



BLUE BLENDS (INDIA) LIMITED

33rd

Annual Report

2013 - 2014

ANNUAL GENERAL MEETING

On Friday, the 25th day of July, 2014
at 10.30 a.m. at M.C. Ghia Hall,
Bhogilal Hargovindas Building, 4th Floor,
18/20, K. Dubash Marg, Kala Ghoda,
Mumbai-400 001.

Registered Office & Yarn Division

JBF House, 2nd Floor, Old Post Office Lane, Kalbadevi Road,
Mumbai - 400002
Tel.- 022-2208 8736 Fax - 022-2208 0470
CIN No. L17120MH1981PLC023900
Email: blueblends.ho@gmail.com
Website: www.blueblends.com

Denim Division

603, Sahajanand, Shahibaug,
Ahmedabad.

Secretarial Division

JBF House, 2nd Floor, Old Post Office Lane,
Kalbadevi Road, Mumbai 400 002.

Plants:

- Plot No.123/2, Piplej, Saijpur, Gopalpur, Pirana Road,
Ahmedabad (Gujarat).

Registrars

Purva Sharegistry (India) Pvt. Ltd.

9, Shiv Shakti Industrial Estate,
J R Boricha Marg, Opp. Kasturba Hospital,
Lower Parel (East), Mumbai - 400 011
Tel.: 022-2301 0771 / 2301 8261
Fax: 022-2301 2517
Email ID: purvashr@mtnl.net.in

Board of Directors

Anand Arya
(Chairman & Managing Director)

Suraj Dugar
(Executive Director)

S. K. Tambawalla
(Independent Director)

K. Parthasarathy
(Independent Director)

Pujaram Purohit
(Independent Director)

Company Secretary
Archana Dubey
(w.e.f. 14th April, 2014)

Auditors
P.C.Surana & Co.
Chartered Accountants

Bankers
Indian Overseas Bank
Standard Chartered Bank
Bank of Baroda
Bank of India

Cost Auditors
Kiran J. Mehta & Co.
Cost Accountants

Contents	Page No.(s)
Notice-----	1
Directors' Report -----	5
Corporate Governance Report -----	7
Auditors Report -----	14
Balance Sheet -----	16
Profit & Loss Account-----	17
Cash Flow Statement -----	18
Notes of Financial Statement -----	19
Statement Under Section 212 -----	33
Consolidated Financial Accounts	
Consolidated Auditors Report -----	34
Consolidated Balance Sheet -----	35
Consolidated Profit & Loss Account -----	36
Consolidated Cash Flow Statement -----	37
Consolidated Notes of Financial Statement -----	38



NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of **BLUE BLENDS (INDIA) LIMITED** will be held on Friday, 25th day of July, 2014 at 10.30 a.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai- 400 001 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March, 2014, Profit & Loss Account and Cash Flow Statement of the Company for the year ended on that date together with reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pujaram Purohit who retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.
3. To appoint M/s. P.C.Surana & Co., Chartered Accountants, Mumbai, as the Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS:

4. REVISION IN TERMS OF REMUNERATION OF MR. ANAND ARYA, CHAIRMAN & MANAGING DIRECTOR

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

“RESOLVED THAT in a partial modification of Resolution passed at the Annual General Meeting of the Company held on 30th September, 2010, for the appointment and terms of remuneration of Mr. Anand Arya, Chairman & Managing Director of the Company and pursuant to the provisions of Section 197 & 198 and other applicable provisions if any, of the Companies Act, 2013 (“the Act”), as amended or re-enacted from time to time, read with Schedule V of the Act, the Company hereby approves the revision in the terms of remuneration of Mr. Anand Arya, Chairman & Managing Director of the Company, with authority to the Board of Directors to determine the remuneration, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), in such manner as they deem fit, with effect from 1st April, 2014, for the remainder of the tenure of his appointment, i.e. upto 31st March, 2015 as set out in the explanatory statement annexed to the Notice convening this meeting.

“RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

5. TO INCREASE THE BORROWING POWERS OF THE BOARD OF DIRECTORS UNDER SECTION 180(1)(c) OF THE COMPANIES ACT, 2013.

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

“RESOLVED THAT pursuant to section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, consent of the company be and is hereby accorded to the Board of Directors of the company to borrow from time to time, for the purpose of the

companies business, such sum or sums of monies, as they in their absolute discretion think fit, notwithstanding whether monies so borrowed together with the monies already borrowed by the company and remaining outstanding shall be in excess of the aggregate of the paid up share capital and free reserves but not exceeding Rs. 3,000,000,000/- (Rupees Three Hundred Crores only) over and above the paid up share capital and free reserves for the time being of the company.”

6. TO CREATE CHARGE/MORTGAGE ETC. ON COMPANY’S MOVABLE OR IMMOVABLE PROPERTIES IN TERMS OF SECTION 180(1)(a) OF THE COMPANIES ACT, 2013.

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

“RESOLVED THAT pursuant to section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, consent of the company be and is hereby accorded to the Board of Directors of the company, for mortgaging and charging in such form and manner and on such terms and at such times as the board of directors may deem fit, the movable and/or immovable assets and properties of the company, wherever situate, present and future, whether presently belonging to the company or not, in favor of any person including, but not limited to, financial/investment institutions, banks, insurance companies, mutual fund(s), corporate body(ies), trustees to secure the loans, borrowing, debenture, hire purchase and/or working capital facilities and other credit facilities up to a sum not exceeding Rs. 3,000,000,000/- (Rupees Three Hundred Crores only)

“RESOLVED FURTHER THAT” the Board of Directors or such committee or person(s) as may be authorized by the board be and is hereby authorize to finalize the form, extent and manner of the documents and deeds, as may be applicable for creating the appropriate mortgages and or charges on such of the immovable and/or movable properties of the company on such terms and conditions at such times/tranches as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid rights and for performing all such acts and things as may be necessary for giving effect to this resolution.”

7. TO GIVE LOANS/GUARANTEES, PROVIDE SECURITIES AND MAKE INVESTMENTS IN SECURITIES.

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

“RESOLVED THAT pursuant to Section 186 and all other applicable provisions of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 as may be amended, from time to time and Articles of Association of the Company, approval of shareholders of the Company be and is hereby given to the board of Directors for:-

- 1) giving any loan to any person or other body corporate,
 - 2) giving any guarantee or providing any security in connection with a loan to any other body corporate or person and/or
 - 3) acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate
- upto an amount, the aggregate outstanding of which should not



exceed, at any given time Rs. 600,000,000/- (Rupees Sixty Crores Only) which shall be over and above the limits as specified in Section 186(2) of the Companies Act, 2013 and the aggregate outstanding amount of loans/guarantees/securities given/provided to wholly owned subsidiary companies and/or joint venture company and investments made in wholly owned subsidiary companies from time to time.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Anand Arya, Chairman & Managing Director of the Company be and is hereby authorized to negotiate and decide from time to time, terms and conditions, execute necessary documents, papers, agreements etc. for the investment to be made, loans and guarantees to be given and securities to be provided to any person and/or any body corporate, do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable, settle any question, difficulty or doubt that may arise in this regard and to delegate all or any of these powers to any committee of directors or director or officer of the Company or any other person.

8. TO SET OFF DEBIT BALANCE OF PROFIT & LOSS ACCOUNT AGAINST OTHER RESERVES.

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

“RESOLVED THAT pursuant to the authority conferred on the Company by Article 50 of Articles of Association of the Company and in accordance with section 52 of the Companies Act, 2013 and other applicable provisions, read with section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956 and subject to the approval of the Honorable Bombay High Court and other appropriate authorities in this regard, the members approve the reduction of the subscribed and paid-up equity share capital of the Company as outlined in detail in the Explanatory Statement with the specific approval being given to the following:

a. The debit balance of Rs. 403,092,823/- being the accumulated losses as at 31/03/2014 shall be adjusted as under:

Particulars	Amount in Rs.
Accumulated Losses	403,092,823
Adjusted against Capital Reserve	339,336,054
Adjusted against Share Premium	63,656,769
Balance accumulated Losses	Nil

- b. The reduction will be carried out after it is confirmed by the Honorable Bombay High Court under section 101 of the Companies Act, 1956.
- c. After the reduction of capital, the aggregate subscribed and paid-up share capital of the Company will be Rs. 194,089,880 comprising of 19408988 Equity Shares of Rs. 10/- each.
- d. 20500000 Equity Shares including 1091012 unissued Equity Shares of Rs.10/ - each forming part of Authorised Capital shall stand altered as 20500000 Equity Shares of Rs. 10/- each.

“FURTHER RESOLVED THAT any of the directors of the Company be and is hereby authorised to apply to the Bombay High Court seeking its sanction to the above reduction in terms of section 101 and other applicable provisions of the Companies Act, 1956 and to do all necessary acts for obtaining the order of the High Court to the reduction of capital in terms of this resolution and giving effect to the order.”

By order of the Board of Directors For Blue Blends (India) Limited

Place : Mumbai Date : 28th April, 2014

Archana Dubey Company Secretary

Registered Office: JBF House, 2nd Floor, Old Post Office Lane, Kalbadevi Road, Mumbai 400 002. CIN: L17120MH1981PLC023900 E-mail: blueblends.ho@gmail.com

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 18th day of July, 2014 to Friday, 25th day, of July, 2014 (both days inclusive) for the purpose of Annual General Meeting.
3. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 related to the special business is annexed.
4. Members are requested to notify the change of address, if any, to the Register & Transfer Agent, Purva Sharegistry (India) Pvt. Ltd.
5. Members are requested to dematerialize their physical shareholding at the earliest. Your Company has dematerialization connectivity with C D S L only and ISIN is INE 113 O 01014.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 4

Revision in terms of remuneration of Mr. Anand Arya, Chairman & Managing Director:

At the Annual General Meeting of the Company held on 30th September, 2010, the Members of the Company had approved the appointment and terms of remuneration of Mr. Anand Arya, Chairman & Managing Director of the Company for a period of five years with effect from 1st April, 2010. In order to give flexibility to the Board of Directors to decide upon the remuneration to be granted to the Managing Director, it is proposed to revise the terms of remuneration of Mr. Anand Arya with effect from



1st April, 2014 for the remainder of the tenure of his appointment, i.e. upto 31st March, 2015. The Board of Directors at its meeting held on 28th April, 2014 have approved the aforesaid proposal, subject to the approval of the Members.

The revised terms and conditions of the remuneration of Mr. Anand Arya (hereinafter referred to as "CMD") are given below:

- (i) Remuneration: (a) Basic Salary upto a maximum of Rs. 3,50,000/- per month, with authority to the Board or a committee thereof to fix his basic salary within the said maximum amount; (b) Commission and/or incentive remuneration based on performance criteria to be laid down by the Board; and (c) Benefits, perquisites and allowances as may be determined by the Board from time to time over and above the basic salary.
- (ii) Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the CMD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of basic salary, benefits, perquisites, allowances and incentive remuneration as specified above.

