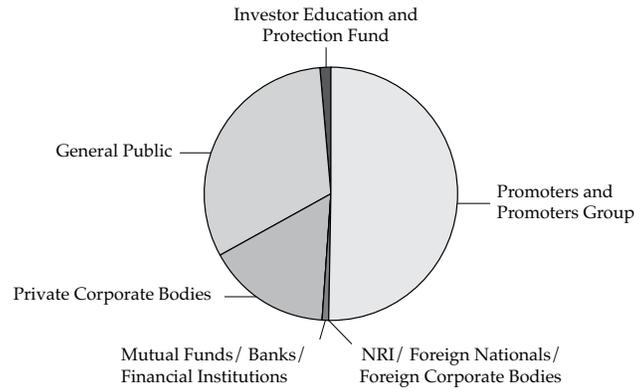
**Share Performance of the Company in Comparison to BSE Sensex**  
**BSE Sensex Vs BBL Share Price (Monthly Closing Price)**



**Pattern of Shareholding as on 31st March, 2019:**

Category	No. of Shares	%
<b>** Promoters and Promoter Group</b>	<b>28,67,695</b>	<b>50.49</b>
<b>Non Promoters</b>	<b>28,12,540</b>	<b>49.51</b>
a. NRIs/Foreign Nationals/Foreign Corporate Bodies	45,973	0.80
b. Mutual Funds/Banks/Financial Institutions	350	0.01
c. Private Corporate Bodies	9,03,412	15.90
d. General Public	17,91,885	31.55
e. Investor Education and Protection Fund	70,920	1.25
<b>Grand Total</b>	<b>56,80,235</b>	<b>100.00</b>

Note: None of the Promoters have pledged their shares as on 31st March, 2019.



\*\* Promoter holdings comprised in “Promoter and Promoter Group” as defined in Regulation 2(w) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

Sr. No.	Name of the shareholder	No. of Shares held as on 31st March, 2019	% of total shareholding
1.	M/s. T. W. Bhojwani Leasing Pvt. Ltd.	8,77,237	15.45
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	41,300	0.73
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>Total</b>	<b>28,67,695</b>	<b>50.49</b>

**Distribution of shareholding (shares)**

Sr. no.	Shareholding of shares			Shareholder	Percentage of total	Total shares	Percentage of total
1	1	to	500	3299	89.3070	4,16,252	7.3281
2	501	to	1000	176	4.7644	1,45,998	2.5703
3	1001	to	2000	84	2.2740	1,26,227	2.2222
4	2001	to	3000	34	0.9204	85,262	1.5010
5	3001	to	4000	20	0.5414	69,569	1.2248
6	4001	to	5000	21	0.5685	1,00,164	1.7634
7	5001	to	100000	52	1.4077	13,28,500	23.3881
8	100001	to	*****	8	0.2166	34,08,263	60.0021
<b>Total</b>				<b>3694</b>	<b>100.0000</b>	<b>56,80,235</b>	<b>100.0000</b>

**Share Transfer System:**

The share transfer activities are undertaken by Link Intime India Pvt. Ltd. All the documents received from shareholders are scrutinized by the Company's RTA. The shares lodged for transfer, etc. are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects.

SEBI, vide its Circular No. SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated 20th April, 2018, introduced a documented framework for streamlining and strengthening the systems and processes of RTAs, Issuer Companies and Bankers to an Issue with regard to handling and maintenance of records, transfer of securities and payment of dividend, as may be applicable. In the said Circular, SEBI has suggested measures to make the systems and processes among the RTAs, Issuer Companies and Bankers, more robust and transparent. The said SEBI Circular, inter alia, provides for some key requirements like maintenance of dividend master file, reconciliation of dividend account(s), Updation of PAN and Bank mandates by the Shareholders, wherever not available, System-Log(s), enhanced due diligence, etc.

The Company and its RTA are in compliance with the applicable requirements of the set framework.

**Dematerialisation and Liquidity:**

The shares of the Company are required to be compulsorily traded in dematerialised form. 55,04,459 Equity Shares representing 96.91% 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, 2019.

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

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on 31st March, 2019, the Company does not have any outstanding DRs/ADRs/Warrants or any convertible instruments.

**Plant Locations:**

<b>Puducherry:</b> Plant I, II and III Plot No. 1/1 to 1/4, Thirubhuvanai, Mannadipet Commune, Puducherry – 605 107. Phone No. : 0413 2640246	<b>Faridabad:</b> Plot No. 16-17, Sector 24, Faridabad, Haryana – 121 005. Phone No. : 0129 2232049
<b>Bhimtal:</b> Hiltron Electronic Complex, Plot No. C,D,E,F & G Mallittal, Bhimtal, Nainital, Uttarakhand – 263 136 Phone No. : 05942 247212	<b>Dehradun:</b> Khasara No. 3962,3963,3946 & 3947 Lal Tapper Industrial Area, Majri Grant Dehradun, Uttarakhand – 248 140. Phone No: 0135-2499973

**Address for Investor's correspondence:**

For all matters relating to shares, dividends, Annual Reports	Link Intime India Pvt Ltd. C 101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai- 400083 Contact person: Mr. Ganapati Haligouda Email: rnt.helpdesk@linkintime.co.in	Phone : 022 4918 6000 Fax : 022 4918 6060
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: invcom@brightbrothers.co.in	Phone : 8828204635

For and on behalf of the Board,  
**BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
DIN: 00032966

Place : Mumbai  
Date : 21st May, 2019

## Annexure to Corporate Governance Report

### I. Declaration of Compliance with the Code of Conduct

I hereby confirm that:

the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2019.

**Suresh Bhojwani**

*Chairman & Managing Director*

DIN: 00032966

Place : Mumbai

Date : 21st May, 2019

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### II. CEO-CFO CERTIFICATE under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors,  
BRIGHT BROTHERS LIMITED

- (a) We have reviewed financial statements and the cash flow statement of Bright Brothers Limited for the year ended on 31st March, 2019 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Mr. Suresh Bhojwani**

*Chairman & Managing Directors*

DIN 00032966

**Mr. Chirag Shah**

*Chief Financial Officer*

Place : Mumbai

Date : 21st May, 2019

### III. Independent Auditor's certificate on the Corporate Governance report for the period 1st April, 2018 to 31st March, 2019

To,  
The Members of Bright Brothers Limited

- 1 This Certificate is issued in accordance with the terms of our engagement letter dated 10th April 2019.
- 2 Bright Brothers Limited ('the Company') requires Independent Auditor's Certificate on Corporate Governance as per Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st April, 2018 to 31st March, 2019.

#### Management responsibility

- 3 The preparation of the Corporate Governance Report is the responsibility of the Management of the Company along with the maintenance of all its relevant supporting records and documents. The Management is also responsible for ensuring that the Company complies with the requirements of Regulation 17-27, Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Listing Regulations for the period 1st April, 2018 to 31st March, 2019. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report and applying an appropriate basis of preparation.

#### Auditor's Responsibility

- 4 Pursuant to the requirements of the Listing Regulations, our responsibility is to certify whether the Company has complied with the conditions of the Corporate Governance as stipulated in Listing Regulations for the period 1st April, 2018 to 31st March, 2019.
- 5 We have examined the compliance of the conditions of Corporate Governance by the Company for the period 1st April, 2018 to 31st March, 2019 as per Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Listing Regulations. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Standalone Ind AS financial statements of the Company.
- 6 We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates issued for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- 7 We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Conclusion

- 8 In our opinion and to the best of our information and according to the explanations given to us and representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of the Schedule V of the Listing Regulations, as applicable.
- 9 We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

#### Restrictions on Use

This Certificate is issued solely for the purpose of complying with Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Listing Regulations for the period 01 April 2018 to 31 March 2019 and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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

**Dr. S. N. Desai**  
Partner  
M.N.32546

Place: Mumbai  
Date: 21st May 2019

**Annexure - III****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

As on financial year ended 31st March, 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management &amp; Administration) Rules, 2014.

**I. REGISTRATION and OTHER DETAILS:**

i.	CIN	L25209MH1946PLC005056
ii.	Registration Date	11th July, 1946
iii.	Name of the Company	Bright Brothers Ltd.
iv.	Category/Sub-category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	610-611, Nirman Kendra, Famous Studio Lane, Dr. E'Moses Road, Mahalaxmi, Mumbai - 400 011.  Tel: +91 22 24905324
vi.	Whether listed company	Yes
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any	Link Intime India Private Limited C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai- 400 083 Tel.: +91 22 49186000

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated.

The Company is engaged in the business of manufacturing of injection moulded plastic products for supplies to original equipment manufacturers (OEM) for consumer durable industry and market its own products under "Brite" brand for material handling crates.

Name & Description of main products/services	NIC Code of the product/service	% to total turnover of the company
Manufacture of Plastic Products	222	98.49%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.					
2.					
3.					

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % to Total Equity)

##### (i) Category wise Shareholding

Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>									
<b>(1) Indian</b>									
a) Individuals / Hindu Undivided Family	19,90,208	—	19,90,208	35.0374	19,90,458	—	19,90,458	35.0418	0.0044
b) Central Government / State Government(s)	—	—	—	—	—	—	—	—	—
c) Financial Institutions / Banks	—	—	—	—	—	—	—	—	—
d) Any Other (Specify)									
Bodies Corporate	8,70,737	—	8,70,737	15.3292	8,77,237	—	8,77,237	15.4437	0.1145
<b>Sub Total (A)(1)</b>	<b>28,60,945</b>	<b>—</b>	<b>28,60,945</b>	<b>50.3667</b>	<b>28,67,695</b>	<b>—</b>	<b>28,67,695</b>	<b>50.4855</b>	<b>0.1188</b>
<b>(2) Foreign</b>									
a) Individuals (Non-Resident Individuals / Foreign Individuals)	—	—	—	—	—	—	—	—	—
b) Government	—	—	—	—	—	—	—	—	—
c) Institutions	—	—	—	—	—	—	—	—	—
d) Foreign Portfolio Investor	—	—	—	—	—	—	—	—	—
e) Any other (Specify)									
<b>SUB TOTAL (A) (2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>	<b>28,60,945</b>	<b>—</b>	<b>28,60,945</b>	<b>50.3667</b>	<b>28,67,695</b>	<b>—</b>	<b>28,67,695</b>	<b>50.4855</b>	<b>0.1188</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/UTI	—	—	—	—	—	—	—	—	—
b) Venture Capital Funds	—	—	—	—	—	—	—	—	—
c) Alternate Investment Funds	—	—	—	—	—	—	—	—	—
d) Foreign Venture Capital Investors	—	—	—	—	—	—	—	—	—
e) Foreign Portfolio Investor	—	—	—	—	—	—	—	—	—
f) Financial Institutions/ Banks	—	50	50	0.0009	—	50	50	0.0009	—
g) Insurance Companies	—	—	—	—	—	—	—	—	—
h) Provident Funds/ Pension Funds	—	—	—	—	—	—	—	—	—
i) Any Other (Specify)									
UTI	—	300	300	0.0053	—	300	300	0.0053	—
<b>SUB TOTAL (B)(1)</b>	<b>—</b>	<b>350</b>	<b>350</b>	<b>0.0062</b>	<b>—</b>	<b>350</b>	<b>350</b>	<b>0.0062</b>	<b>—</b>

Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Central Government/ State Government(s)/ President of India</b>									
Central Government / State Government(s)	—	—	—	—	—	—	—	—	—
<b>SUB TOTAL (B)(2)</b>	—	—	—	—	—	—	—	—	—
<b>(3) Non-Institutions</b>									
(a) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh.	7,96,129	1,75,276	9,71,405	17.1015	7,84,827	1,58,626	9,43,453	16.6094	(0.4921)
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	8,22,565	—	8,22,565	14.4812	7,62,484	—	7,62,484	13.4235	(1.0577)
(b) NBFCs registered with RBI	—	—	—	—	—	—	—	—	—
(d) Overseas Depositories (holding DRs) (balancing figure)	—	—	—	—	—	—	—	—	—
(e) Any Other (Specify) - Directors									
(i) IEPF	64,020	—	64,020	1.1271	70,920	—	70,920	1.2485	0.1215
(ii) Foreign Nationals	250	—	250	0.0044	250	—	250	0.0044	—
(iii) Hindu Undivided Family	53,262	—	53,262	0.9377	66,130	—	66,130	1.1642	0.2265
(iv) Non Resident Indians (Non Repat)	13,354	17,500	30,854	0.5432	11,984	16,800	28,784	0.5067	(0.0365)
(v) Other Directors	5,651	—	5,651	0.0995	5,651	—	5,651	0.0995	0.0000
(vi) Non Resident Indians (Repat)	19,079	—	19,079	0.3359	16,939	—	16,939	0.2982	(0.0377)
(vii) Clearing Member	16,867	—	16,867	0.2969	14,167	—	14,167	0.2494	(0.0475)
(viii) Bodies Corporate	8,34,987	—	8,34,987	14.6999	9,03,412	—	9,03,412	15.9045	1.2046
<b>Sub Total (B)(3)</b>	<b>25,62,144</b>	<b>1,92,776</b>	<b>27,54,920</b>	<b>48.5001</b>	<b>26,36,764</b>	<b>1,75,426</b>	<b>28,12,190</b>	<b>49.5083</b>	<b>1.0082</b>
<b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>26,26,164</b>	<b>1,93,126</b>	<b>28,19,290</b>	<b>49.6333</b>	<b>26,36,764</b>	<b>1,75,776</b>	<b>28,12,540</b>	<b>49.5145</b>	<b>(0.1188)</b>
<b>Total (A)+(B)</b>	<b>54,87,109</b>	<b>1,93,126</b>	<b>56,80,235</b>	<b>100.0000</b>	<b>55,04,459</b>	<b>1,75,776</b>	<b>56,80,235</b>	<b>100.0000</b>	<b>—</b>
<b>C. Non Promoter – Non Public</b>									
(1) Custodian/DR Holder	—	—	—	—	—	—	—	—	—
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	—	—	—	—	—	—	—	—	—
<b>Total (A)+(B)+(C)</b>	<b>54,87,109</b>	<b>1,93,126</b>	<b>56,80,235</b>	<b>100.0000</b>	<b>55,04,459</b>	<b>1,75,776</b>	<b>56,80,235</b>	<b>100.0000</b>	<b>—</b>

## (ii) Shareholding of Promoters

		Bright Brothers Limited						
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year – 2018			Shareholding at the end of the year – 2019			% change in shareholding during the year
		NO. OF SHARES HELD	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	NO. OF SHARES HELD	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	SURESH T BHOJWANI	12,83,418	22.5945	0	12,83,418	22.5945	0	0
2.	T W BHOJWANI LEASING PRIVATE LIMITED	8,70,737	15.3292	0	8,77,237	15.4437	0	0.1145
3.	HIRA THAKURDAS BHOJWANI	3,70,310	6.5193	0	3,70,310	6.5193	0	0
4.	THAKURDAS WADHUMAL BHOJWANI HUF	2,40,430	4.2327	0	2,40,430	4.2327	0	0
5.	DEVIKA S BHOJWANI	41,300	0.7271	0	41,300	0.7271	0	0
6.	S T BHOJWANI	20,000	0.3521	0	20,000	0.3521	0	0
7.	KARAN SURESH BHOJWANI	17,500	0.3081	0	17,500	0.3081	0	0
8.	RUCHIKA S BHOJWANI	17,500	0.3081	0	17,500	0.3081	0	0
	<b>Total</b>	<b>28,61,195</b>	<b>50.3710</b>	<b>0</b>	<b>28,67,695</b>	<b>50.4855</b>	<b>0</b>	<b>0.1145</b>

## (iii) Change in Promoters' Shareholding

Sr. No.		Date	No. of shares	% of total shares of the Company	Cumulative Share holding during the year	
					No. of shares	% of total shares of the Company
	At the beginning of the year	1 April 2018	28,61,195	50.3710	28,61,195	50.3711
	Transfer	29 March 2019	6,500	0.1145	—	—
	At the end of the year	31 March 2019	28,67,695	50.4855	28,67,695	50.4855

## (iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1.	<b>PATTON INTERNATIONAL LIMITED</b>	319585	5.6263			319585	5.6263
	Transfer			06 Apr 2018	2000	321585	5.6615
	Transfer			22 Jun 2018	374	321959	5.6681
	Transfer			30 Jun 2018	9872	331831	5.8419
	Transfer			06 Jul 2018	12772	344603	6.0667
	Transfer			13 Jul 2018	10000	354603	6.2428
	Transfer			27 Jul 2018	644	355247	6.2541
	Transfer			03 Aug 2018	3000	358247	6.3069
	Transfer			24 Aug 2018	555	358802	6.3167
	AT THE END OF THE YEAR					358802	6.3167

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019		
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	
2.	<b>BEELINE IMPEX PRIVATE LTD</b>	280389	4.9362			280389	4.9362	
	AT THE END OF THE YEAR					280389	4.9362	
3.	<b>ARCH FINANCE LIMITED</b>	0	0			0	0	
	Transfer			10 Aug 2018	317	317	0.0056	
	Transfer			24 Aug 2018	500	817	0.0144	
	Transfer			31 Aug 2018	(817)	0	0	
	Transfer			14 Sep 2018	500	500	0.0088	
	Transfer			29 Sep 2018	3300	3800	0.0669	
	Transfer			12 Oct 2018	(3800)	0	0	
	Transfer			19 Oct 2018	7260	7260	0.1278	
	Transfer			26 Oct 2018	1000	8260	0.1454	
	Transfer			02 Nov 2018	82	8342	0.1469	
	Transfer			16 Nov 2018	2354	10696	0.1883	
	Transfer			23 Nov 2018	3349	14045	0.2473	
	Transfer			30 Nov 2018	58044	72089	1.2691	
	Transfer			07 Dec 2018	26417	98506	1.7342	
	Transfer			14 Dec 2018	24358	122864	2.163	
	Transfer			21 Dec 2018	30085	152949	2.6927	
	Transfer			28 Dec 2018	(2000)	150949	2.6574	
	Transfer			31 Dec 2018	940	151889	2.674	
	Transfer			04 Jan 2019	560	152449	2.6839	
	Transfer			18 Jan 2019	5000	157449	2.7719	
	Transfer			25 Jan 2019	25000	182449	3.212	
	Transfer			01 Feb 2019	42500	224949	3.9602	
	Transfer			01 Mar 2019	2775	227724	4.0091	
Transfer			08 Mar 2019	2735	230459	4.0572		
Transfer			22 Mar 2019	2500	232959	4.1012		
Transfer			29 Mar 2019	61	233020	4.1023		
	AT THE END OF THE YEAR					233020	4.1023	
4.	<b>VIKRAM PRATAPBHAI KOTAK</b>	105000	1.8485			105000	1.8485	
	Transfer			13 Apr 2018	(4815)	100185	1.7637	
	Transfer			20 Apr 2018	815	101000	1.7781	
	Transfer			04 May 2018	4000	105000	1.8485	
	Transfer			30 Jun 2018	150	105150	1.8512	
	Transfer			06 Jul 2018	350	105500	1.8573	
	Transfer			13 Jul 2018	500	106000	1.8661	
	Transfer			27 Jul 2018	500	106500	1.8749	
	Transfer			19 Oct 2018	500	107000	1.8837	
	Transfer			23 Nov 2018	1000	108000	1.9013	
	Transfer			30 Nov 2018	(1000)	107000	1.8837	
	Transfer			08 Mar 2019	(6982)	100018	1.7608	
	Transfer			15 Mar 2019	(700)	99318	1.7485	
	Transfer			29 Mar 2019	682	100000	1.7605	
		AT THE END OF THE YEAR					100000	1.7605

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSAC-TION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COM-PANY
5.	<b>VIKRAM PRATAPBHAI KOTAK</b>	83000	1.4612			83000	1.4612
	Transfer			13 Apr 2018	1500	84500	1.4876
	Transfer			20 Apr 2018	7000	91500	1.6108
	Transfer			27 Apr 2018	500	92000	1.6197
	Transfer			04 May 2018	5000	97000	1.7077
	Transfer			18 May 2018	500	97500	1.7165
	Transfer			01 Jun 2018	284	97784	1.7215
	Transfer			08 Jun 2018	2045	99829	1.7575
	Transfer			15 Jun 2018	171	100000	1.7605
	Transfer			30 Jun 2018	(1000)	99000	1.7429
	Transfer			06 Jul 2018	(2200)	96800	1.7042
	Transfer			20 Jul 2018	200	97000	1.7077
	Transfer			27 Jul 2018	250	97250	1.7121
	Transfer			10 Aug 2018	250	97500	1.7165
	Transfer			31 Aug 2018	500	98000	1.7253
	Transfer			29 Sep 2018	660	98660	1.7369
	Transfer			05 Oct 2018	500	99160	1.7457
	Transfer			12 Oct 2018	840	100000	1.7605
	Transfer			23 Nov 2018	(50)	99950	1.7596
	Transfer			30 Nov 2018	50	100000	1.7605
	Transfer			25 Jan 2019	500	100500	1.7693
	Transfer			15 Feb 2019	1500	102000	1.7957
	Transfer			01 Mar 2019	(1649)	100351	1.7667
	Transfer			08 Mar 2019	(3351)	97000	1.7077
	Transfer			15 Mar 2019	(880)	96120	1.6922
	Transfer			22 Mar 2019	(1371)	94749	1.668
	Transfer			29 Mar 2019	251	95000	1.6725
	AT THE END OF THE YEAR					95000	1.6725
6.	<b>SUBRAMANIAN P</b>	79945	1.4074			79945	1.4074
	Transfer			01 Jun 2018	95	80040	1.4091
	Transfer			15 Jun 2018	114	80154	1.4111
	Transfer			13 Jul 2018	700	80854	1.4234
	Transfer			26 Oct 2018	751	81605	1.4366
	Transfer			15 Feb 2019	2885	84490	1.4874
	AT THE END OF THE YEAR					84490	1.4874
7.	<b>SANGEETHA S</b>	76660	1.3496			76660	1.3496
	AT THE END OF THE YEAR					76660	1.3496
8.	<b>INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS</b>	64020	1.1271			64020	1.1271
	Transfer			12 Oct 2018	6900	70920	1.2485
	AT THE END OF THE YEAR					70920	1.2485
9.	<b>DIPAK KANAYALAL SHAH</b>	54000	0.9507			54000	0.9507
	Transfer			11 May 2018	3000	57000	1.0035
	Transfer			05 Oct 2018	415	57415	1.0108
	Transfer			09 Nov 2018	200	57615	1.0143
	Transfer			16 Nov 2018	385	58000	1.0211
	Transfer			15 Feb 2019	1000	59000	1.0387
	Transfer			22 Feb 2019	500	59500	1.0475
	Transfer			29 Mar 2019	7500	67000	1.1795
	AT THE END OF THE YEAR					67000	1.1795
10.	<b>PRAVIN MITHALAL GANDHI</b>	55959	0.9852			55959	0.9852
	AT THE END OF THE YEAR					55959	0.9852