Mr. Anand Arya is not liable to retire by rotation as Director of the Company.

All other terms of appointment of Mr. Anand Arya as approved by the Members at their Annual General Meeting held on 30th September, 2010 will remain unchanged.

In compliance with the provisions of Section 197 & 198 and other applicable provisions of the Act, read with Schedule V to the Act, the revised terms of remuneration of Mr. Anand Arya as specified above, are now placed before the Members for their approval.

This may be treated as an abstract of the terms and conditions of the revised remuneration of Mr. Anand Arya.

The resolution for the revision in remuneration of Mr. Anand Arya at Item No. 4 of the notice is recommended for approval by the Members.

Mr. Anand Arya is concerned or interested in Resolution No. 4 of the accompanying Notice as it is related to revision in terms of his remuneration. No other Directors are interested or concerned in this resolution.

ITEM NO: 5 & 6

Upon notification of Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of members of the Company by way of Special resolution, borrow monies apart from temporary loans obtained from the Company's bankers in the ordinary course of business in excess of the aggregate of the paid-up share capital and its free reserve and create securities for such borrowings by creation of mortgage and/or charge on movable and immovable assets of the Company.

Further the Ministry of Corporate Affairs had vide its Circular dated March 25, 2014 clarified that the resolution(s) passed by the Companies under Section 293 of the Companies Act, 1956 prior to September 12, 2013 with reference to borrowings (subject to the limits prescribed/approved by the members) and/or creation of security on assets of the

Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 for a period of one year from the date of notification of Section 180 of the Companies Act, 2013.

Nonetheless, taking into account the business operations and future growth plans of the Company and to cater to the working capital needs, a fresh resolution is proposed to borrow monies, from time to time, for the purpose of the Company's business, notwithstanding that the monies to be borrowed by the Company together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the Company's paid up share capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which monies may be so borrowed by the Board and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 3,000,000,000/- (Rupees Three Hundred Crores only) and to create security for the borrowings by way of suitable mortgage, hypothecation or charge on all or any of the movable and/or immovable properties of the Company.

Accordingly, the Board of Directors of your Company recommends the passing of resolutions as set out at item no. 5 & 6 as the Special Resolutions.

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

Item No. 7

Pursuant to Section 186(2) and all other applicable provisions of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors are authorized to give loan, guarantee or provide security in connection with a loan to any person or other body corporate, or acquire by way of subscription, purchase or otherwise, the securities including shares, debentures etc. of any other body corporate, up to an amount, the aggregate of which should not exceed 60% of the paid up capital, Free Reserves and Securities premium Account or 100% of Free Reserves and Securities premium Account of the company, whichever is higher. In case the company exceeds the above mentioned limits then, prior approval of shareholders by way of Special resolution is required to be obtained. However, Rule 11 of the Rules provides that where a loan or guarantee is given or where a security is provided by a company to its wholly owned subsidiary company or a Joint Venture Company or acquisition is made by a holding company, by way of subscription, purchase or otherwise, of the securities of its wholly owned subsidiary company, approval of shareholders is not required but such amounts will be taken into consideration for calculating the above limits.

The Company is undertaking various business activities through its subsidiaries and is also making strategic investments, from time to time, in subsidiaries, associates companies, other bodies corporate and therefore, would be required to provide financial assistance/support by way of giving of loans/guarantees, providing of securities, making of investments in securities in order to expand its business activity and also for optimum utilization of funds. Accordingly, Board of Directors of the company may be authorized to give loans, guarantees, or provide securities to make investments as mentioned above, up to an amount,



the aggregate outstanding of which should not exceed, at any given time Rs. 600,000,000/- (Rupees Sixty Crores only) which shall be over and above the said limits as specified in section 186(2) of the Act and the aggregate outstanding amount of loans/guarantees/securities provided/made to wholly owned subsidiary companies and investments made in wholly owned subsidiary companies, from time to time.

Except Directors and Key Managerial Personnel or their relatives who may be concerned or interested, financial or otherwise, by way of directorship/shareholding or in any other manner in one or more companies/bodies corporate/individuals as described in the said resolution, no other director or Key Managerial Personnel or their relatives is concerned or interested in the said resolution.

Item No. 8

1. The Share Capital of the Company as per the audited balance sheet as at 31st March, 2014, is as under:

Particulars	Amount in Rs.
Authorised Capital: 20500000 Equity Shares of Rs. 10/- each	205,000,000
Issued, Subscribed and Paid-up Capital: 19408988 Equity Shares of Rs. 10/- each fully paid up	194,089,880

2. During the financial year ended 31st March, 2014 the Company incurred a loss of Rs. Nil.
3. The amount of accumulated loss as at 31st March, 2014 is Rs. 403,092,823/- against the subscribed and paid-up equity share capital of Rs. 194089880/-.
4. As a result of the accumulated loss, the Company's paid-up share capital has eroded and is not being represented by the available assets of the Company. The Company has been suffering commercially as well and its creditworthiness and market standing, reputation and goodwill are severely affected. Therefore, the Company would not be able to continue doing business unless it is financially restructured and its balance sheet is cleaned up by writing off the accumulated losses.
5. These accumulated losses have an adverse effect on the Company's financial position as reflected in its balance sheet and has also been proving to be an obstacle for carrying on the Company's business and progress since it creates a negative image of the Company in the minds of bankers, clients and others.
6. With a view to bringing about the balance sheet of the Company consistent with the true financial position, the board of directors of the Company has, in consultation with experts, decided to reduce the Company's subscribed and paid-up equity share capital to the extent of the amount of loss, Rs. 403,092,823/- as appearing in the Balance Sheet dated 31st March, 2014, after the reduction is confirmed by the Hon'ble Bombay High Court under section 101 of the Act, and write off the losses to that extent.
7. The reduction will be effected by (i) adjusting a portion of the loss against the share premium and Capital Reserves.

8. Section 66 of the Companies Act, 2013 provides that the Company can reduce its share capital in one or more of the following ways:
 - (a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up;
 - (b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up share capital which is lost, or is unrepresented by available assets; or
 - (c) either with or without extinguishing or reducing liability on any of its shares, pay of any paid-up share capital which is in excess of the wants of the company.
9. The Company proposes to reduce its subscribed and paid-up equity share capital by the method specified at (8) (b) above.
10. After the Company approves the reduction by a Special Resolution, the Company will make an application to the Hon'ble Bombay High Court for its confirmation of the reduction.
11. The Board of directors of your company recommends the Special Resolution as set out above for the members' approval.
12. The Company will seek permission of the Bombay High Court to dispense with the provisions contained in section 101 (2) of the Companies Act, 1956 since the proposed reduction of share capital:
 - a. Does not involve the diminution of liability in respect of unpaid share capital or
 - b. The payment to any shareholder of any paid-up share capital.
13. The Company will also seek the permission of the Bombay High Court to dispense with the addition to its name "and reduced" as the last words in terms of section 102(2)(a) of the Act and publication of the reasons for reduction or such other information in regard thereto in terms of section 102(2)(b) of the Act.
14. After the confirmation of the reduction of capital in terms of this Scheme, the Company will pass necessary accounting entries in its books of account to effect the reduction and disclose the same in its balance sheet for the financial year ending on 31st March, 2015.
15. The Company will also comply with other applicable provisions of the Act and Rules made there under, if any.

None of the directors of the company is interested or concerned in the above resolution.

**By order of the Board of Directors
For Blue Blends (India) Limited**

Place : Mumbai
Date : 28th April, 2014

Archana Dubey
Company Secretary

Registered Office:
JBF House, 2nd Floor,
Old Post Office Lane, Kalbadevi Road,
Mumbai 400 002.
CIN: L17120MH1981PLC023900
E-mail: blueblends.ho@gmail.com

**DIRECTORS' REPORT**

To

The Members,

The Directors present herewith the 33rd Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2014.

FINANCIAL RESULTS:

(Rs. in Lakhs)

Particulars	Year Ended 31st March, 2014	Year Ended 31st March, 2013
Gross Income	17556.28	17056.73
Profit before Interest, Depreciation & tax	1808.44	1157.19
Less : Interest	929.72	684.89
Less : Depreciation	434.81	435.65
Profit before exceptional items and taxes	443.91	36.65
Add : Exceptional Items	161.83	2063.33
Profit before Tax	605.74	2099.98
Less : Provision for Tax	(226.68)	—
Profit for the year after tax	832.42	2099.98
Less : Transferred to Debenture Redemption Reserve	200.00	—
Transferred to Preference Share Redemption Reserve	100.00	—
Add : Profit/(Loss) brought forward from previous year	(4563.35)	(6663.33)
Balance carried to Balance Sheet	(4030.92)	(4563.35)

DIVIDEND

Your Directors have not recommended any dividend for the year under review.

OPERATIONS

During the year under review your company recorded turnover of Rs.17556.28 Lacs as against Rs. 17056.73 Lacs in previous year. The profit before exceptional item and tax was Rs.443.91 Lacs as against Rs. 36.65 Lacs in the previous year. However the net profit after exceptional items and tax is Rs. 832.42 Lacs against the profit of Rs. 2099.98 Lacs in the previous year.

Yours Directors are considering various plans to modernise and expand the manufacturing capacity of the Company during the year. Company is expecting improvement in the current financial year.

SUBSIDIARY COMPANY

During the year under review, Bindal Synthetics Private Limited became wholly owned Subsidiary of your Company and Blue Blends Equity Limited ceased to be the subsidiary of your Company.

FIXED DEPOSITS

The Company has neither invited nor accepted any deposit from the public within the meaning of Non Banking Financial Companies (Reserve Bank Directions) or Section 58A of the Companies Act, 1956 or Rules made thereunder.

DIRECTORS

Mr. Pujaram Purohit retires by rotation and being eligible, offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect of Director's Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the accounts for the financial year ended 31st March, 2014, the applicable Accounting Standards have been followed alongwith proper explanations relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 of the Company for the year ended that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and the Directors have prepared the accounts for the financial year ended 31st March, 2014 on a going concern basis.

PERSONNEL

The Company had not paid any remuneration attracting the provisions of the Companies (Particulars of employees) Rules 1975 read with the Section 217 (2A) of the Companies Act, 1956. Hence no information is required to be appended to this report in this regard.

LISTING FEES

Listing fees to The Bombay Stock Exchange has been paid for the financial year 2014-15.

Listing fees to The Stock Exchange, Ahmedabad, Madras and Delhi remains unpaid. The applications of the company for de-listing of the Company's securities from the Ahmedabad, Madras and Delhi Stock Exchange are pending.

CORPORATE GOVERNANCE

A detailed report on Corporate Governance is separately attached together with a report on Management discussion and analysis.

CONSOLIDATED FINANCIAL STATEMENTS:

- (i) Company has one subsidiary – Bindal Synthetics Private Limited.
As required under the listing agreement with the Stock exchange, the audited consolidated financial statements of the Company incorporating its subsidiary company prepared in accordance with applicable Accounting Standards are attached.
- (ii) The Ministry of Corporate Affairs has by its notification dated 8th February 2011 granted a general exemption to companies, as per which, the provision of section 212 shall not apply in relation to subsidiaries, subject to the fulfillment of certain conditions. Accordingly the consolidated financial statements of the holding company and subsidiary duly audited by its statutory auditors have been presented and the individual account of the subsidiary company has not been attached.
- (iii) Any shareholder may either ask for a copy or inspect at the registered office a copy of the audited accounts of the subsidiary company.



AUDITORS & AUDITORS REPORT

M/s. P.C.Surana & Co., Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received a letter from M/s. P.C.Surana & Co., to the effect that their appointment, if made, would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956 and that they are not disqualified from such appointment within the meaning of section 226 of the Companies Act, 1956.

COST AUDIT

Pursuant to the directives of the Central Government under the provisions of Section 233 B of the Companies Act, 1956, qualified Cost Auditors have been appointed to conduct cost audit relating to textile products manufactured by the Company.

PARTICULARS UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956

As required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, the relevant information is given below:

A. CONSERVATION OF ENERGY :-

- a) **Energy Conservation Measures Taken:** Energy conservation remains one of the most important areas of plant's performance and is being continuously monitored. Some of the measures taken are :
 - i. Separate energy meters have been installed for effectively monitoring the section wise energy consumption.
 - ii. Additional capacitor banks have been installed in different section.
 - iii. We have made optimum use of electrical motors and day light resources at plant.
- b) **Additional investments and proposals, if any being implemented for reduction in consumption of energy:** Re-sizing of the motors is being done to run the motors at full load conditions.
- c) **Impact of measures at (a) and (b) above for reduction in energy and consequent impact on the cost of production of goods:** Energy conservation measures have lead to reduction in the cost of production.
- d) **Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the schedule thereto:**

(A) Total Power and Fuel Consumption

	2013-14	2012-13
1. Electricity		
a) Purchased Units (in'000)	11,421	11,871
Total Amount (Rs. in lakhs)	613.53	780.66
Rate/Unit (Rs.)	5.37	6.58
b) Generated Units (in '000)	2	3
i) Total Diesel Consumed (Ltrs. In '000)	3	2
Total amount (Rs. in lakhs)	0.92	0.91

Rate/Unit (Rs.)	40.19	30.14
ii) Through steam turbine/generator Unit	Nil	Nil
Units per ltr. Of Oil/Gas	Nil	Nil
Cost/unit	Nil	Nil

2. Steam Generated

a) From Lignite (in'000 kgs)	27,060	26,098
Total Lignite Consumption (in '000 kgs.)	451	7,571
Total Fire Wood Consumption (in '000 kgs.)	4694.45	2175.79
Total Steam Coal Consumption	-	-
Amount incurred (Rs. in lakhs)	292.48	289.54
Rate/kgs (Rs.)	1.06	0.86

(B) Energy Consumed per production unit.

	2013-14		2012-13	
	Energy consumed Mtrs/ Kgs		Energy consumed Mtrs/ Kgs	
Production(Mtr).	12,307,265	78,42,248		
Electricity Consumed	61,354,480	4.98	7,80,66,255	9.95
Stem, Coal, Wood consumed	29,340,542	2.39	29,045,152	3.70
Production (KGS)	-	-	-	-
Electricity Consumed	-	-	-	-

B. TECHNOLOGY ABSORPTION

The Company is regularly getting its products tested by Ahmedabad Textile Industry Association (ATIRA), one of the premier textile research bodies at Ahmedabad and the product is constantly improved based on reports given by ATIRA. The Company is also sending its delegates from time to time to participate in the Seminars and Conferences organized by ATIRA to share information pertaining to research and development and innovations in the textile products. The concerned executives of the Company also visit exhibitions abroad especially European countries to be in tune with the latest designs. Such participations enable the Company to absorb and adopt the latest available technology in the industry. The Company is not using imported technology in the manufacturing process.

C. Foreign Exchange Earnings and Outgo

Earnings : Rs. Nil (Previous year Rs. Nil)

Outgo : Rs. 404.56 Lakhs (Previous year Rs. 453.83 Lakhs)

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude, the co-operation and assistance given by the Financial Institutions, Bankers and Customers of the Company during the year under review.

For and on behalf of the board

Anand Arya
Chairman & Managing Director

Place: Mumbai.

Dated: 28th April, 2014



Report on Corporate Governance

1. Corporate Governance:

Your Company is committed to excellence in corporate governance practices and recognizes that good corporate governance is a continuous exercise. Your Company aims at achieving transparency, accountability, equity and ethics in all facets of its operations and in all interactions with its stakeholders. Your Company believes that all its operations and actions must result in enhancement of overall shareholder value over a sustained period of time without compromising in any way compliance with laws and regulations.

2. Board of Directors:

a) The Board of Directors comprises both Executive and Non-Executive Directors with not less than fifty percent of the Board of Directors comprising of Non Executive Directors. Half of the Board comprises of Independent Directors. The Executive and Non-Executive Directors are expert professionals in their respective fields. The provisions for appointment of Directors, their Powers and Meetings are contained in the Articles of Association of the Company. During the previous financial year Six Board Meetings were held on 29th May, 2013, 14th August, 2013, 24th August, 2013, 11th November, 2013, 14th February, 2014 and 19th March, 2014. The particulars of Board Meetings and Annual General Meetings attended by the Directors and other details of the Board of Directors as on 31st March, 2014 are given hereunder.

Name of the Director	Category	Date of Appointment	No. of other Directorships held	No. of Meetings attended during F. Yr. 01.04.13 to 31.03.14	Attendance at the last A.G.M.	No. of Membership/ Chairmanship in Committees across all the Companies
Mr.Anand Arya (AA) (Promoter)	Chairman & Managing Director	16.02.1981	6	6	Yes	Chairmanship–Nil Membership – Nil
Mr.Suraj Dugar (SD)	Executive Director	31.10.2001	3	5	Yes	Chairmanship–Nil Membership - 2
Mr.K.Parthasarathy(KP)	Independent Director	31.07.2007	—	Nil	No	Chairmanship–Nil Membership – 2
Mr.S.K.Tambawalla(SKT)	Independent Director	31.10.2005	1	4	Yes	Chairmanship–4 Membership – 1
Mr.Pujaram Purohit(PP)	Independent Director	19.07.2011	2	7	Yes	Chairmanship–Nil Membership-3

Note: One Extra Ordinary General Meeting of the members of the Company took place on 16th April, 2013 under Section 81(1)(A) of the Companies Act, 1956 for issue of 1235000 Equity Shares on Preferential Basis. However, the resolution passed in the meeting was not made effective and the same was passed in the ensuing AGM held on 12th August, 2013.

b) Details of sitting fees, remuneration, etc. paid to Directors during the year ended 31st March, 2014:

Name of the Directors	Remuneration paid during the year (Rs.)	Sitting Fees paid during the year (Rs.)	Total (Rs.)
Mr. Anand Arya, Chairman & Managing Director	24,00,000/-	—	24,00,000/-
Mr.Suraj Dugar, Executive Director	*184,916/-	2,000/-	186,916/-
Mr.K.Parthasarathy	—	—	—
Mr. S.K. Tambawalla	—	2,000/-	2,000/-
Mr. Pujaram Purohit	—	2,500/-	2,500/-

*Includes salary, bonus and other benefits. No other fixed component or performance linked incentive or stock option is paid.

c) **Other Provisions as to Board and Committee:**

The Board Meetings are held at least four times in a year with a maximum time gap of four months between any two meetings. None of the Directors of the Company is a member of more than ten Committees or acts as a Chairman of more than five Committees across all Companies in which he is a Director. For the purpose of considering the limits of the Committees on which a Director can serve, only the three Committees, viz. Audit Committee, Remuneration Committee and Shareholders Grievance Committee are considered. Every Director has informed the Company about Committee positions he occupies in other Companies.

d) **Code of Conduct:**

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is posted on the website of the Company. All the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the current year.

3. Audit Committee:

Brief description of terms of reference: To review the financial reporting process and financial statements, the accounting policies and practices and to examine the accounting, taxation and disclosure aspect of significant transactions and other items as per clause 49 II (D) of the Listing Agreement.

The Audit Committee comprises of four Directors with the majority of them being Independent Directors. The Chairman of the Audit Committee is an Independent Director having financial and accounting knowledge. The Chairman of the Audit Committee was present at the Annual General Meeting to answer shareholders' queries.



The Composition of the Audit Committee as on 31st March, 2014 was as under:

- | | | | |
|----|---------------------------|---|----------|
| 1. | Mr. S.K. Tambawalla (SKT) | - | Chairman |
| 2. | Mr. Suraj Dugar (SD) | - | Member |
| 3. | Mr. K. Parthasarathy (KP) | - | Member |
| 4. | Mr. Pujaram Purohit (PP) | - | Member |

Meetings and attendance during the year from April, 2013 to March, 2014:

Date of Meeting	Attendance Recorded			
	SKT	SD	KP	PP
29.05.2013	Yes	Yes	No	Yes
14.08.2013	Yes	Yes	No	Yes
11.11.2013	Yes	Yes	No	Yes
14.02.2014	Yes	No	No	Yes

At the invitation of the Committee, representatives of Statutory Auditors and other departmental heads also attended the Audit Committee meetings to clarify queries raised at the Audit Committee Meetings.

4. Management:

Management Discussion and Analysis, forming part of Directors' Report, contains discussion on the required matters.

Disclosures by Management

- All details of financial and commercial transactions where Directors may have an interest are provided to the Board and interested Directors neither participate in the discussion, nor do they vote on such matters. There are no transactions of material nature with the promoters, Directors or their relatives, etc. that may have potential conflict with the interests of the Company.
- As required by Accounting Standard AS-18, details of related party transactions are given in Schedule containing notes forming part of Balance Sheet and Profit & Loss Account.

5. Shareholders

- Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting are given in the explanatory statement to the notice convening the Annual General Meeting.

Name of Director	Mr. Pujaram Purohit
Date of Birth	03.07.1963
Date of Appointment	19.07.2011
Expertise in specific functional areas	Accounting
Qualifications	Matriculate
List of other public limited Companies in which directorship held.	Blue Blends Petrochemicals Ltd.
Chairman/Member of the Committees of the Board of other Companies in which he is a Director	Blue Blends Petrochemicals Ltd. Audit Committee – Member

- A Committee named as Shareholder's Grievance Committee under Chairmanship of a Non-Executive Director is constituted to look into the redressal of shareholders complaints. The details are as under :

Composition, names of members and Chairperson of Shareholders Grievance Committee	1. Mr. S K Tambawalla (Chairman) (Independent Director) 2. Mr. Suraj Dugar (Member) (Executive Director)
Name and designation of Compliance Officer	Mr. Suraj Dugar
Number of shareholders complaints received so far	There is no pending grievance of shareholders. During the year the Company had received six complaints from the shareholders, which were attended to the satisfaction of shareholders.
Number not solved to the satisfaction of shareholders	Nil
Number of pending share transfers	Nil

6. Compliance Certificate:

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith.