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
11.	DECENT FINANCIAL SERVICES PVT LTD	179000	3.1513			179000	3.1513
	Transfer			06 Apr 2018	406	179406	3.1584
	Transfer			24 Aug 2018	594	180000	3.1689
	Transfer			30 Nov 2018	(50000)	130000	2.2886
	Transfer			07 Dec 2018	(25000)	105000	1.8485
	Transfer			14 Dec 2018	(20000)	85000	1.4964
	Transfer			21 Dec 2018	(25000)	60000	1.0563
	Transfer			25 Jan 2019	(25000)	35000	0.6162
	Transfer			01 Feb 2019	(35000)	0	0
	AT THE END OF THE YEAR					0	0

#### (v) Shareholding of Directors & KMP

Sr. No.	For Each of the Directors & KMP	No. of shares	% of total shares of the Company	Cumulative Shareholding during the year	
				No of shares	% of total shares of the Company
1.	<b>Mr. Byram Jeejeebhoy</b>				
	At the beginning of the year	5,000	0.09	—	—
	Date wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	—	—	—	—
	At the end of the year	5,000	0.09	5,000	0.09
2.	<b>Mr. K. P. Rao</b>				
	At the beginning of the year	651	0.01	—	—
	Transfer	—	—	—	—
	At the end of the year	651	0.01	651	0.01
3.	<b>Mr. Chirag Shah</b>				
	At the beginning of the year	500	0.01	—	—
	Transfer	3,081	0.05	—	—
	At the end of the year	3,581	0.06	3,581	0.06

#### V. INDEBTEDNESS

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

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	260.57	210.00	398.80	869.37
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	1.26	9.27	10.53
<b>Total (i+ii+iii)</b>	<b>260.57</b>	<b>211.26</b>	<b>408.07</b>	<b>879.90</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	628.45	257.93	—	886.38
Reduction	282.08	—	93.04	375.12
<b>Net Change</b>	<b>346.37</b>	<b>257.93</b>	<b>(93.04)</b>	<b>511.26</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	606.94	460.00	308.00	1,374.94
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	9.19	7.03	16.22
<b>Total (i+ii+iii)</b>	<b>606.94</b>	<b>469.19</b>	<b>315.03</b>	<b>1391.16</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Names		Total Amount
		Managing Director	Whole Time Director	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	80.99	9.27	90.26
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961.	3.00	0.03	3.03
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—	—
2.	Stock option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission as % of profit	—	—	—
5.	Others – Provident Fund	7.92	0.72	8.64
	<b>Total (A)</b>	<b>91.91</b>	<b>10.02</b>	<b>101.93</b>

### B. Remuneration to Other Directors:

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Name of the Directors			Total Amount
		Mr. K. P. Rao	Dr. T. S. Sethurathnam	Mr. Byram Jeejeebhoy	
1.	Independent Directors				
	(a) Fee for attending Board, Committee meetings and Independent Directors meeting	1.47	1.44	0.41	3.32
	(b) Commission	0.84	0.84	0.42	2.10
	(c) Others, please specify	—	—	—	—
	<b>Total (1)</b>	<b>2.31</b>	<b>2.28</b>	<b>0.83</b>	<b>5.42</b>
2.	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	—	—	—	—
	(b) Commission	—	—	—	—
	(c) Others, please specify.	—	—	—	—
	<b>Total (2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
	<b>Total (B)=(1+2)</b>	<b>2.31</b>	<b>2.28</b>	<b>0.83</b>	<b>5.42</b>

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

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary & Compliance Officer	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	46.95	5.94	52.89
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—	—
2.	Others, specify	—	—	—
3.	Others-Provident Fund	2.50	0.32	2.82
	<b>Total</b>	<b>49.45</b>	<b>6.26</b>	<b>55.71</b>

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

For and on behalf of the Board of Directors,

**BRIGHT BROTHERS LIMITED**

**Suresh Bhojwani**  
*Chairman & Managing Director*  
 DIN: 00032966

*Place* : Mumbai

*Date* : 21<sup>st</sup> May, 2019

**Annexure-IV**  
**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Bright Brothers Limited  
CIN: L25209MH1946PLC005056  
610-611, Nirman Kendra,  
Famous Studio Lane,  
Mahalaxmi, Mumbai 400 011.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bright Brothers Limited, (hereinafter called as the 'Company'). This Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other returns maintained by the Company for the financial year ended March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company for the period under review)**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 read with Amendments;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable as the Company has not issued any further share capital during the period under review)**;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable as the Company has not issued any stock options during the period under review)**;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable as the Company has not issued and listed any debt capital during the period under review)**;

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 read with Amendments, regarding the Companies Act and dealing with client **(Not applicable as the Company is not registered as Registrar to Issue & Share Transfer Agent during the period under review);**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable as there was no reportable event during the period under review);**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable as there was no reportable event during the period under review);**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The other laws that are applicable specifically to the Company are as follows:
- a) Maharashtra Shops and Establishments (Regulation of employment and conditions of service) Act, 2017, Rules thereunder and other State Acts and Rules thereunder, including statutory amendments made thereto
  - b) Factories Act, 1948 and applicable State Rules;
  - c) Contract Labour (Regulation and Abolition) Act, 1970, Contract Labour (Regulation and Abolition) Central Rules, 1971 and applicable State Rules.
  - d) Industrial Disputes Act, 1947, Industrial Disputes (Central) Rules, 1957 and applicable State Rules
  - e) Industrial Employment (Standing Orders) Act, 1946, Industrial Employment (Standing Orders) Central Rules, 1946 and applicable State Rules
  - f) Employee Compensation Act, 1923, Workmen Compensation Rules, 1924 and applicable State Rules.
  - g) Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employees' Provident Fund Scheme, 1952, Employees' Pension Scheme, 1995 and Employees' Deposit Linked Insurance Scheme, 1976.
  - h) Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976.
  - i) Maternity Benefit Act, 1961 and applicable State Rules.
  - j) Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.
  - k) Payment of Wages Act, 1936, Payment of Wages (Nomination) Rules, 2009 and applicable State Rules.
  - l) Minimum Wages Act, 1948, Minimum Wages Rules, 1950 and applicable State Rules.
  - m) Payment of Gratuity Act, 1972 and applicable State Rules.
  - n) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013
  - o) Environment Protection Act, 1986 and other applicable environmental laws;
  - p) Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules 1982 and applicable State rules;
  - q) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975 and applicable State Rules.
  - r) Hazardous Waste (Management and Handling) Rules, 1989 and Amendment Rules, 2003;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited;

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

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board meetings and Committee meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board as the case may be.
- Company is generally regular in compliance with the filing of e-forms with the Ministry of Corporate Affairs as required under the Companies Act, 2013 and the Rules framed thereunder and where in few instances not filed within the prescribed time limit, the same was filed with payment of additional fees.
- There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and as informed, the Company has responded appropriately to notices received from statutory/ regulatory authorities including initiating immediate corrective measures, where necessary

I further report that during the audit period, the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

During the year under review:

- The Company has availed fund based facility from Kotak Mahindra Bank Limited amounting to Rs. 38,97,00,000/- which is within the borrowing limits of the Company and the said facility is secured by a charge against the existing and future receivables/ current assets and certain immovable property of the Company.

This Report is to be read with my letter of even date which forms an integral part of this Report.

**Purnima Shetty**  
*Practicing Company Secretary*  
 FCS No.: 9089  
 C.P. No.: 14933

*Place: Mumbai*  
*Date: 18<sup>th</sup> May, 2019*

**'Annexure A'**

**(To the Secretarial Audit Report of M/s. Bright Brothers Limited  
for the financial year ended 31<sup>st</sup> March, 2019)**

To,  
The Members,  
Bright Brothers Limited  
CIN: L25209MH1946PLC005056  
610-611, Nirman Kendra,  
Famous Studio Lane,  
Mahalaxmi, Mumbai 400 011.

My Secretarial Audit Report of even date, for the F.Y. 2018-19 is to be read along with this letter:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and rules and regulations and to ensure that the systems are adequate and operate effectively. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about correctness of the contents of the secretarial records. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of the corporate and other laws, rules, regulations, norms and standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
5. Wherever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Purnima Shetty**  
*Practicing Company Secretary*  
FCS No.: 9089  
C.P. No.: 14933

*Place: Mumbai*  
*Date: 18<sup>th</sup> May, 2019*

## Independent Auditors' Report

### TO THE MEMBERS OF, BRIGHT BROTHERS LIMITED

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of **Bright Brothers Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

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

##### Key Audit Matters

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

Sn.	The Key Audit Matters	How our audit addressed the key audit matter
1	<b>Evaluation of Contingent Liabilities</b>	
	The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business regarding Disputed Statutory Liabilities and Contingent Liabilities. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements.	Our audit procedures include the following substantive procedures: <ul style="list-style-type: none"> <li>➤ Read and analysed documents provided by the management for key uncertain tax positions;</li> <li>➤ Discussed with appropriate senior management and evaluated management's underlying key assumptions in disclosure of disputed statutory liabilities; and</li> <li>➤ Assessed management's estimate of the possible outcome of the disputed cases.</li> </ul>

##### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its financial statements - Refer Note No. 34 ( Sn 1 to 5) to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

**Dr. S. N. Desai**  
Partner  
M.N. 32546

Place: Mumbai  
Date: 21st May 2019

## Annexure – A to the Independent Auditors' Report

With reference to the "Annexure A" referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report the following:

- (i) In respect of Company's property, plant and equipment:
  - (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment
  - (b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of Company's inventories:
 