7. General Body Meetings:

Location and time of last three AGM's held:

Location	Date	Time	Special Resolution Passed
Tarabai Hall 97, Marine Drive, 'Shivprasad', Near Marine Lines Station, Mumbai- 400 002	12.08.2013	11:30 a.m.	*Yes (One)
Tarabai Hall 97, Marine Drive, 'Shivprasad', Near Marine Lines Station, Mumbai- 400 002	28.09.2012	11:30 a.m.	Nil
Tarabai Hall 97, Marine Drive, 'Shivprasad', Near Marine Lines Station, Mumbai- 400 002	29.09.2011	11:30 a.m.	Nil



Resolutions passed through Postal Ballot on 18th April, 2013.

The Company received approval of the members for passing the below mentioned Special Resolutions via Postal Ballot. Mr. Milan Mehta, Practicing Company Secretary, was appointed as the Scrutinizer for conducting the Postal Ballot process.

Four Special resolutions were passed on 18th April, 2013 through Postal Ballot, pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing Resolution by Postal Ballot Rules, 2001) in respect of the following items of business:

1. Special Resolution pursuant to Section 106 and other applicable provisions, if any, of the Companies Act, 1956 whereby consent of the Shareholders of 150000 16% Redeemable Cumulative Non Convertible Preference Shares of Rs. 100/- each has been obtained:
 - i) for waiver of arrears of preference dividend till 31.03.2012 and which shall be 0.01% 150000 Redeemable Cumulative Non Convertible Preference Shares from 01.04.2012.
 - ii) for extension of period of redemption of these Preference Shares upto 30.09.2015.
2. Special Resolution pursuant to Section 106 and other applicable provisions, if any, of the Companies Act, 1956 whereby consent of the Shareholders of 200000 18% Redeemable Cumulative Non Convertible Preference Shares of Rs. 100/- each has been obtained:
 - i) for waiver of arrears of preference dividend till 31.03.2012 which shall be 0.01% 200000 Redeemable Cumulative Non Convertible Preference Shares from 01.04.2012.
 - ii) for extension of period of redemption of these Preference Shares upto 30.09.2015.
3. Special Resolution pursuant to Section 106 and other applicable provisions, if any, of the Companies Act, 1956 whereby consent of the Shareholders of 250000 15% Redeemable Cumulative Non Convertible Preference Shares of Rs. 100/- each has been obtained:
 - i) for waiver of arrears of preference dividend till 31.03.2012 which shall be 0.01% 250000 Redeemable Cumulative Non Convertible Preference Shares from 01.04.2012.
 - ii) for extension of period of redemption of these Preference Shares upto 30.09.2015.
4. Special Resolution pursuant to Section 106 and other applicable provisions, if any, of the Companies Act, 1956 whereby consent of the Shareholders of 990000 0.1% Redeemable Cumulative Non Convertible Preference Shares of Rs. 100/- each has been obtained:
 - i) for waiver of arrears of preference dividend till 31.03.2012.
 - ii) for extension of period of redemption of these Preference Shares upto 30.09.2015.

The above resolutions were passed by requisite majority of 100% each. The result of the postal ballot was declared on 18th April, 2013.

Procedure of Postal Ballot:

After receiving approval of the Board of Directors, notice of the Postal Ballot, text of the Resolution and explanatory statement, relevant documents, postal ballot forms and self addressed postage envelopes are sent to the shareholders to enable them to consider and vote for and against the proposal within a period of 30 days from the date of dispatch. The calendar of events containing the activity chart is filed with the Registrar of Companies within 7 days of passing of the resolution by the board of directors. After the last day of receipt of ballot, the scrutinizer, after due verification, submits the results to the Chairman. Thereafter, the Chairman declares the results of the Postal Ballot.

- * Special Resolution pursuant to the provisions of Section 81(1)(A) of the Companies Act, 1956 for issue of 1235000 Equity Shares on Preferential Basis as per SEBI (ICDR) Regulations, 2009 was passed by the shareholders at the Annual General Meeting held on 12.08.2013.

8. Disclosures:

- a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with interests of company at large: Nil
- b) Accounting Treatment: In the preparation of financial statement the Company has followed the prescribed Accounting Standards.
- c) There was no non-compliance by the Company. No penalties and strictures were imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- d) The payments of listing fees to the stock Exchange, Ahmedabad, Madras and Delhi Stock Exchange remains unpaid. The application of the Company for de-listing of the company's securities from the Madras Stock Exchange, Ahmedabad Stock Exchange and Delhi Stock Exchange are pending.
- e) The Company has already applied to NSE for revocation of suspension of trading in the securities of the Company and the matter is under process.

9. Compliance with Non Mandatory Requirements

a) **Remuneration Committee:**

Composition, names of Members and Chairpersons as on 31st March, 2014 are as under:

1. Mr. S. K. Tambawalla - Chairman
2. Mr. K. Parthasarathy - Member
3. Mr. Pujaram Purohit - Member

Remuneration Committee is constituted to consider and approve remuneration to Managerial personnel. During the year one meeting of the Remuneration Committee was held on 29.05.2013.

- b) **Whistle Blower Policy:** The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal & unethical behaviour. The Company has a Whistle Blower policy wherein the employees are free to report violation of law, rules, regulations & unethical behaviour to their immediate superior or such other persons as may be notified by the management to the work groups.

The confidentiality of those reporting violations is maintained and they are not subject to any discriminatory practice.



10. Means of Communication:

- The quarterly reports are published through Stock Exchanges and newspapers, namely, Business Standard (English) and Mumbai Lakshadeep (Marathi).
- The information of investors' interest is communicated either directly to the shareholders or through stock exchanges.
- Website of the Company is www.blueblends.com
The Website of the Company is periodically updated & results (Quarterly, Half Yearly, & Yearly) are posted on the same.
- Official news releases are also posted on the Website.

11. General Shareholder Information:

Annual General Meeting Date, Time and venue	Friday, 25 th July, 2014 10.30 a.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 4 th Floor, 18/20, K.Dubash Marg, Kala Ghoda, Mumbai-400 021
Financial Year	1 st April, 2013 to 31 st March, 2014
Date of Book Closure	From Friday 18 th July, 2014 to Friday 25 th July, 2014 (both days inclusive)
Dividend Payment Date	N.A
Listing on Stock Exchange	BSE, NSE, ASE, MSE, DSE
Stock Code	BSE Stock Code – 502761, NSE Stock Code – BLUE BLENDS
Demat ISIN No.	CDSL – INE 113 O 01014

Market price data - high, low during each month in the last financial year

Months	High (Rs.)	Low (Rs.)	Volume
April, 2013	25.10	13.60	2850
May, 2013	15.43	11.15	9650
June, 2013	15.00	14.00	600
July, 2013	14.75	13.31	350
August, 2013	14.25	14.25	200
September, 2013	14.96	14.96	50
October, 2013	Not traded	Not traded	Not traded
November, 2013	Not traded	Not traded	Not traded
December, 2013	14.22	7.40	2700
January, 2014	9.09	6.80	14000
February, 2014	9.45	8.98	5100
March, 2014	Not traded	Not traded	Not traded

Registrar & Transfer Agent:

Purva Sharegistry (India) Pvt. Ltd.

9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai – 400 011

Telephone : 022-2301 0771, Fax : 022-2301 2517, Website : www.purvashare.com, E-mail : purvashr@mtnl.net.in

Share Transfer System

Shares in physical form for transfer, should be lodged with the office of the company's Registrar & Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd., Mumbai or at the registered office of the Company. The transfers are processed if technically found to be in order and complete in all respects.

Distribution of Shareholding as on 31.03.2014

Share holding of nominal value of (Rs.)	Number of Shareholders	% to Total	No. of Shares	Amount (In Rs.)	% to Total
UPTO - 5,000	17535	96.86	1888219	18882190	9.73
5,001 - 10,000	344	1.90	259902	2599020	1.34
10,001 - 20,000	123	0.68	179477	1794770	0.92
20,001 - 30,000	35	0.19	86095	860950	0.44
30,001 - 40,000	17	0.09	60335	603350	0.31
40,001 - 50,000	10	0.06	45418	454180	0.23
50,001 - 1,00,000	10	0.06	70461	704610	0.36
1,00,001 & above	30	0.17	16819081	168190810	86.66
	18104	100.00	19408988	194089880	100.00



Shareholding Pattern as on 31st March, 2014:

Sr. No.	Category	No. of shares held	Percentage of Shareholding	No of Shares Pledged	% of Pledged Shares
A.	Promoters holding				
1.	Promoters				
	- Indian Promoters- Foreign Promoters	136,22,521	70.19	69,00,000	50.65
2.	Persons acting in concert	0	0.00	0	0.00
	Sub – Total	136,22,521	70.19	69,00,000	50.65
B.	Non-Promoters Holding				
3.	Institutional Investors				
a.	Mutual Funds and UTI	30,799	0.16	0	0.00
b.	Banks, Financial Institutions, Insurance Companies (Central/State Gov. Institutions/ Non-Government Institutions)	15,74,286	8.11	0	0.00
c.	FIIIs	0	0.00	0	0.00
	Sub – Total	16,05,085	8.27	0	0.00
4.	Others				
a.	Private Corporate Bodies	9,70,106	5.00	0	0.00
b.	Indian Public	31,96,032	16.46	0	0.00
c.	NRIs/OCBs	13,225	0.07	0	0.00
d.	Any other (Please specify)HUF	2,019	0.01	0	0.00
	Sub – Total	41,81,382	21.54	0	0.00
	GRAND – TOTAL	1,94,08,988	100.00	69,00,000	35.55
	TOTAL FOREIGN HOLDING	13,225	0.07	0	0.00

Notes:

			No. of Shares	%	
i)	Total foreign shareholding	: NRI	-	13,225	0.07
	in number of shares and per-	: OCBs & OTHERS	-	NIL	NIL
	centage shareholding includ-	: GDR	-	NIL	NIL
	ing GDR and ADR holdings	: ADR	-	NIL	NIL

ii) The Promoter's shareholding includes an aggregate of 6900000 shares, which are pledged .

Dematerialization of shares and Liquidity : The shares of the Company are in Demat segment and are available for Demat with CDSL and application of the Company for admission of its securities with NSDL is still under process.

As on 31st March, 2014, 5939979 Equity Shares of the Company representing 30.60% of the Company's share Capital has been Dematerialized.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's Shares is **INE 113 O 01014**.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity : Nil

Plant Location : Plot No.123/2, Piplej, Saijpur, Gopalpur, Pirana Road, Ahmedabad (Gujarat).

Address for Correspondence : **Blue Blends (India) Limited** JBF House, 2nd Floor, Old Post Office Lane, Kalbadevi Road, Mumbai - 400 002. Tel. 2208 5951/52 Email : blueblends.ho@gmail.com

Name of the Contact Person : **Ms. Archana Dubey** Company Secretary JBF House, 2nd Floor, Old Post Office Lane, Kalbadevi Road, Mumbai – 400 002 Tel. No. 2208 5951/52 Email : blueblends@yahoo.com

CODE OF CONDUCT DECLARATION

Pursuant to Clause 49 I(D) of the Listing Agreement entered into with the Stock Exchanges, I hereby declare that the Company has obtained affirmative compliance with the Code of Conduct from all the Board Members and Senior Management personnel of the Company.



CEO/CFO CERTIFICATION

We in our official capacity do hereby confirm and certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statements 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 financial year 2013-2014 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps have been taken or proposed to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee that there are no :
 - i. significant changes in internal control during the year ended 31st March, 2014.
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. 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.

For Blue Blends (India) Limited

Anand Arya

Chairman & Managing Director

Suraj Dugar

Chief Finance Officer

Place : Mumbai

Date : 28th April, 2014.

CERTIFICATE

The Members of

Blue Blends (India) Limited

We have examined the compliance of conditions of corporate governance by **Blue Blends (India) Limited**, for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions for corporate governance is the responsibility of the management. Our examination was limited to procedure 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 financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representation made by the Directors and Management, we certify that the Company has complied with the conditions on Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the record maintained by the Shareholders / Investors Grievance Committee.

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

**For P.C. Surana & Co.
Chartered Accountants
(Registration No. 110631W)**

P.C. Surana
Partner
M. No. 17136

Place : Mumbai

Date : 28th April, 2014



MANAGEMENT DISCUSSION AND ANALYSIS REPORT – 2014

a) Industry Structure & Development:

The year 2013-14 in India was in many ways that of a stagnant economy-low GDP growth, steady low industrial output, high inflation, high interest rates, depreciated currency and conservative policy reforms.

In spite of the above overview of the economy, the Indian denim industry continues to enjoy a high growth potential. The domestic as well as international demand is expected to grow. The medium / long term India retail story continues to look strong. The demand for the denim fabrics is increasing in the domestic market. Our sales to our regular dealers are maintained for the last several years and growing gradually depending on the market condition.

b) Segment-wise or Product-wise Performance:

The Company has Denim unit situated at Piplej, Ahmedabad (Gujarat). Sale of Denim Fabrics is highly dependent on the trend and fashion and fortunately the demand for the same does not seem to decline. Hence, the company is expecting higher volume in Denim sale.

c) Outlook, Opportunities, Threats, Risks & Concerns:

The market growth opportunities it remains susceptible to various factors like rising Inflation, volatile financial markets, uncertainty over monsoons and other uncertain events. The company is subject to the risk of volatility in the price of raw materials. The Company has devised a balanced procurement policy for cotton purchases to offset the pressure on prices due to competition

The higher interest rates are serious concern that the Company is facing. The company is taking steps to reduce the interest cost. Your company will continue to follow prudent financial policies while seeking growth opportunity. Your company is cautiously optimistic about the year ahead.

d) Internal Control System and their adequacy:

The Company has a proper and adequate system of internal control to ensure that all resources are put to efficient use and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly. The Company's internal control systems are periodically tested and certified by the Company's statutory as well as the internal auditors.

e) Financial Performance :

(Rs. in lakhs)

Particulars	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
Gross Income	17556.28	17056.73
Profit before Interest, Depreciation & tax	1808.44	1157.19
Less : Interest	929.72	684.89
Less : Depreciation	434.81	435.65
Profit before exceptional items and taxes	443.91	36.65
Add : Exceptional Items	161.83	2063.33
Profit before Tax	605.74	2099.98
Less : Provision for Tax	(226.68)	—
Profit for the year after tax	832.42	2099.98
Less : Transferred to Debenture Redemption Reserve	200.00	—
Transferred to Preference Share Redemption Reserve	100.00	—
Add : Profit/(Loss) brought forward from previous year	(4563.35)	(6663.33)
Balance carried to Balance Sheet	(4030.92)	(4563.35)

f) Human Resources:

The company considers human resources as one of the vital and important factors for sustained growth. The human resources strategy is to attract talent in the industry, develop and upgrade their skill and competence on the job and ensure employees satisfaction through reward, appreciation and development of environment based on culture and values nurtured by the Group over the years.

g) Cautionary Statement :

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking" statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

For Blue Blends (India) Limited

Place : Mumbai
Date : 28th April, 2014

Anand Arya
Chairman & Managing Director



Independent Auditors' Report

To the Members of

BLUE BLENDS (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of **BLUE BLENDS (INDIA) LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended and a Summary of Significant Accounting Policies and other Explanatory Information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Financial Statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risk of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances. An Audit also includes evaluating the appropriateness of Accounting Policies used and the reasonableness of the Accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of Affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit & Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure, a Statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit & Loss and the Cash Flows Statement dealt with by this Report are in agreement with the books of Account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit & Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the Directors as on March 31, 2014, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a Director in terms of Section 274(1)(g) of the Act.

For P.C. SURANA & CO.
Chartered Accountants
(Registration No. 110631W)

(P.C.Surana)
Partner

Membership No. 17136

Place: Mumbai
Date: 28th April, 2014



Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the head of "Report on Other Legal and Regulatory Requirements" of our report of even date.

- (i) In respect of its fixed assets:
- The Company has maintained proper records showing full Particulars details including quantitative details and situation of fixed assets on the basis of information available.
 - As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - In our opinion, the Company has not disposed off substantial part of its fixed assets during the year except sale of leasehold land of its closed manufacturing unit situated at Panoli and the going concern status of the Company are not affected.
- (ii) In respect of its inventories:
- As explained to us, the management has physically verified inventories during the year. In our opinion the frequency of verification is reasonable.
 - In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification as compared to the book records.
- (iii) In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:
- The Company has given any loans/advances to three such parties during the year. In respect of loans/advances given to such parties, the maximum amount outstanding at any time during the year was Rs. 3313.61 lacs and the year-end balance is Rs.1514.27 lacs.
 - In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions of the loans/advances given by the Company are prima facie not prejudicial to the interest of the Company.
 - The principal amounts are repayable on demand and the loans/advances given are interest free.
 - In respect of the said loans/advances and interest thereon, there are no overdue amounts.
 - The Company has taken loan from three such parties during the year and in respect of loans taken from such parties, the maximum amount payable at any time during the year was Rs.304.62 lakhs and the year end balance is Rs. 225.26 lakhs.
 - In our opinion, and according to the information and explanations given to us, the rate of interest and other terms and conditions were not prejudicial to the interest of the Company.
 - The principal amount of the loan was repayable on demand and interest, if any, was also payable on demand.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any major weaknesses in internal controls.
- (v) In respect of transactions covered under section 301 of the Companies Act, 1956:
- In our opinion and according to the information given to us, the transactions made in pursuance of contracts or arrangements that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - In our opinion and according to the information and explanations given to us, where such transactions are in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion the internal audit system of the Company is adequate commensurate with its size and nature of its business.
- (viii) The Central Government has prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of products of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made any detailed examination of the same.
- (ix) In respect of statutory dues:
- According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable.
 - According to the information and explanations given to us there are no disputed dues in respect of Sales Tax, Income Tax, Wealth Tax, Service Tax and Excise & Custom Duty except following:-
 - Central Excise Duty of RS.5.25 lacs for financial years 2001-02 and 2002-03. Company is in appeal before Central Excise and Service Tax Appellate Tribunal, Ahmedabad.
 - Value Added Tax of Rs.11.69 lacs for financial years 2007-08 and 2008-09. Company is in appeal before Sales Tax Appellate Tribunal, Ahmedabad.
- (x) The Company has accumulated losses of Rs. 4030.93 lacs at the end of the Current Year (Previous Year Rs. 4563.35 lacs). It did not incur any cash loss during the current year under report as well as in the immediately preceding previous year.
- (xi) According to the explanations and information given to us, the Company does not have any outstanding amount payable to any bank or financial institution.
- (xii) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xiv) The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name.
- (xv) The Company has given guarantees for loans taken by others from banks or financial institutions. According to the information and explanation given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
- (xvi) The term loans raised by the Company have been applied by the Company for the purpose for which such loans were obtained.
- (xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not used the funds raised on short term basis for long term investment.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has issued 16% Non Convertible Debentures during the year which have been fully secured and as per information and explanation provided to us, creation of charge for the same is in progress.
- (xx) The Company has not raised any money by way public issue during the year.
- (xxi) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For P.C. Surana & Co.
Chartered Accountants
(Registration No.110631W)

P.C.Surana
Partner
M.No. 17136

Place: Mumbai.
Date : 28th April, 2014



BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2	424,164,880	504,439,880
b) Reserves & Surplus	3	<u>54,018,231</u>	<u>(109,499,014)</u>
		478,183,111	394,940,866
2 Share application money pending allotment			
		-	-
3 Non-current Liabilities			
a) Long-term borrowings	4	378,344,484	243,140,433
b) Deferred tax liabilities		-	-
c) Other long term liabilities		128,041,045	-
d) Long-term provisions -For Employees benefits		<u>1,638,426</u>	<u>1,567,870</u>
		508,023,955	244,708,303
4 Current Liabilities			
a) Short-term borrowings	5	54,090,355	138,363,168
b) Trade payables		248,247,918	237,749,501
c) Other current liabilities	6	<u>78,792,726</u>	<u>72,879,344</u>
		381,130,999	448,992,013
TOTAL		<u>1,367,338,065</u>	<u>1,088,641,182</u>
II ASSETS			
1 Non-current Assets			
a) Fixed Assets			
i) Tangible Assets	7	294,684,307	319,521,218
ii) Intangible Assets		-	-
iii) Capital Work-in-Progress	7	5,704,550	3,569,440
iv) Intangible Assets under development		-	-
b) Non-current Investments	8	114,903,302	31,002,302
c) Deferred tax assets		35,000,000	-
d) Long-term loans and advances	9	150,000,000	-
e) Other non-current assets		-	-
		600,292,159	354,092,960
2 Current Assets			
(a) Current Investments	10	28,177,650	76,403,900
(b) Inventories	11	286,322,156	214,495,071
(c) Trade Receivables	12	303,726,460	207,654,804
(d) Cash and Cash equivalents	13	101,556,161	7,339,859
(e) Short-term loans and advances	14	<u>47,263,479</u>	<u>228,654,588</u>
		767,045,906	734,548,222
TOTAL		<u>1,367,338,065</u>	<u>1,088,641,182</u>
Significant Accounting Policies	1		
Notes forming part of the Financial Statements 2 to 30			

As per our report of even date
for **P.C. Surana & Co.**
Chartered Accountants
(Registration No 110631W)