The inventory, except goods-in-transit and inventory lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) In our opinion and according to information and explanation given to us, the Company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured or provided any guarantees or security to parties covered under section 185 of the Act. The Company has not granted any loans, no investments has been made, no guarantees or security are given to parties covered section 186 of the Act. Accordingly, paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by Reserve Bank of India and the provision of sections 73 to 75 or any other applicable provisions of the Act and the (Acceptance of Deposits) Rules, 2014 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal. In our opinion and according to explanation given to us, the Company has not accepted deposit from non-members.
- (vi) We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the Rules prescribed by the Central Government under sub section (1) of section 148 of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) In respect of statutory dues:
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, duty of customs, service tax, goods and professional tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, duty of customs, goods and service tax, professional tax, cess and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute, other than the following dues of duty of excise, service tax, sales tax, value added tax and provident fund:

Sr. No.	Name of the Statute	Nature of dues	Financial Year to which it pertains	Forum where dispute is pending	*Amount (₹ in Lakhs)
1	Bombay Sales Tax Act, 1959 and Central Sales Tax Act, 1956	Sales tax, Interest and Penalty	1998-99 2001-02	Sales Tax Appellate Tribunal	6.80
2	Bombay Sales Tax Act,	Sales tax, Interest and Penalty	1987-89	Joint Commissioner (Appeals-Sales Tax)	16.86
3	Central Sales Tax Act, 1956	CST – Sales Tax, Interest and Penalty	2005-06	Sales Tax Appellate Tribunal	3.97
4	Maharashtra Value Added Tax Act 2002 and Central Sales Tax Act, 1956	VAT-CST Interest and Penalty	2007-08	Deputy Commissioner (Appeals-Sales Tax)	27.17
5	The Central Excise Act, 1944	Duty and Penalty	1996-1997 to 1998-1999	CESTAT	89.78
6	Provident Fund Act, 1952	P.F.dues	2010-2011, 2011-2012, 2012-2013	Commissioner (PF)	8.66
7	Service Tax under the Finance Act, 1994	Service tax	2012-13	Additional Commissioner of Service tax	6.46
8**	Uttarakhand Value Added Tax, 2005	Sales Tax	2011-12, 2012-13, 2013-14, 2014-15	Assessing Officer	331.97

\* Interest and Penalty as per the orders received.

\*\* The assessing officer had issued a preliminary notice. However, as per the explanation given by the Company, it will be treated as fresh assessment and hence not required to file any appeal.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loan raised during the year has been applied for the purpose for which it was raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting standard (Ind AS) 24, Related Party Disclosure specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

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

**Dr. S. N. Desai**  
Partner  
M.N. 32546

Place: Mumbai  
Date: 21st May 2019

## **Annexure – B to the Independent Auditors’ Report**

(Referred to in paragraph 1(A)(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls with reference to financial statements of **Bright Brothers Limited** (“the Company”) as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditor’s Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that

receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting, however, the same needs to be strengthened and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

**Dr. S. N. Desai**  
Partner  
M.N. 32546

Place: Mumbai  
Date: 21st May 2019

## Balance Sheet As at 31st March, 2019

	Note No.	As at 31st March, 2019	(₹ in Lakhs) As at 31st March, 2018
<b>ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, Plant and Equipment	2	4,512.50	4,066.81
(b) Capital work-in-progress	3	20.77	23.84
(c) Other intangible assets	4	—	19.10
(d) Financial assets			
(i) Investments	5	59.50	59.56
(ii) Deposits	6	106.24	91.74
(iii) Loans	7	—	—
(iv) Others	8	201.71	186.72
(e) Deferred tax assets	20B	32.82	32.82
(f) Other non-current assets	9	56.51	54.79
<b>Total non-current assets</b>		<b>4,990.05</b>	<b>4,535.38</b>
<b>2. Current assets</b>			
(a) Inventories	10	1,510.99	1,475.63
(b) Financial assets			
(i) Investments	11	367.98	676.43
(ii) Trade receivables	12	1,671.45	1,921.08
(iii) Cash and cash equivalents	13	185.05	122.55
(iv) Other bank balances	14	69.54	65.90
(c) Other current assets	15	70.43	92.31
<b>Total current assets</b>		<b>3,875.44</b>	<b>4,353.90</b>
<b>TOTAL ASSETS</b>		<b>8,865.49</b>	<b>8,889.28</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	567.60	567.60
Other equity	17	3,795.05	3,739.29
<b>Total Equity</b>		<b>4,362.65</b>	<b>4,306.89</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	370.72	95.16
(ii) Deposits	19	138.00	170.00
(b) Deferred tax liabilities	20A	147.49	147.49
<b>Total non-current liabilities</b>		<b>656.21</b>	<b>412.65</b>
<b>2. Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	630.00	438.80
(ii) Trade payables	22		
Micro, small and medium enterprises		352.32	344.61
Others		2,089.54	2,412.12
(iii) Other financial liabilities	23	569.62	708.62
(b) Other current liabilities		107.70	215.92
(c) Provisions	24	79.78	41.80
(d) Income tax liabilities (Net)		17.67	7.87
<b>Total current liabilities</b>		<b>3,846.63</b>	<b>4,169.74</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,865.49</b>	<b>8,889.28</b>

### Significant Accounting Policies

1

The accompanying notes referred to herein form an integral part of the 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, 21st May, 2019.

Mr. Chirag Shah  
Chief Financial Officer

Mrs. Sonali Pednekar  
Company Secretary &  
Compliance Officer

Mr. Suresh Bhojwani  
DIN: 00032966

Mr. K. P. Rao  
DIN: 00027577

Dr. T. S. Sethurathnam  
DIN: 00042704

Chairman &  
Managing Director

Independent Directors

## Statement of Profit and Loss for the year ended 31st March, 2019

	Note No.	Year Ended 31st March, 2019	(₹ in Lakhs) Year Ended 31st March, 2018
<b>INCOME</b>			
Revenue from operations	25	23,078.64	21,441.70
Other income	26	41.24	103.15
<b>Total Income</b>		<b>23,119.88</b>	<b>21,544.85</b>
<b>EXPENSES</b>			
Cost of materials consumed	27	16,159.15	14,697.35
Purchases of traded goods	28	166.75	113.28
Changes in inventories of finished goods, work-in-progress and traded goods	29	(81.47)	55.64
Other operating expenses	30	2,492.14	2,592.47
Employee benefits expenses	31	1,773.42	1,624.77
Finance costs	32	621.67	581.19
Depreciation and amortization expenses	2,4	576.75	545.93
Other expenses	33	1,201.36	1,220.95
<b>Total Expenses</b>		<b>22,909.77</b>	<b>21,431.58</b>
<b>Profit before Tax</b>		<b>210.11</b>	<b>113.27</b>
<b>TAX EXPENSES</b>			
		9.80	(7.08)
(1) Current Tax		9.80	7.87
(2) Deferred Tax		—	(14.95)
<b>Profit after Tax</b>		<b>200.31</b>	<b>120.35</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of net defined benefit plans (Net of tax)		(7.59)	10.99
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>192.72</b>	<b>131.34</b>
<b>EARNINGS PER EQUITY SHARE IN (₹)</b>			
<b>Basic and diluted (Face Value ₹ 10/- paid-up)</b>	42	<b>3.53</b>	<b>2.12</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes referred to herein form an integral part of the 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, 21st May, 2019.

Mr. Chirag Shah  
Chief Financial Officer

Mrs. Sonali Pednekar  
Company Secretary &  
Compliance Officer

Mr. Suresh Bhojwani  
DIN: 00032966

Mr. K. P. Rao  
DIN: 00027577

Dr. T. S. Sethurathnam  
DIN: 00042704

Chairman &  
Managing Director

Independent Directors

## Cash Flow Statement for the year ended 31st March, 2019

	(₹ in Lakhs)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before Tax	210.11	113.27
Adjustments for :		
Depreciation and amortization	576.75	545.93
Finance costs	621.67	581.19
Loss/(gain) on sale of property, plant & equipment	—	(7.84)
Interest (income)	(5.11)	(4.14)
Dividend from non current investment (income)	(1.54)	(1.61)
Net (gain)/loss on sale of investments	(18.27)	(78.29)
<b>Operating profit before working capital changes</b>	<b>1,383.61</b>	<b>1,148.51</b>
Adjustments for :		
Movements in working capital :		
Increase/(Decrease) in trade payables	(314.87)	206.16
Increase/(Decrease) in other current financial liabilities	(139.00)	79.74
Increase/(Decrease) in other current liabilities	(108.22)	(183.07)
Increase/(Decrease) in provisions	30.38	(13.23)
(Increase)/Decrease in trade receivables	249.63	(359.84)
(Increase)/Decrease in inter corporate loans	—	3.18
(Increase)/Decrease in other bank balances	(3.64)	18.97
(Increase)/Decrease in inventories	(35.36)	(188.08)
(Increase)/Decrease in other financial assets	(39.30)	(40.80)
(Increase)/Decrease in other assets	20.17	106.46
<b>Working capital changes :</b>	<b>(340.21)</b>	<b>(370.51)</b>
Cash flow from/(Used in) Operating Activities	1,043.40	778.00
Income tax Refund/(Paid)	9.80	7.87
<b>Net Cash Flow from/(Used in) Operating Activities (A)</b>	<b>1,053.20</b>	<b>785.87</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of property, plant & equipments, including capital work in progress-tangible assets and capital advances	(1,019.36)	(982.42)
Proceeds from sale of property, plant & equipments	19.09	115.63
Interest Income	5.11	4.14
Dividend from non current investment income	1.54	1.61
Purchase of investment	(879.73)	(949.63)
Proceeds from sale of investments	1,206.51	1,413.12
<b>Net Cash Flow from/(Used in) Investing Activities (B)</b>	<b>(666.84)</b>	<b>(397.55)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
Proceeds from long-term borrowings	525.64	7.47
Repayment of long term borrowing	(282.08)	(325.96)
Increase/ (Decrease) in short-term borrowings	191.21	423.80
Finance costs	(621.67)	(581.19)
Dividend paid (including dividend distribution tax)	(136.96)	(135.62)
<b>Net Cash Flow from/(Used in) Financing Activities (C)</b>	<b>(323.86)</b>	<b>(611.50)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>62.50</b>	<b>(223.18)</b>
Cash and cash equivalents at the beginning of year	122.55	345.73
Cash and cash equivalents at the end of the year	185.05	122.55
(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, 21st May, 2019.

Mr. Chirag Shah  
Chief Financial Officer

Mrs. Sonali Pednekar  
Company Secretary &  
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Mr. Suresh Bhojwani  
DIN: 00032966

Mr. K. P. Rao  
DIN: 00027577

Dr. T. S. Sethurathnam  
DIN: 00042704

Chairman &  
Managing Director

Independent Directors

## Statement of Changes in Equity for the year ended 31st March, 2019

	Balance as at 1st April 2018	Changes in equity share capital during the year	Balance as at 31st March 2019
(₹ in Lakhs)			
<b>EQUITY SHARE CAPITAL :</b>			
Paid up capital (Refer Note 16)	567.60	—	567.60

**OTHER EQUITY :**

**Reserves and Surplus**

	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Amalgamation Reserve	Retained Earnings	Revaluation Reserve	Other Comprehensive Income	Total
Balance as at 1st April 2018	156.83	967.00	229.53	1,933.17	139.00	217.98	84.79	10.99	3,739.29
Profit for the year	—	—	—	—	—	200.31	—	—	200.31
<b>Other Comprehensive Income :</b>									
Remeasurements of net defined benefit plans (Net of tax)	—	—	—	—	—	—	—	(7.59)	(7.59)
Final dividend paid including corporate dividend tax for F.Y. 2017-18	—	—	—	—	—	(136.96)	—	—	(136.96)
<b>Balance as at 31st March 2019</b>	<b>156.83</b>	<b>967.00</b>	<b>229.53</b>	<b>1,933.17</b>	<b>139.00</b>	<b>281.33</b>	<b>84.79</b>	<b>3.40</b>	<b>3,795.05</b>

The accompanying notes referred to herein form an integral part of the 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, 21st May, 2019.