P. C. Surana
Partner
M No 17136

Place : Mumbai.
Dated : 28th April, 2014

for & on behalf of the Board

Anand Arya
Chairman & Managing Director

Suraj Dugar
Director

Archana Dubey
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

	Note		2013-14 Rs.	2012-13 Rs.
INCOME				
(I) Revenue from Operations	15	1,755,576,463	1,686,922,579	
(II) Other Income	16	51,660	18,750,201	
(III) Total Revenue			1,755,628,123	1,705,672,780
(IV) EXPENSES				
Cost of Material consumed	17	1,016,535,047	1,026,177,645	
Purchases in Stock in Trade (net of purchase returns)		24,459,259	8,406,693	
Changes in Inventories of Finished goods, Stock in progress and Stock-in-trade	18	(52,058,379)	(80,962,193)	
Employees benefits Expenses	19	52,613,286	50,738,242	
Finance Costs	20	92,971,681	68,488,571	
Depreciation and Amortization Expenses	21	43,481,496	43,565,579	
Other Expenses	22	533,234,529	585,592,889	
Total Expenses			1,711,236,919	1,702,007,426
(V) Profit before Exceptional Items			44,391,204	3,665,354
(VI) Exceptional Items	23		16,183,041	206,332,932
(VII) Profit before Taxes			60,574,245	209,998,286
(VIII) Tax Expenses :				
(1) Current tax		12,332,000	-	
(2) Deferred tax		(35,000,000)	-	
(3) Adjustment in Taxation in earlier years		-	-	
			(22,668,000)	-
(IX) Profit after Taxes			83,242,245	209,998,286
(X) Earning Per Equity Share				
i) Before Exceptional Items				
a) Basic			2.35	0.20
b) Diluted			2.35	0.19
ii) After Exceptional Items				
a) Basic			4.40	11.55
b) Diluted			4.40	10.82

Significant Accounting Policies 1
Notes forming part of the Financial Statements 2 to 30

As per our report of even date
for P.C. Surana & Co.
Chartered Accountants
(Registration No 110631W)

P. C. Surana
Partner
M No 17136

Place : Mumbai.
Dated : 28th April, 2014

for & on behalf of the Board

Anand Arya
Chairman & Managing Director

Suraj Dugar
Director

Archana Dubey
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014
Pursuant to Clause 32 of the Listing Agreement

Rs. in lacs

	As At 31.03.2014 Rs.	As At 31.03.2013 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit after Exceptional Items and before Taxes as per Statement of Profit and Loss	605.74	2,099.98
Adjusted for:		
Depreciation and Amortisation Expenses	434.81	435.66
Interest Income	-	(10.12)
Dividend Income	(0.01)	(0.01)
Sundry Balances Written Back	-	(173.40)
Sundry Advances/Deposits W/off	66.64	20.83
Modvat Claims written off	-	182.82
(Profit)/Loss on Sale of Assets (Net)	-	19.27
Fixed Assets Discarded	4.82	14.00
Finance Cost	929.72	684.89
Operating profit before working capital changes and Exceptional Items	2,041.72	3,273.92
Adjusted for:		
Trade and Other Receivables	801.55	439.70
Inventories	(718.27)	(699.04)
Trade & Other Payables	60.01	341.07
Cash Generated from Operations before Exceptional Items	2,185.01	3,355.65
Adjusted for:		
Exceptional items - Profit on sale of Fixed Assets (Refer note no. 23)	(298.74)	-
Loss on sale of Investments (Refer note no. 23)	136.91	-
Interest Liabilities written back	-	(2,063.33)
Direct Taxes Paid	(14.99)	(1.40)
Net Cash from Operating Activities	2,008.19	1,290.92
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(271.37)	(350.57)
Sale of Fixed Assets	357.50	83.27
Purchase of Investments	(893.28)	-
Sale of Investments	406.02	-
Interest Income	-	10.12
Dividend Income	0.01	0.01
Net Cash (used in) Investing Activities	(401.12)	(257.18)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long-term borrowings(Net)	2,607.55	(417.54)
Long-term deposits given	(1,500.00)	-
Short-term borrowings(Net)	(842.73)	15.10
Interest Paid	(929.72)	(684.89)
Net Cash (used in) from Financing Activities	(664.90)	(1,087.33)
Net Increase in Cash and Cash Equivalents (A+B+C)	942.17	(53.59)
Opening Balance of Cash and Cash Equivalents	73.40	126.99
Closing Balance of Cash and Cash Equivalents	1,015.57	73.40

As per our report of even date
for P.C. Surana & Co.
Chartered Accountants
(Registration No 110631W)

P. C. Surana
Partner
M No 17136

Place : Mumbai.
Dated : 28th April, 2014

for & on behalf of the Board

Anand Arya
Chairman & Managing Director

Suraj Dugar
Director

Archana Dubey
Company Secretary



Notes on Financial Statements for the Year ended 31st March, 2014

"1" Significant Accounting Policies

Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India and comply with the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) referred to in Section 211 (3C) of the Companies Act, 1956.

General

- (i) Accounting policies not specifically referred to otherwise are in consistence with earlier years and in consonance with generally accepted accounting principles.
- (ii) Expenses and Income considered payable and receivable respectively are accounted for on accrual basis.

Sales

- (i) Sales are accounted on mercantile basis, when the sale of goods is complete.
- (ii) Job charges are accounted when the goods are dispatched to the customers.
- (iii) Sales are stated exclusive of excise duty.

Valuation of Inventories

- (i) Inventories of Raw materials and Work in progress are valued at cost.
- (ii) Stocks in Trade and Stock of Finished Goods are valued at lower of cost and net realisable value.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets to the extent they relate to the period till such assets are ready to be put to use.

Depreciation / Amortization

Depreciation on the fixed assets is charged on Straight Line Method at the rates prescribed by Schedule XIV to the Companies Act, 1956, which are based on the estimated useful lives of the assets.

Depreciation in respect of additions to/and deletion from assets has been charged on pro-rata basis with reference to the month of addition or deletion.

No amortization is made for leasehold land, which are under Perpetual lease.

Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments.

All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary in the value of such investments.

Foreign Currency Transactions

Foreign Currency Transactions are recorded in the books by applying the exchange rates as on the date of the transaction.

Foreign Currency Assets and Liabilities are converted at the exchange rate prevailing on the date of the Balance Sheet and the resultant exchange difference is adjusted to the profit & loss account except in the case of Foreign Currency Liabilities arising on account of acquisition of Fixed Assets, where such exchange difference is adjusted to the cost of the assets.

Retirement Benefits

Staff benefits arising out of retirement/death comprising contributions to Provident Fund, Gratuity Scheme and other post separation benefits are accounted for on the basis of the schemes or by an independent actuarial valuation at the year-end as the case may be.

Taxes on Income

Income Tax is computed in accordance with Accounting Standard 22, "Accounting for Taxation on Income" issued by the ICAI.

Provision for current income tax is made in accordance with the provisions of Income tax Act, 1961.

The difference between taxable income and net profit or loss before tax for the year as per the financial statements, is identified and the tax effect of the deferred tax asset or deferred tax liability is recorded for timing differences, i.e., differences that originate in one accounting period and reversed in another.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

Provision, Contingent Liabilities and Contingent Assets

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



	As At 31.03.2014 Rs.	As At 31.03.2013 Rs.
“2” Share Capital		
Authorised:		
2,05,00,000(Previous Year 2,05,00,000) Equity Shares of Rs.10 each	205,000,000	205,000,000
33,00,000 (Previous Year 33,00,000) Preference Shares of Rs.100 each.	330,000,000	330,000,000
	<u>535,000,000</u>	<u>535,000,000</u>
Issued, Subscribed and Fully Paid-up:		
Cumulative Redeemable preference Shares		
0.01% 23,00,750(Previous Year - 0.01% 32,27,000)	230,075,000	322,700,000
Redeemable Cumulative Non-convertible Preference shares of Rs.100 each		
Equity Shares		
1,94,08,988 (Previous Year -1,81,73,988) Equity Shares of Rs.10 each fully paid up of Rs.10 each	194,089,880	181,739,880
	<u>424,164,880</u>	<u>504,439,880</u>
Reconciliation of the number of shares outstanding at the beginning and at the end of the year		
Equity Shares		
No. of Equity Shares at the beginning of the year	18,173,988	18,173,988
Addition during the year	1,235,000	-
Total No. of Equity Shares at the end of the year	<u>19,408,988</u>	<u>18,173,988</u>
0.01% Cumulative Redeemable preference Shares		
No. of the Preference Shares at the beginning of the year	3,227,000	3,227,000
Reduction during the year	926,250	-
Total No. of Preference Shares at the end of the year	<u>2,300,750</u>	<u>3,227,000</u>

Note: (i) During the year, the Company issued 12,35,000 Equity Shares of Rs. 10/- each at a premium of Rs.65/- on Preferential basis to Edelweiss Asset Reconstruction Company Limited on conversion of their 9,26,250 Optionally Convertible Preference Shares as per Resolution passed at the Annual General Meeting held on 12/08/2013.

(ii) Refer Note No. 25 for Terms & Conditions as to Redemption of above Preference Shares.

Details of shareholders holding more than 5% shares :

Cumulative Redeemable Preference Shares	No. of shares	% held	No. of shares	% held
i) 0.01% (Previous Year - 0.01%) Redeemable Cumulative Non Convertible Preference share				
Premier Synthetics Limited	250,000	10.87	200,000	6.20
Jindal Worldwide Limited	160,000	6.95	160,000	4.96
Anand Arya	990,000	43.03	-	-
Edelweiss Asset Reconstruction Company Limited	-	-	990,000	30.68
Anand Arya	710,750	30.89	-	-
Edelweiss Asset Reconstruction Company Limited	-	-	1,637,000	50.73
Equity Shares				
	No. of Shares	% held	No. of Shares	% held
Anand Arya	8,421,427	43.39	7,428,869	40.88
Aman Arya	1,400,000	7.21	1,400,000	7.70
Indu Arya	2,301,114	11.86	2,087,973	11.49
Bindal Synthetics Private Limited	-	-	1,008,588	5.55
Cressida Traders Private Limited	1,000,600	5.16	-	-
Edelweiss Asset Reconstruction Company Limited	1,235,000	6.36	-	-



	As At 31.03.2014 Rs.	As At 31.03.2013 Rs.
“3” Reserves & Surplus		
Capital Reserves:	339,336,054	339,336,054
Preference Share Capital Redemption Reserve		
Balance as per last Balance Sheet	7,500,000	7,500,000
Add : Transferred from Profit & Loss a/c	<u>10,000,000</u>	-
	17,500,000	7,500,000
Securities Premium Reserve		
Received during the year	80,275,000	-
Debenture Redemption Reserve		
Transferred from Profit & Loss a/c	20,000,000	-
Profit and Loss Account		
Balance as per last Balance Sheet	(456,335,068)	(666,333,354)
Add : Profit/(Loss) for the year	83,242,245	209,998,286
Less : Transferred to Debenture Redemption Reserve	20,000,000	-
Less : Transferred to Preference Share Redemption Reserve	<u>10,000,000</u>	-
	(403,092,823)	(456,335,068)
	<u>54,018,231</u>	<u>(109,499,014)</u>
“4” Non-current Liabilities		
a) Long term borrowings		
Secured		
i) 16% Non Convertible Debentures	377,500,000	-
ii) Term Loans- From Others	-	239,800,000
iii) Vehicle Loans	<u>844,484</u>	3,340,433
	<u>378,344,484</u>	<u>243,140,433</u>
b) Other Long term borrowings		
Unsecured		
From Others	<u>128,041,045</u>	-
	<u>128,041,045</u>	-

“4.1” During the year, the Company has issued 430 - 16% Secured Non-Convertible Debentures (16% NCDs) of Rs. 10 lacs each for Rs. 4300.00 lacs to Religare Finvest Limited. These NCDs are secured by-

- i) First and exclusive charge by hypothecation of all the Plant and Machineries situated at Company’s manufacturing Unit at Piplej, Ahmedabad and all other current assets of the Company.
 - ii) Pledge of 51% of the Equity shares of the Company held by the Promoters and entire equity share capital of Bindal Synthetics Pvt.Ltd. (BSPL) held by the Company
 - iii) Mortgage of freehold land at Piplej, Ahmedabad owned by its subsidiary Company, BSPL and one of the personal property of the Promoters and
 - iv) Corporate guarantee by BSPL and personal guarantee of Promoters.
- Interest on 16% NCDS is payable quarterly @ 16% per annum, 16% NCDs are repayable in 16 equal quarterly installments starting from 31/07/2014.

Term Loans- From Others payable to Edelweiss Asset Reconstruction Company Limited was fully repaid during the year.

“4.2” Vehicle Loans of Rs.8.44 lakhs are secured by first charge and hypothication of respective vehicles financed and are repayable in equal monthly installments over remaining period of two years.

	(Rs. In lacs)		
	Maturity Profile		
	2015-16	2016-17	2017-18
Non-Convertible Debentures	92,500,000	115,000,000	170,000,000
Vehicle Loans	844,484	-	-

“4.3” Maturity profile of the Secured Long Term Borrowings are as under:



As At
31.03.2014
Rs.

As At
31.03.2013
Rs.

"5" Short term borrowings

Unsecured, repayable on demand

Loans and Advances

Life Insurance Corporation of India	-		10,380,000
From Related Parties	22,525,813		5,612,562
From Others	31,564,542		122,370,606
		54,090,355	127,983,168
		54,090,355	138,363,168

"6" Other Current Liabilities

Current maturities of long term debt (Secured)	54,991,037		57,481,512
Advances from Customers	-		8,039,784
Other Payables*	23,801,689		7,358,048
	78,792,726		72,879,344

*Includes statutory dues and security deposits.

**"7" Fixed Assets
Tangible Assets**

(Amt in Rs.)

Description of Assets	Gross Block			Depreciation					Net Carrying Value	
	As at 1.04.2013	Additions	Deletions	As at 31.03.2014	Up to 31.03.2013	For the Year	Adjustment (Del.)Add.	Up to 31.03.2014	As at 31.03.2014	As at 31.03.2013
Freehold Land	580,982	-	580,982	-	-	-	-	-	-	580,982
Leasehold Land	3,456,223	-	255,654	3,200,569	-	-	-	-	3,200,569	3,456,223
Factory Building	154,689,374	85,730	15,992,048	138,783,056	81,049,035	4,768,172	11,557,378	74,259,829	64,523,227	73,640,339
Office Building	382,820	-	-	382,820	47,561	6,240	-	53,801	329,019	335,259
Residential Building	565,041	-	-	565,041	88,378	-	-	88,378	476,663	476,663
Plant & Machinaries	680,018,269	24,156,448	12,025,606	692,149,111	460,034,009	35,432,733	11,421,238	484,045,504	208,103,607	219,984,260
Electrical Installations	27,499,662	9,470	1,454,834	26,054,298	23,212,476	1,237,729	1,382,093	23,068,112	2,986,186	4,287,186
Furniture & Fixtures	9,995,605	40,795	5,303,979	4,732,421	7,895,057	173,877	5,038,780	3,030,154	1,702,267	2,100,548
Vehicles	15,860,592	-	68,605	15,791,987	3,733,125	1,479,174	65,183	5,147,116	10,644,871	12,127,467
Office Equipment	3,994,409	180,913	731,171	3,444,151	2,341,307	159,810	692,740	1,808,377	1,635,774	1,653,102
Computer	6,422,750	528,732	2,040,768	4,910,714	5,543,561	223,761	1,938,732	3,828,590	1,082,124	879,189
Total Tangible Assets	903,465,727	25,002,088	38,453,647	890,014,168	583,944,509	43,481,496	32,096,144	595,329,861	294,684,307	319,521,218
Previous Year	949,842,803	31,487,834	77,864,910	903,465,727	606,589,602	43,565,579	66,210,672	583,944,509	319,521,218	-
Capital work-in-progress	3,569,440	2,135,110	-	5,704,550	-	-	-	-	5,704,550	3,569,440

Notes: Capital work in Progress is the cost of under construction building at Factory Premises at Piplej, Ahmedabad.



	As At 31.03.2014 Rs.	As At 31.03.2013 Rs.
“8” Non-current Investments		
A. Trade Investments (At Cost)		
In Preference Shares of Associate Company-		
Quoted, fully paid up		
8,00,000 (Previous Year 3,10,000) Redeemable Cumulative Non Convertible Preference Shares of Rs.100/- each of Premier Synthetics Limited	80,000,000	31,000,000
Total Trade Investment (A)	<u>80,000,000</u>	<u>31,000,000</u>
B. In Equity Shares of a Subsidiary Company		
Unquoted, fully paid up		
7,00,000(Previous Year NIL) Bindal Synthetics Private Limited . of Rs. 10 each	34,901,000	-
Note: The above Shares are pledged with the Company’s Debentureholders		
Total Other Investments (B)	<u>34,901,000</u>	<u>-</u>
C Unquoted, fully paid up		
20 (Previous Year 20) Dhanudyog Sahakari Sangh Limited of Rs.100 each	2,302	2,302
Total Other Investment (C)	<u>2,302</u>	<u>2,302</u>
Total Non-current Investment (A to C)	<u>114,903,302</u>	<u>31,002,302</u>
Aggregate amount of Quoted investments	80,000,000	31,000,000
Market value of Quoted Investment	80,000,000	31,000,000
Aggregate amount of Unquoted investment	34,903,302	2,302
“9” Long -Term Loans and Advances		
Deposits with Related Parties	150,000,000	-
	<u>150,000,000</u>	<u>-</u>
10” Current Investment		
A. Other Investments (At Cost)		
In Equity Shares of Associate Companies		
Unquoted, fully paid up		
9,40,000 (Previous Year 4,00,000) Blue Blends Holding Limited. of Rs. 10 each	9,427,000	4,000,000
17,99,994 (Previous Year 37,50,000) Blue Blends Equity Limited. of Rs. 10 each	16,950,070	37,500,000
Total Other Investments (A)	<u>26,377,070</u>	<u>41,500,000</u>
B. In Equity Shares of Other Companies		
Quoted, fully paid up		
180 (Previous Year 180) Asian Paints Limited of Rs 1/- each	3,900	3,900
1,40,800 (Previous Year 27,35,000) Blue Blends Finance Ltd. of Rs. 10 each	1,796,680	34,900,000
Total Trade Investment (B)	<u>1,800,580</u>	<u>34,903,900</u>
Total Current Investment (A to B)	<u>27,537,650</u>	<u>76,403,900</u>
Aggregate amount of Quoted investments	1,800,580	34,903,900
Market value of Quoted Investment	4,449,090	15,459,159
Aggregate amount of Unquoted investment	26,377,070	41,500,000



	As At 31.03.2014 Rs.	As At 31.03.2013 Rs.
“11” Inventories		
Raw- Materials	75,392,278	63,687,485
Work - in - progress	78,841,048	69,332,247
Finished Goods(At lower of cost and net realisable value)	112,688,611	70,139,033
Stores & Spare parts	9,810,150	7,205,808
Packing Material	882,763	684,145
Dyes,Chemicals & Lubricants	8,707,306	3,446,353
	<u>286,322,156</u>	<u>214,495,071</u>
“12” Trade Receivables		
(Unsecured and considered good)		
Over Six months	10,744,800	5,029,046
Others	292,981,660	202,625,758
	<u>303,726,460</u>	<u>207,654,804</u>
“13” Cash and Cash Equivalents		
Balances with Bank		
In Current Accounts	81,065,941	4,375,864
In Fixed Deposit Accounts	19,894,802	2,763,173
Cash on hand	595,418	200,822
	<u>101,556,161</u>	<u>7,339,859</u>
Fixed Deposits with Banks include Deposits of Rs.25.53 lakhs are pledged as security and Rs. 173.41 lacs are earmarked to secure the payment of interest on NCDs.		
“14” Short-Term Loans and Advances		
(Unsecured, considered good)		
Loans and Advances to Related Parties	1,426,057	177,743,292
Balances/Claims with Revenue Authorities	7,011,274	5,516,829
Deposits	8,411,824	16,865,610
Others*	30,414,324	28,528,857
	<u>47,263,479</u>	<u>228,654,588</u>

*Includes primarily advances to suppliers , interest receivables and advances to staff.



	2013-14 Rs.	2012-13 Rs.
“15” Revenue from Operations		
a) Sale of Products	1,733,059,840	1,657,426,200
b) Sale of Services	45,856	478,364
c) Other Operating Revenues	<u>22,470,767</u>	<u>29,018,015</u>
	<u>1,755,576,463</u>	<u>1,686,922,579</u>
Less : Excise Duties	-	-
	<u>1,755,576,463</u>	<u>1,686,922,579</u>
“15”.1 Particulars of Sale of Products		
a) Fabrics	1,649,726,283	1,555,282,059
b) Yarns/ Cotton Yarn	83,266,164	101,576,989
c) Garments	<u>67,393</u>	<u>567,152</u>
	<u>1,733,059,840</u>	<u>1,657,426,200</u>
“16” Other Income		
Dividend	855	720
Interest Income	-	1,011,799
Sundry Balances Written Back	-	17,339,517
Rent Received	42,345	396,445
Miscellaneous Income	<u>8,460</u>	<u>1,720</u>
	<u>51,660</u>	<u>18,750,201</u>
“17” Cost of Materials consumed (100% Indigenous)		
Stock at Commencement	63,687,485	75,423,736
Add : Purchases	1,028,239,840	1,014,441,394
Less : Stock at close	<u>75,392,278</u>	<u>63,687,485</u>
	<u>1,016,535,047</u>	<u>1,026,177,645</u>
“17”.1 Particulars of materials consumed		
Cotton & Cotton Yarn	1,013,886,068	1,022,907,627
Grey Cloth	<u>2,648,979</u>	<u>3,270,018</u>
	<u>1,016,535,047</u>	<u>1,026,177,645</u>
“18” Changes in Inventories of Finished goods, Stock in progress and Stock-in-trade		
Opening Stock		
Finished Goods	70,139,033	15,020,039
Semi Finished Goods	<u>69,332,247</u>	<u>43,489,048</u>
	139,471,280	58,509,087
Closing Stock		
Finished Goods	112,688,611	70,139,033
Semi Finished Goods	<u>78,841,048</u>	<u>69,332,247</u>
	<u>191,529,659</u>	<u>139,471,280</u>
	<u>(52,058,379)</u>	<u>(80,962,193)</u>
“19” Employees benefits Expenses		
Salaries, Wages & Bonus	44,410,564	43,071,282
Contribution to Provident Fund & Other Funds	3,170,137	3,231,023
Employees Welfare & Other Amenities	3,420,623	2,977,555
Gratuity	<u>1,611,962</u>	<u>1,458,382</u>
	<u>52,613,286</u>	<u>50,738,242</u>