Mr. Chirag Shah  
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Mr. Suresh Bhojwani  
DIN: 00032966

Mr. K. P. Rao  
DIN: 00027577

Dr. T. S. Sethurathnam  
DIN: 00042704

*Chairman & Managing Director*

*Independent Directors*

## Notes accompanying the Financial Statements

### Note 1

#### SIGNIFICANT ACCOUNTING POLICIES

##### COMPANY INFORMATION:

The Bright Brothers Limited ("the Company") is public limited Company incorporated and domiciled in India and has registered office at 610-611, Nirman Kendra, Famous Studio Lane, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011. It is incorporated under the Indian Companies Act, 1913 and its shares are listed on the Bombay Stock Exchange Limited.

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:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013.

The financial statements of the Company are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities are measured at Fair value (refer accounting policy on financial instruments – note (H) below.
- Defined Benefit and other Long term Employee Benefits - Refer note (J) below.

##### (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 these estimates.

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

##### (C) Property, Plant and Equipment:

- (i) Property, plant and equipment other than certain revalued land, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.
- (ii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.
- (iii) Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Cost of land includes lands acquired under lease.

Cost of building includes buildings constructed on leasehold lands.

##### (D) Depreciation on Property, Plant and Equipment:

- (i) Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which are equal to the life prescribed under the Schedule II to the Companies Act, 2013.

Depreciation on assets added/sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded.

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

- (ii) Premium on leasehold land is amortized over the period of lease.

##### (E) Intangible Assets:

Intangible assets, which are acquired, are capitalized and amortized on a straight-line basis over their useful lives of four years. Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment losses.

## Notes accompanying the Financial Statements

### (F) 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. Exchange differences arising 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.

### (G) Inventories:

Inventories includes Raw Material, Work-in-Progress, Finished goods, Stores & spares, Consumables, Packing Materials.

- (i) **Raw Material and Components** – Cost include cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using identified lot basis / First in first out (FIFO) basis.
- (ii) **Finished stock, Traded goods and work in progress stock** – Cost includes cost of direct material, labor, other direct cost and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis.
- (iii) **Stores, Spare Parts, Consumables, Packing Materials etc.** – Cost is determined on FIFO basis.

Adequate allowance is made for obsolete and slow moving items.

### (H) Financial Instruments:

#### Financial assets - Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss. Subsequent measurement Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (i) the entity's business model for managing the financial assets and;
- (ii) the contractual cash flow characteristics of the financial asset.

#### (a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

#### (b) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

#### (c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

#### Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

#### Impairment:

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

## Notes accompanying the Financial Statements

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

### De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Financial Liabilities**

#### Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities include trade and other payables, loans and borrowings.

#### Subsequent measurement:

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

#### Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## Notes accompanying the Financial Statements

### (I) Fair Value measurement:

The Company measures financial instruments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### (J) Employee Benefits:

The Company has following post-employment plans:

- (a) Defined benefit plans such as gratuity and;
- (b) Defined contribution plans such as Provident fund & Superannuation fund

#### (a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (ii) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising

- (i) Re-measurement of Actuarial(gains)/losses
- (ii) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (iii) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

## Notes accompanying the Financial Statements

### (b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

### (c) Other employee benefits:

- (i) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.
- (ii) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

### (K) Impairment of Non Financial Assets:

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

### (L) Taxes on Income:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items, that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-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 Company will pay normal income-tax during the specified period.

### (M) Provisions, Contingent Liabilities and Contingent Assets:

#### Provisions:

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

## Notes accompanying the Financial Statements

### Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that can't be recognised because it can't be measured reliably. The Company does not recognise the contingent liability but disclose its existence in its financial statements.

### Contingent assets:

Contingent assets are neither recognised, nor disclosed.

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

### **(N) Leased Assets:**

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognised as expense in the statement of profit & loss on a straight line basis over the lease term.

### **(O) Exceptional Items:**

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.

### **(P) 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.

### **(Q) Revenue Recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following conditions are satisfied:

- (i) The Company has transferred risks and rewards incidental to ownership to the customer;
- (ii) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (iii) It is probable that the economic benefit associated with the transaction will flow to the Company; and
- (iv) It can be reliably measured and it is reasonable to expect ultimate collection.

Revenue from sale of services are recognized when the services are rendered.

Dividend income is recognised when the right to receive payment is established.

### **(R) Earnings Per Share:**

Earnings 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.

### **(S) Cash and Cash Equivalents:**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

### **(T) Cash Flow Statement:**

The 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.

### **(U) Cash Dividend**

The Company recognizes a liability to pay dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company i.e. when the dividend distribution is being approved by the shareholders. A corresponding amount is recognized directly in equity.

## Notes accompanying the Financial Statements

Note 2

### PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	Opening Balance as at 1 April 2018	Additions	Balance as at 31st March 2019	Depreciation charge for the year during the year	On disposals/ Adjustments	Balance as at 31st March 2019	Balance as at 31st March 2019	Balance as at 31st March 2018
Land - Leasehold	125.22	—	125.22	1.20	—	11.95	113.27	114.47
Land - Freehold	209.69	—	209.69	—	—	—	209.69	209.69
Buildings	1,232.30	205.92	1,438.22	48.64	—	437.53	1,000.69	843.41
Plant and Equipment	6,565.08	721.25	7,282.71	449.90	(0.84)	4,434.59	2,848.12	2,579.55
Furniture and Fixtures	228.84	13.55	242.39	8.16	—	181.57	60.82	55.43
Vehicles	195.23	—	195.23	10.19	—	142.20	53.03	63.22
Office equipment	86.74	15.57	102.31	4.75	—	77.94	24.37	13.55
Moulds	618.31	34.73	653.04	28.39	—	523.75	129.29	122.95
Computers	160.21	15.59	175.70	12.26	(0.13)	162.79	12.91	9.55
Electric Installation	232.09	15.82	247.91	10.50	—	187.60	60.31	54.99
<b>Total</b>	9,653.71	1,022.43	10,672.42	573.99	(0.97)	6,159.92	4,512.50	4,066.81
Previous Year	8,953.85	942.66	9,653.71	540.72	(135.00)	5,586.90	4,066.81	3,772.67

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
<b>Note 3</b>		
<b>CAPITAL WORK-IN-PROGRESS</b>		
<b>Assets under installation</b>		
Buildings	9.61	23.84
Plant and Equipment	11.16	—
<b>Total</b>	<u>20.77</u>	<u>23.84</u>

### Note 4

#### OTHER INTANGIBLE ASSETS

##### Gross carrying amount

Balance as at 1st April 2018	37.07
Additions	—
On (disposals)/ Adjustments during the year	(16.34)
Balance as at 31st March 2019	<u>20.73</u>

##### Accumulated Depreciation

Balance as at 1st April 2018	17.97
Depreciation charge for the year	2.76
On (disposals)/ Adjustments during the year	—
Balance as at 31st March 2019	<u>20.73</u>

##### Net carrying amount as at 1st April 2018

19.10

##### Net carrying amount as at 31st March 2019

—

### Note 5

#### NON CURRENT INVESTMENTS

	Quantity		Amount (₹ in Lakhs)	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
<b>(A) Investement in equity instruments (unquoted)</b>				
The Saraswat Co-op. Bank Ltd. (Share of ₹ 10/- each, fully paid up)	1,000	1,000	0.10	0.10
Shalimar Infotech Ltd. (Share of ₹ 300.12/- each, fully paid up)	1,666	1,666	5.00	5.00
<b>(A)</b>			<u>5.10</u>	<u>5.10</u>
<b>(B) Other non-current investments (units of venture fund)</b>				
Ambit Pragma Fund Scheme I	6208	6208	54.40	54.46
<b>(B)</b>			<u>54.40</u>	<u>54.46</u>
<b>Total [A + B]</b>			<u>59.50</u>	<u>59.56</u>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
<b>Note 6</b>		
<b>DEPOSITS</b>		
(Unsecured, Considered good unless otherwise stated)		
Security and other deposits	106.24	91.74
<b>Total</b>	<u>106.24</u>	<u>91.74</u>
<b>Note 7</b>		
<b>LOANS</b>		
(Unsecured, Considered good unless otherwise stated)		
Inter corporate loans	—	660.00
Less: Provisions	—	(660.00)
<b>Total</b>	<u>—</u>	<u>—</u>
<b>Note 8</b>		
<b>OTHER FINANCIAL ASSETS</b>		
(Unsecured, Considered good unless otherwise stated)		
Advance tax	89.91	74.92
MAT credit	111.80	111.80
<b>Total</b>	<u>201.71</u>	<u>186.72</u>
<b>Note 9</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
(Unsecured, Considered good unless otherwise stated)		
Deposit against disputed stamp duty	39.81	39.81
Balances/Deposits with Govt. & Statutory Authorities	16.70	14.98
<b>Total</b>	<u>56.51</u>	<u>54.79</u>
<b>Note 10</b>		
<b>INVENTORIES</b>		
Raw materials	775.80	835.28
Finished goods/ work in progress	454.93	384.06
Traded goods	49.79	39.19
Stores, spares and components	168.88	156.36
Packing materials	61.59	60.74
<b>Total</b>	<u>1,510.99</u>	<u>1,475.63</u>

## Notes accompanying the Financial Statements

### Note 11

#### CURRENT INVESTMENTS

	Quantity		Amount (₹ in Lakhs)	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
<b>(A) Investment in equity instruments (quoted)</b>				
(No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified)				
Bharat Forge Ltd. (Face value of ₹ 2 each)	3,575	2,975	18.32	16.69
JSW Steel Ltd. (Face value of ₹ 1 each)	10,514	10,000	30.81	30.86
Finolex Industries Ltd.	2,500	2,500	12.23	16.35
Atul Ltd.	1,335	1,335	47.87	31.91
Suven Life Sciences Ltd. (Face value of ₹ 1 each)	2,869	5,725	7.49	11.24
Jsw Energy Ltd.	25,000	19,787	18.15	15.01
Nava Bharat Ventures Ltd. (Face value of ₹ 2 each)	12,200	12,200	12.60	17.88
EID Parry (India) Ltd. (Face value of ₹ 1 each)	3,000	2,600	6.14	9.64
Steel Authority of India Ltd	14,787	—	7.95	—
Astrazeneca Pharma India Ltd (Face value of ₹ 2 each)	1,350	—	26.85	—
Dishman Carbogen Amcis Ltd. (Face value of ₹ 2 each)	4,984	5,800	10.37	14.79
HDFC Bank Ltd. (Face value of ₹ 2 each)	—	600	—	11.23
Bharati Airtel Ltd. (Face value of ₹ 5 each)	—	2,000	—	10.59
Sonata Software Ltd. (Face value of ₹ 1 each)	—	3,700	—	11.13
<b>(A)</b>			<b>198.78</b>	<b>197.32</b>
<b>(B) Investments in Mutual Funds (trade)</b>				
UTI Money Market Fund-Institutional Plan - Growth	—	294	—	5.68
HDFC Equity Savings Fund - Regular Plan - Growth	123,415	621,891	45.41	200.00
Dsp Blackrock - Mip Fund - Regular - Growth	—	588,800	—	200.00
Kotak Low Duration Fund - Growth	—	3,485	—	73.43
Kotak Liquid Regular Plan Growth	3,281	—	123.79	—
<b>(B)</b>			<b>169.20</b>	<b>479.11</b>
<b>Total [A + B]</b>			<b>367.98</b>	<b>676.43</b>

(₹ in Lakhs)

As at 31st March, 2019      As at 31st March, 2018

### Note 12

#### TRADE RECEIVABLES

(Unsecured, Considered good)

Outstanding for a period less than six months from the date they are due for payment

Unsecured, considered good	1,521.09	1,639.18
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Outstanding for a period exceeding six months from the date they are due for payment

Unsecured, considered good	150.36	281.90
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<b>Total</b>	<b>1,671.45</b>	<b>1,921.08</b>
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## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
<b>Note 13</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash on hand	5.35	3.69
Balances with Banks in current accounts	179.70	118.86
<b>Total</b>	<u>185.05</u>	<u>122.55</u>

### Note 14

#### OTHER BANK BALANCES

Earmarked deposits	46.28	45.31
Unpaid dividend accounts	23.26	20.59
<b>Total</b>	<u>69.54</u>	<u>65.90</u>

### Note 15

#### OTHER CURRENT ASSETS

(Unsecured, Considered good unless otherwise stated)

Prepaid Expenses	29.66	19.68
Advances recoverable in cash or in kind or for value to be received	22.19	49.89
Loan and advances to employees	17.36	22.03
Balance with central excise and service tax authorities	1.22	0.71
<b>Total</b>	<u>70.43</u>	<u>92.31</u>

### Note 16

#### EQUITY SHARE CAPITAL

##### Authorised :

7,000,000 (previous year 7,000,000) Ordinary Shares of ₹ 10/- each	700.00	700.00
3,000,000 (previous year 3,000,000) Cumulative redeemable preference shares of ₹ 10/- each	300.00	300.00

##### Issued, Subscribed and Paid up :

5,680,235 (previous year 5,680,235) Ordinary Shares of ₹ 10/- each paid up	568.02	568.02
Less: Calls in arrears	0.42	0.42
<b>Total</b>	<u>567.60</u>	<u>567.60</u>

## Notes accompanying the Financial Statements

### The Reconciliation of the number of shares outstanding

(₹ in Lakhs)

Particulars	2018-19		2017-18	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5,680,235	568.02	5,680,235	568.02
Shares outstanding at the end of the year	5,680,235	568.02	5,680,235	568.02

#### (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. Each holder of Equity shares is entitled to one vote per share and are subject to the preferential rights as prescribed under law.

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 details of shareholders holding more than 5 percent shares

Name of Shareholder	2018-19		2017-18	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Suresh Bhojwani (DIN: 00032966)	1,283,418	22.59%	1,283,418	22.59%
Smt. Hira Bhojwani (DIN : 00032997)	370,310	6.52%	370,310	6.52%
M/s. T. W. Bhojwani Leasing Pvt. Ltd	877,237	15.44%	870,737	15.33%
M/s. Patton International Ltd.	358,802	6.32%	319,585	5.63%
M/s. Beeline Impex Private Ltd.	280,389	4.94%	280,389	4.94%

Unpaid Calls	2018-19	2017-18
By Directors	Nil	Nil
By Others	42,000	42,000

(₹ in Lakhs)

As at  
31st March, 2019      As at  
31st March, 2018

#### Note 17

#### OTHER EQUITY

a. Capital Reserve	156.83	156.83
b. Securities Premium Reserve	967.00	967.00
c. Capital Redemption Reserve	229.53	229.53
d. General Reserve	1,933.17	1,933.17
e. Amalgamation Reserve	139.00	139.00
f. Retained Earnings	281.33	217.98
g. Revaluation Reserve	84.79	84.79
h. Other Comprehensive Income	3.40	10.99
<b>Total</b>	<u>3,795.05</u>	<u>3,739.29</u>

## Notes accompanying the Financial Statements

### Nature & Purpose of the Reserve:

- a. **Capital Reserve** : Capital reserve created at the time of acquisition. The reserve will be utilised in accordance with the provisions of the Act.
- b. **Securities Premium Reserve** : Securities premium reserve is credited when shares are issued at premium. The reserve will be utilised in accordance with the provisions of the Act.
- c. **Capital Redemption Reserve** : Capital redemption reserve is being created by transfer from Retained earnings at the time of buy back of equity shares in accordance with the Act. The reserve will be utilised in accordance with the provisions of the Act.
- d. **General Reserve** : The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.
- e. **Amalgamation Reserve** : The Amalgamation reserve is created for amalgamation of Brite Automotive and Plastics Limited with Bright Brothers Limited pursuant to the Scheme of amalgamation being sanctioned by the High Court. This reserve is utilised in accordance with the provisions of the Act.
- f. **Retained Earnings** : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- g. **Revaluation Reserve** : Revaluation reserve represents the revalued of certain fixed assets as on 30.06.1993 as per the Valuation report dated 16.11.1993 submitted by Professional Valuers, appointed for the purpose by the Company. The reserve will be utilised in accordance with the provisions of the Act.

	(₹ in Lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
<b>Note 18</b>		
<b>NON CURRENT BORROWINGS</b>		
<b>SECURED</b>		
<b>Term loans from banks</b>		
Car Loan	3.57	7.36
Banks	367.15	87.80
(Refer Note 41)		
<b>Total</b>	<b>370.72</b>	<b>95.16</b>

### Note 19

#### DEPOSITS

##### UNSECURED

##### Fixed Deposits

Related parties	138.00	123.20
Others	—	46.80
<b>Total</b>	<b>138.00</b>	<b>170.00</b>

### Note 20

#### DEFERRED TAX

##### (A) Deferred Tax Liabilities

(i) Property, Plant and Equipment: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting.	147.49	147.49
<b>Gross deferred tax liability</b>	<b>(A) 147.49</b>	<b>147.49</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

(i) Other item giving rise to timing difference / Unabsorbed business loss	32.82	32.82
<b>Gross deferred tax assets</b>	<b>(B) 32.82</b>	<b>32.82</b>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
<b>Note 21</b>		
<b>CURRENT BORROWINGS</b>		
<b>UNSECURED</b>		
Loans repayable on demand	460.00	210.00
	<u>460.00</u>	<u>210.00</u>
<b>Fixed Deposits</b>		
Related parties	170.00	228.80
Others	—	—
<b>Total</b>	<u><u>630.00</u></u>	<u><u>438.80</u></u>
<b>Note 22</b>		
<b>TRADE PAYABLES</b>		
<b>Due to:</b>		
Micro, small and medium enterprises	352.32	344.61
Others	2,089.54	2,412.12
<b>Total</b>	<u><u>2,441.86</u></u>	<u><u>2,756.73</u></u>

Notes:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act, to the extent information available to the Company are as follows:

	As at 31st March, 2019	As at 31st March, 2018
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	352.00	345.00
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	—
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	—	—
Further interest remaining due and payable for earlier years	—	—

**Note 23**

### OTHER FINANCIAL LIABILITIES

Unpaid dividends	23.26	20.59
Current maturities of long term borrowings	236.22	165.41
Other liabilities	310.14	522.62
<b>Total</b>	<u><u>569.62</u></u>	<u><u>708.62</u></u>

**Note 24**

### PROVISIONS

Provision for employees benefits	79.78	41.80
<b>Total</b>	<u><u>79.78</u></u>	<u><u>41.80</u></u>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>Note 25</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>Sale of Goods</b>		
Sale of Plastic Components (Gross)	21,793.38	20,972.04
Hair Care and Beauty Products	349.24	333.01
Sale of Moulds	174.42	187.91
	<u>22,317.04</u>	<u>21,492.96</u>
Less : Excise duty	—	634.65
	<u>22,317.04</u>	<u>20,858.31</u>
<b>Sale of services</b>		
Job Work	761.60	583.39
<b>Total</b>	<u><u>23,078.64</u></u>	<u><u>21,441.70</u></u>
<b>Note 26</b>		
<b>OTHER INCOME</b>		
Interest	5.11	4.14
Dividend	1.54	1.61
Net gain on sale of investments	18.27	78.29
Profit on sale of assets	—	7.84
Other non-operating income	16.32	11.27
<b>Total</b>	<u><u>41.24</u></u>	<u><u>103.15</u></u>
<b>Note 27</b>		
<b>COST OF MATERIALS CONSUMED</b>		
<b>Cost of raw material consumed</b>		
Opening stock of raw materials	835.28	645.45
Add : Purchases	12,773.69	11,707.13
Less : Closing Stock of raw materials	775.80	835.28
<b>(A)</b>	<u><u>12,833.17</u></u>	<u><u>11,517.30</u></u>
<b>Cost of components, packing and paints consumed</b>		
Consumption of components	2,675.95	2,559.33
Consumption of packing	523.39	518.90
Consumption of paints and plating charges	126.64	101.82
<b>(B)</b>	<u><u>3,325.98</u></u>	<u><u>3,180.05</u></u>
<b>Total [A+B]</b>	<u><u>16,159.15</u></u>	<u><u>14,697.35</u></u>
<b>Note 28</b>		
<b>PURCHASES OF TRADED GOODS</b>		
Hair Care and Beauty products	166.75	113.28
<b>Total</b>	<u><u>166.75</u></u>	<u><u>113.28</u></u>
<b>Note 29</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS</b>		
<b>Inventories at the beginning of the year</b>		
Finished goods/ work -in-process/traded goods	423.25	478.89
<b>Inventories at the end of the year</b>		
Finished goods/ work -in-process/traded goods	504.72	423.25
<b>Total</b>	<u><u>(81.47)</u></u>	<u><u>55.64</u></u>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Note 30</b>		
<b>OTHER OPERATING EXPENSES</b>		
Consumption of stores and spare parts	212.29	204.31
Power and fuel	908.96	855.77
Contract labour and sub-contract charges	1,152.92	1,312.73
Repairs to machinery	179.65	181.61
Repairs to mould	38.32	38.05
<b>Total</b>	<u>2,492.14</u>	<u>2,592.47</u>
<b>Note 31</b>		
<b>EMPLOYEES BENEFITS EXPENSES</b>		
Salaries, Wages, bonus and superannuation fund	1,573.77	1,438.30
Contribution to Provident fund and pension scheme	67.67	58.94
Gratuity contribution	43.94	40.26
Staff welfare expenses	88.04	87.27
<b>Total</b>	<u>1,773.42</u>	<u>1,624.77</u>
<b>Note 32</b>		
<b>FINANCE COST</b>		
Interest and discounting charges	597.79	547.31
Interest on term loan	23.88	33.88
<b>Total</b>	<u>621.67</u>	<u>581.19</u>
<b>Note 33</b>		
<b>OTHER EXPENSES</b>		
Security charges and other contract charges	107.05	109.33
Rent rates and taxes	184.03	184.52
Printing and stationery	28.89	26.77
Communication expenses	12.05	15.31
Insurance	18.13	16.34
Repairs and maintenance - building	33.88	13.37
Repairs and maintenance - others	52.84	61.11
Legal and professional fees	77.33	86.78
Directors sitting fees	5.42	4.15
Audit fees	6.00	6.00
Travelling and conveyance	156.55	173.46
Sales promotion and commission	16.49	25.37
Freight and forwarding charges	340.57	353.16
Advertisement and sales promotions	29.86	32.36
Miscellaneous expenses	132.27	112.92
<b>Total</b>	<u>1,201.36</u>	<u>1,220.95</u>

## Notes accompanying the Financial Statements

### 34. Contingent Liabilities not provided for:

		(₹ in Lakhs)	
Sr. No.	Particulars	2018-2019	2017-2018
1	Sales Tax, VAT and CST (including Interest and Penalty wherever applicable.)	386.77	132.83
2	Service Tax	6.46	6.46
3	Stamp Duty	36.75	36.75
4	Excise Duty	89.78	89.78
5	Employees Provident Fund	8.66	8.66
6	Bank Guarantee	11.73	11.73

#### Notes:

- Most of the issues of litigation pertaining to Central Excise/Service Tax/Income Tax are based on interpretation of the respective Law & Rules thereunder. Management has been opined by its counsel that many of the issues raised by revenue will not be sustainable in law as they are covered by judgments of respective judicial authorities which supports its contention. As such no material impact on the financials of the Company is envisaged.
- Sales Tax and Entry Tax related litigation/demand primarily pertains to non- submission of required declaration forms in time due to non- receipt of the same from customers and/ or some interpretation related issues. However in most of the cases, required documents are being filed and minor impact if any, shall be given in the year of final outcome of respective matter in appeal.
- Other issues are either in ordinary course of business or not of substantial nature and management is reasonably confident of their positive outcome. Management shall deal with them judiciously and provide for appropriately, if any such need arises.

### 35. Commitments:

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) is ₹ 11.95 lakhs (Previous year ₹ 63.93 lakhs).

### 36. Payments to Auditors:

		(₹ in Lakhs)	
Particulars	2018-2019	2017-2018	
Audit fees	6.00	6.00	
Others	0.06	2.00	
Reimbursement of expenses	0.10	—	
<b>Total Payment To Auditors</b>	<b>6.16</b>	<b>8.00</b>	

### 37. Disclosure Pursuant to Ind As - 19 "Employee Benefits":

- Gratuity:** In accordance with applicable laws, the company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employee on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation of India under their respective Group Gratuity Schemes.

The disclosure in respect of the defined Gratuity Plan are given below:

#### A. Balance Sheet

		(₹ in Lakhs)	
		Defined benefit plans	
		As at 31st March, 2019	As at 31st March, 2018
Present value of plan liabilities		223.21	181.09
Fair value of plan assets		258.01	195.88
<b>Asset/(Liability) recognized</b>		<b>34.80</b>	<b>14.79</b>

## Notes accompanying the Financial Statements

	(₹ in Lakhs)	
B. Movements in Plan Assets and Plan Liabilities	Present value of obligations	Fair Value of Plan assets
<b>As at 1st April 2018</b>	<b>181.09</b>	195.88
Current service cost	23.94	—
Past service cost	—	—
Interest Cost/(Income)	13.79	16.79
Return on plan assets excluding amounts included in net finance income/cost	—	(0.71)
Actuarial (gain)/loss arising from changes in financial assumptions	6.88	—
Actuarial (gain)/loss arising from experience adjustments	—	—
Employer contributions	—	48.54
Benefit payments	(2.49)	(2.49)
<b>As at 31st March 2019</b>	<b>223.21</b>	<b>258.01</b>
<b>As at 1st April 2017</b>	159.26	161.26
Current service cost	20.54	—
Past service cost	3.70	—
Interest Cost/(Income)	11.53	12.95
Return on plan assets excluding amounts included in net finance income/cost	—	(5.73)
Actuarial (gain)/loss arising from changes in financial assumptions	(7.04)	—
Actuarial (gain)/loss arising from experience adjustments	—	—
Employer contributions	—	34.30
Benefits Paid	(6.90)	(6.90)
<b>As at 31st March 2018</b>	<b>181.09</b>	<b>195.88</b>

### C. Statement of Profit and Loss

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>Employee Benefit Expenses:</b>		
Current service cost	23.94	20.54
Interest cost/(income)	(3.00)	(1.42)
Past service cost	—	3.70
<b>Total amount recognized in Statement of profit &amp; loss</b>	<b>20.94</b>	<b>22.82</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Actuarial (Gain)/Loss recognized for the period	6.88	(7.04)
Asset limit effect	—	—
Return on Plan Assets excluding net interest	0.71	5.73
Unrecognized Actuarial (Gain)/Loss from previous period	—	—
<b>Total Actuarial (Gain)/Loss recognized in (OCI)</b>	<b>7.59</b>	<b>(1.31)</b>

### D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date. The significant actuarial assumptions were as follows:

	As at 31st March, 2019	As at 31st March, 2018
<b>Financial Assumptions:</b>		
Discount rate	7.64%	7.67%
Expected Rate of Return on plan assets	7.64%	7.67%
Salary Escalation Rate	4.00%	4.00%
Attrition Rate	2.00%	2.00%

#### Demographic Assumptions

Mortality in Service: Indian Assured Lives Mortality (2006-08)

## Notes accompanying the Financial Statements

- ii) **Compensated Absences:** The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.
38. (i) The Company is operating under only one segment namely process plastics. Accordingly, disclosure as required by Ind AS-108 "Operating Segments" is not applicable. Hence; primary disclosure as required by Ind AS-108 "Operating Segments" has not been furnished.
- (ii) The Company does not have any export turnover. Accordingly, the Secondary disclosure as required by Ind AS-108 "Geographical Segments" is not applicable to the Company.
39. **The disclosure as required by Ind AS 24 "Related Parties Disclosures", is as follows:**
- Names of related parties are as under:**
- (a) **Associate Concerns:**  
M/s. Quality Plastics  
M/s. T.W. Bhojwani Leasing Pvt. Ltd.
- (b) **Key Managerial Personnel:**  
Smt. Hira Bhojwani - Whole Time Director DIN: 00032997  
Mr. Suresh Bhojwani - Chairman & Managing Director DIN: 00032966  
Mr. Chirag Shah - Chief Financial Officer  
Mrs. Sonali Pednekar - Company Secretary & Compliance Officer
- (c) **Relatives of Key Managerial Personnel:**  
Mrs. Devika Bhojwani  
Mr. Karan Bhojwani  
Ms. Ruchika Bhojwani  
M/s. T.W. Bhojwani HUF  
M/s. S. T. Bhojwani HUF
- (d) **Other Related Parties:**  
Mr. K. P. Rao - Independent Director DIN : 00027577  
Dr. T. S. Sethurathnam - Independent Director DIN : 00042704  
Mr. Byram Jeejeebhoy - Independent Director DIN : 00033204

(₹ in Lakhs)

Particulars	Associate Concerns		Key Management Personnel		Relatives of Key Management Personnel		Other Related Parties	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>(a) Remuneration</b>								
i) Smt. Hira Bhojwani DIN : 00032997	—	—	10.02	10.12	—	—	—	—
ii) Mr. Suresh Bhojwani DIN : 00032966	—	—	91.91	91.91	—	—	—	—
iii) Mr. Karan Bhojwani	—	—	—	—	34.50	34.50	—	—
iv) Ms. Ruchika Bhojwani	—	—	—	—	17.01	17.01	—	—
v) Others	—	—	55.71	60.42	—	—	—	—
	—	—	<b>157.64</b>	<b>162.45</b>	<b>51.51</b>	<b>51.51</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	4.26	3.84	—	—	—	—	—	—
	<b>4.26</b>	<b>3.84</b>	—	—	—	—	—	—
<b>(d) Purchase</b>								
i) Quality Plastics	11.75	17.88	—	—	—	—	—	—
	<b>11.75</b>	<b>17.88</b>	—	—	—	—	—	—
<b>(e) Loans Accepted/(Repaid)</b>								
i) Smt. Hira Bhojwani DIN : 00032997	—	—	250.00	210.00	—	—	—	—
ii) Mr. Suresh Bhojwani DIN : 00032966	—	—	—	—	—	—	—	—
iii) Mrs. Devika S. Bhojwani	—	—	—	—	(21.00)	—	—	—
iv) Mr. Karan Bhojwani	—	—	—	—	(25.00)	—	—	—
v) Ms. Ruchika Bhojwani	—	—	—	—	(43.00)	—	—	—
vi) Mr. K. P. Rao	—	—	—	—	—	—	—	30.00
	—	—	<b>250.00</b>	<b>210.00</b>	<b>(89.00)</b>	—	—	<b>30.00</b>
<b>(f) Interest Paid</b>								
i) Smt. Hira Bhojwani DIN : 00032997	—	—	52.78	27.30	—	—	—	—

## Notes accompanying the Financial Statements

Particulars	(₹ in Lakhs)							
	Associate Concerns		Key Management Personnel		Relatives of Key Management Personnel		Other Related Parties	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
ii) Mr. Suresh Bhojwani DIN : 00032966	—	—	1.83	1.89	—	—	—	—
iii) Mrs. Devika S. Bhojwani	—	—	—	—	5.13	6.41	—	—
iv) Mr. Karan Bhojwani	—	—	—	—	1.91	2.62	—	—
v) Ms. Ruchika Bhojwani	—	—	—	—	3.87	5.04	—	—
vi) Mr. K. P. Rao	—	—	—	—	—	—	4.63	3.07
	—	—	<b>54.60</b>	<b>29.19</b>	<b>10.91</b>	<b>14.07</b>	<b>4.63</b>	<b>3.07</b>
<b>(g) Dividend Paid</b>								
i) Smt. Hira Bhojwani DIN : 00032997	—	—	7.41	7.41	—	—	—	—
ii) Mr. Suresh Bhojwani DIN : 00032966	—	—	25.67	25.67	—	—	—	—
iii) Mrs. Devika S. Bhojwani	—	—	—	—	0.83	0.82	—	—
iv) Mr. Karan Bhojwani	—	—	—	—	0.35	0.35	—	—
v) Ms. Ruchika Bhojwani	—	—	—	—	0.35	0.35	—	—
vi) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	0.01	0.01
vii) Mr. Byram Jeejeebhoy DIN : 00033204	—	—	—	—	—	—	0.10	0.10
viii) Mr. Chirag Shah	—	—	0.01	0.01	—	—	—	—
ix) M/s. T.W. Bhojwani Leasing Pvt. Ltd.	17.41	17.41	—	—	—	—	—	—
x) M/s. T.W. Bhojwani HUF	—	—	—	—	4.81	4.81	—	—
xi) M/s. S. T. Bhojwani HUF	—	—	—	—	0.40	0.40	—	—
	<b>17.41</b>	<b>17.41</b>	<b>33.08</b>	<b>33.08</b>	<b>6.74</b>	<b>6.73</b>	<b>0.11</b>	<b>0.11</b>
<b>(h) Sitting Fees &amp; Commission</b>								
i) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	2.31	1.81
ii) Dr. T. S. Sethurathnam DIN : 00042704	—	—	—	—	—	—	2.28	1.75
iii) Mr. Byram Jeejeebhoy DIN : 00033204	—	—	—	—	—	—	0.83	0.59
	—	—	—	—	—	—	<b>5.42</b>	<b>4.15</b>
<b>(i) Year End Balances</b>	<b>31.03.19</b>	<b>31.03.18</b>	<b>31.03.19</b>	<b>31.03.18</b>	<b>31.03.19</b>	<b>31.03.18</b>	<b>31.03.19</b>	<b>31.03.18</b>
<b>i) Receivable</b>								
1) Quality Plastics	4.60	4.15	—	—	—	—	—	—
	<b>4.60</b>	<b>4.15</b>	—	—	—	—	—	—
<b>ii) Trade Payable</b>								
1) Quality Plastics	3.69	24.67	—	—	—	—	—	—
	<b>3.69</b>	<b>24.67</b>	—	—	—	—	—	—
<b>iii) Unsecured Loans Payable</b>								
1) Smt. Hira Bhojwani DIN : 00032997	—	—	660.00	410.00	—	—	—	—
2) Mr. Suresh Bhojwani DIN : 00032966	—	—	18.00	18.00	—	—	—	—
3) Mrs. Devika S. Bhojwani	—	—	—	—	40.00	61.00	—	—
4) Mr. Karan Bhojwani	—	—	—	—	—	25.00	—	—
5) Ms. Ruchika Bhojwani	—	—	—	—	5.00	48.00	—	—
6) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	45.00	45.00
	—	—	<b>678.00</b>	<b>428.00</b>	<b>45.00</b>	<b>134.00</b>	<b>45.00</b>	<b>45.00</b>
<b>iv) Commission Payable</b>								
1) Mr. K. P. Rao DIN : 00027577	—	—	—	—	—	—	0.84	0.48
2) Dr. T. S. Sethurathnam DIN : 00042704	—	—	—	—	—	—	0.84	0.48
3) Mr. Byram Jeejeebhoy DIN : 00033204	—	—	—	—	—	—	0.42	0.24
	—	—	—	—	—	—	<b>2.10</b>	<b>1.20</b>
<b>v) Remuneration Payable</b>								
1) Smt. Hira Bhojwani DIN : 00032997	—	—	1.21	1.21	—	—	—	—
2) Mr. Suresh Bhojwani DIN : 00032966	—	—	7.90	7.90	—	—	—	—
3) Mr. Karan Bhojwani	—	—	2.49	2.49	—	—	—	—
4) Ms. Ruchika Bhojwani	—	—	1.26	1.26	—	—	—	—
5) Others	—	—	4.02	3.98	—	—	—	—
	—	—	<b>16.88</b>	<b>16.84</b>	—	—	—	—

## Notes accompanying the Financial Statements

40. Trade Payables includes amount payable to related Party ₹ 3.69 lakhs (Previous Year ₹ 24.67 lakhs).
41. **Assets provided as security**
- (a) Vehicle loans are taken from the banks against hypothecation of the vehicles purchased, repayable in 60 monthly installments with interest rates ranging from 8.60% to 12.00%.
- (b) Term loan and sales Invoice Finance from Kotak Mahindra Bank under the loan against Primary Security (Applicable for both facilities) exclusive charge on all existing and future receivables/current assets/movable assets/moveable fixed assets with the term loan of ₹ 6.00 crores carry interest at 1.25% p. a. over and above the 3 months MCLR (8.65%) payable in monthly basis and Sales Invoice Financing of ₹ 30.00 crores carry interest at 0.85% p. a. over and above the 3 months MCLR (8.65%). The term loan-1 monthly installment payable @ ₹ 13.01 lakhs, last installment due in January 2020 and term loan-2 monthly installment payable @ ₹ 12.68 lakhs, last installment due in February 2023. The collateral security (Applicable for both facilities) secured by way of Mortgage over Puducherry and Bhimtal properties.

42. **Earnings Per Share (EPS) :** (₹ in Lakhs)

Particulars	2018-2019	2017-2018
Profit after tax(PAT) available for equity shareholders (before exceptional items)	200.31	120.35
Profit after tax(PAT) available for equity shareholders (after exceptional items)	200.31	120.35
Weighted average number of equity Shares (In nos.)	5680235	5680235
Nominal value of equity Shares (In ₹.)	10.00	10.00
Basic & diluted earnings per share (Before exceptional Income/Loss)	3.53	2.12
Basic & diluted earnings per share (After exceptional Income/Loss)	3.53	2.12

43. The Company has taken various factory premises, office premises under operating lease agreement. These are generally cancellable and are renewable on mutually agreed terms. Operating lease payments are recognized as an expense proportionately during the lease or lease period respectively.

Future minimum lease payments are as under:

(₹ in Lakhs)

Particulars	2018-19	2017-18
Not later than one year	40.25	56.00
Later than one year but not later than five years	136.07	176.32

44. The Company has recognized ₹ 1,11,79,900/- as at 31st March, 2019 (Previous Year ₹ 1,11,79,900/-) as Minimum Alternate Tax Credit Entitlement, which represents the credit of MAT liability which would be available based on the provisions of Section 115JAA of the income Tax Act, 1961. The Management based on the future profitability projections is confident that there would be sufficient taxable profit available in future which will enable the Company to utilize the MAT Credit Entitlement.
45. The unsold portion of Freehold land at Bhandup was revalued on 30th June, 1993 on the Market Value/Replacement basis using the standard indices as assessed by the approved valuer. The revalued amount of freehold land remains substituted for the historical cost in the gross block of property, plant and equipment amounting to ₹ 150.39 lakhs. In respect of the said land, MOU entered by the company in the past had expired with the efflux of time and has become null and void. The other party to the MOU had filed a case against the Company which is contested by the Company and the matter is pending with Bombay High Court.
46. Balances of trade receivables and trade payables are subject to confirmations and reconciliations.
47. The previous period's figures have been re-grouped/re-classified wherever required to conform to current year's classification. All figures of financials have been rounded off to nearest lakhs rupees.

The accompanying notes referred to herein form an integral part of the 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, 21st May, 2019.

Mr. Chirag Shah  
Chief Financial Officer

Mrs. Sonali Pednekar  
Company Secretary &  
Compliance Officer

Mr. Suresh Bhojwani  
DIN: 00032966

Mr. K. P. Rao  
DIN: 00027577

Dr. T. S. Sethurathnam  
DIN: 00042704

Chairman &  
Managing Director

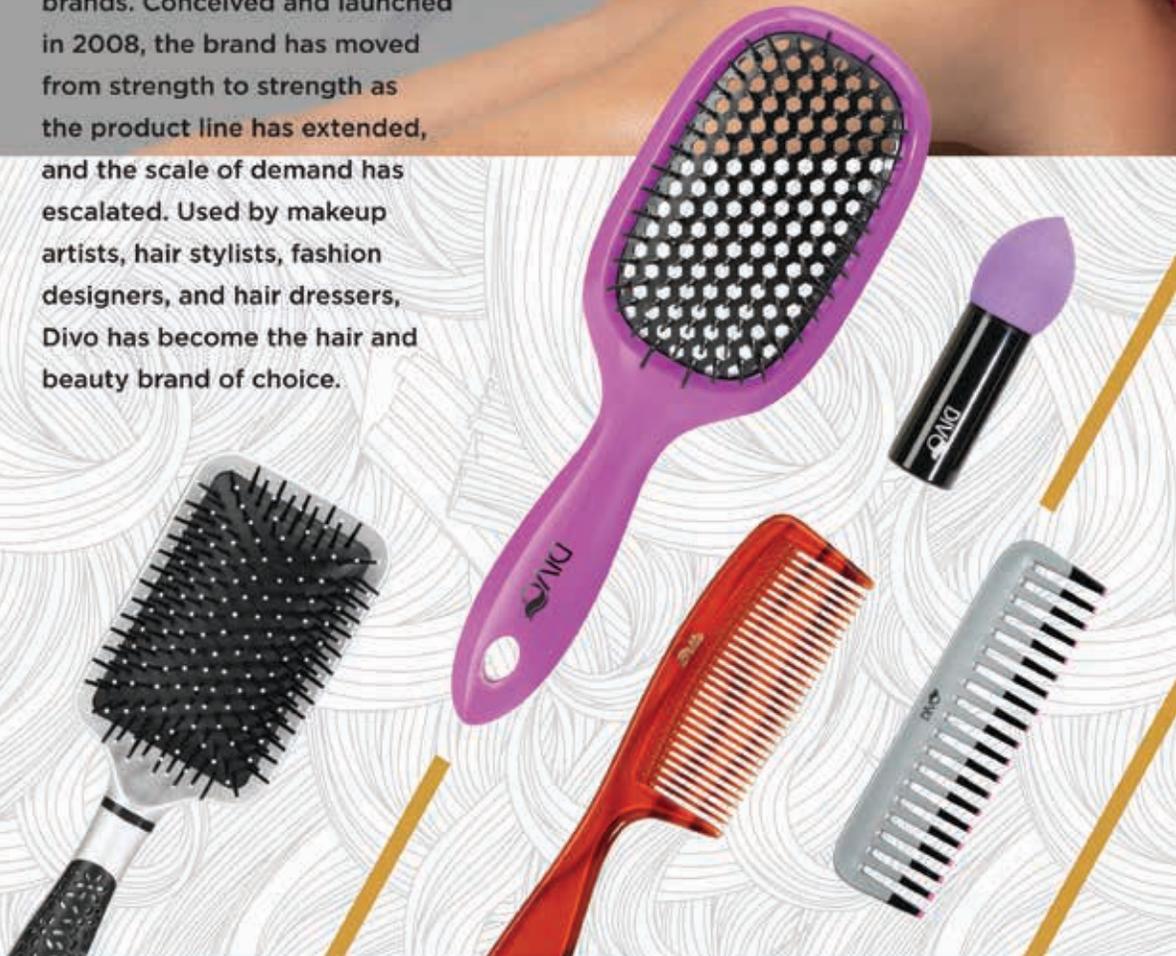
Independent Directors



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