	2013-14 Rs.	2012-13 Rs.
“20” Finance Cost		
(a) Interest on loan	98,511,728	66,498,307
(b) Other Interest	5,955,690	1,990,264
	<u>104,467,418</u>	<u>68,488,571</u>
Less : Interest received	11,495,737	-
	<u>92,971,681</u>	68,488,571
	<u>92,971,681</u>	<u>68,488,571</u>
“21” Depreciation and Amortization Expenses		
Depreciation and amortization	<u>43,481,496</u>	<u>43,565,579</u>
“22” Other Expenses		
Manufacturing Expenses		
Dyes & Chemicals	91,021,806	97,139,848
Oil & Lubricants	-	665,819
Stores & Spares	19,783,321	21,256,725
Testing Expenses	233,595	90,952
Labour & Job Charges	271,568,696	282,053,739
Power & Fuel Charges	90,695,022	107,111,377
Repairs to Buildings	978,857	1,891,179
Repairs to Plant & Machinery	4,804,643	5,545,527
	<u>479,085,940</u>	515,755,166
Sales & Distribution Expenses		
Packing Materials	11,540,433	12,168,148
Sales Promotion & Advertisement Expenses	613,751	1,481,596
Brokerage, Commission & Discount	1,707,694	2,404,175
Freight & Forwarding Charges	1,771,661	3,065,383
	<u>15,633,539</u>	19,119,302
Establishment Expenses		
Rent	1,248,634	1,178,605
Rates & Taxes	2,669,104	1,787,731
Insurance Charges	786,298	692,165
Postage & Telephone	2,154,139	2,000,587
Other Repairs	233,956	177,458
Printing & Stationery	1,189,453	1,084,419
Travelling Expenses	3,200,285	2,028,536
Conveyance Expenses	1,547,249	1,090,147
Sundry Expenses	2,710,339	3,464,278
Legal & Professional Charges	13,061,363	2,414,739
Bank Charges	147,476	91,098
Security Charges	1,088,085	996,576
BSE reinstatement charges for listing	-	3,831,476
Modvat Claims written off	-	18,281,791
Sundry Advances/Deposits W/off	6,663,823	2,082,885
Membership & Subscription	417,664	254,349
Listing Fees	699,734	237,928
Loss on Sale of Fixed Assets(Net)	-	7,423,653
Fixed Assets Discarded	481,830	1,400,000
Auditors’ Remuneration	215,618	200,000
	<u>38,515,050</u>	50,718,421
	<u>533,234,529</u>	<u>585,592,889</u>



	2013-14		2012-13	
	Rs.		Rs.	
“22”.1 Value of Stores Spares , Dyes & Chemicals consumed				
Stores & Spares	Rs	% of	Rs	% of
		Consumption		Consumption
Indegenious	18,858,133	95.32	19,622,001	92.31
Imported	925,188	4.68	1,634,724	7.69
	19,783,321	100.00	21,256,725	100.00
Dyes & Chemicals				
Indegenious	49,012,029	53.85	45,226,864	46.56
Imported	42,009,777	46.15	51,912,984	53.44
	91,021,806	100.00	97,139,848	100.00
“22”.2 Value of Imports on CIF Basic				
Stores & Spares	645,391		1,321,152	
Dyes & Chemicals	38,948,474		43,648,216	
Capital Goods	-		-	
	39,593,865		44,969,368	
“22”.3 Payments to Auditors				
Statuary Audit fees	130,000		120,000	
Tax Audit fees	40,000		40,000	
Taxation Matters	40,000		40,000	
Vat Audit fees	5,618		-	
	215,618		200,000	
“22”.4 Expenditure in Foreign currency				
Travelling Expenses	862,761		414,113	
“23” Exceptional Items				
Exceptional Items in the current year of Rs. 298.74 Lacs is due to sale of Fixed assets and Rs 136.91 Lacs is loss on sale of investment.				
“24” Earning Per Equity Share				
1. Net Profit/(Loss) for the year before Exceptional Items as per Statement of Profit and Loss attributable to Equity Shareholders	44,391,204		3,665,354	
2. Net Profit/(Loss) for the year after Exceptional Items as per Statement of Profit and Loss attributable to Equity Shareholders	83,242,245		209,998,286	
3. Number of Equity Shares	19,408,988		18,173,988	
4. Prev.Year 9,26,250 - 5% Redeemable Cumulative Optionally - convertible Preference Shares of Rs. 100/- each to be converted into 12,35,000 Equity Shares of Rs. 10/- each	-		1,235,000	
5. Equity Shares issued on 24/08/2013 during the year	12,35,000		-	
6. Weighted Average number of equity shares used as denominator for calculating Basic EPS	18,914,988		18,173,988	
7. Weighted Average number of equity shares used as denominator for calculating Diluted EPS	18,914,988		19,408,988	
8. Earning per Share before Exceptional Items				
a) Basic	2.35		0.20	
b) Diluted	2.35		0.19	
9. Earning per Share after Exceptional Items				
a) Basic	4.40		11.55	
b) Diluted	4.40		10.82	
10. Face Value per equity share (in Rs)	10.00		10.00	



“25” The terms of Redemption of Preference Shares:

Out of the 16,37,000 - 5% Redeemable Cumulative Optionally-Convertible Preference Shares of Rs.100/- each, 9,26,250 Preference Shares were converted into 12,35,000 equity shares of Rs. 10 each at premium of Rs. 65/- per share during the year.

The balance 7,10,750 Preference shares are now redeemable on 30 th September, 2015 and carry dividend @ 0.01% with effect from 01/04/2012. The dividend for earlier years has been fully waived by the Preference Shareholders.

“26” Earning in Foreign Exchange

Nil

Nil

“27” Related party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

Related parties/Nature of Relationship :

Key Managerial Persons

Mr. Anand Arya

Mr. Suraj Dugar

Mr. S. K.Tambawala

Mr. Kalathoor Parthasarathy

Mr. Pujaram Purohit

Associates

Premier Synthetics Limited

Blue Blends Leasing Private Limited

Agarwal Synthetics

Silvassa Span Yarn Industries

Blue Blends Petrochemicals Limited

Cressida Traders Private Limited

Murbad Syntex Private Limited

Premier Equity Limited

Darwin Platform Capital Ltd. (Formerly known as Blue Blends Holding Ltd.)

Mahaveer Yarns Private Limited

Blue Blends Equity Ltd

Subsidiary Company (100%)

Bindal Synthetics Private Limited

Nature of Transaction	Key Managerial Persons	Associates	Subsidiaries	Total
Job Charges Paid	-	1,614.23	-	1,614.23
	-	1,819.37	-	1,819.37
Job Charges Received.	-	0.46	-	0.46
	-	4.78	-	4.78
Rent Paid	-	2.40	0.78	3.18
	-	2.73	-	2.73
Rent Received	-	0.06	0.03	0.09



	-	1.45	-	1.45
Purchases of Goods	-	1,266.68	-	1,266.68
	-	-	-	-
Sale of Finished Goods	-	1,448.09	-	1,448.09
	-	-	-	-
Purchases of Machinery	-	5.00	-	5.00
	-	-	-	-
Interest Paid	-	1.01	-	1.01
	-	-	<i>0.56</i>	<i>0.56</i>
Interest Received	-	93.78	-	93.78
	-	-	-	-
Remuneration	25.85	-	-	25.85
	<i>26.54</i>	-	-	<i>26.54</i>
Sitting fees	0.07	-	-	0.07
	<i>0.11</i>	-	-	<i>0.11</i>
Investment in Share Purchases	-	544.27	349.01	893.28
	-	-	-	-
Loans and advances Re- Paid (Net)	-	-	-	-
	-	-	-	-
Loans and advances Receipts (Net)	-	1,112.06	605.21	1,717.27
	-	<i>535.94</i>	-	<i>535.94</i>
Loans and advances Given	-	58.22	-	58.22
	-	<i>180.51</i>	-	<i>180.51</i>
Deposits Given	-	700.00	725.00	1,425.00
	-	<i>43.75</i>	-	<i>43.75</i>
Balances as at 31st March ,2014				
Trade Payables(Advances from Customers)	-	-	-	-
	-	-	-	-
Trade Receivables	-	-	-	-
	-	-	-	-
Loans & Advances Receivable	-	14.27	-	14.27
	-	<i>1,777.43</i>	-	<i>1,777.43</i>
Loans & Advances Payable	-	198.50	26.76	225.26
	-	-	<i>56.13</i>	<i>56.13</i>
Deposits Given	-	750.00	750.00	1,500.00
	-	<i>75.00</i>	<i>25.00</i>	<i>100.00</i>
Deposit Receipts	-	-	-	-
	-	<i>20.00</i>	-	<i>20.00</i>

Note : *Figures in Italic represent Previous Year's amount*



Disclosure in Respect of Material Related Party Transaction during the year

1. **Job Charges Paid includes :** Premier Synthetics Ltd. Rs. 1614.23 lacs (2013 - Rs. 1819.37 Lacs)
2. **Job Charges Received includes :** Premier Synthetics Ltd. Rs. 0.46 lacs (2013 - Rs. 4.78 Lacs)
3. **Rent Paid includes :**
Bindal Synthetics Pvt.Ltd. Rs. 0.78 lacs (2013 - Rs. 0.78 Lacs)
Agarwal Synthetics Rs. 1.20 lacs (2013 - Rs. 0.90 Lacs)
Indu Anand Arya Rs. 1.20 lacs (2013 - Rs. 1.05 Lacs)
4. **Rent Received includes :**
Bindal Synthetics Pvt. Ltd. Rs. 0.03 lacs (2013 - Rs. 0.35 Lacs)
Premier Synthetics Ltd. Rs. 0.06 lacs (2013 - Rs. 0.71 Lacs)
Blue Blends Leasing Pvt. Ltd. Rs. Nil lacs (2013 - Rs. 0.39 Lacs)
5. **Purchases of Goods includes :** Premier Synthetics Ltd. Rs. 240.42 (2013 - Rs. Nil)
Silvassa Span Yarn Industries Rs. 1026.26 Lacs (2013 - Rs Nil)
6. **Sale of Finished Goods includes :** Silvassa Span Yarn Industries Rs.1448.09 Lacs(2013 - Rs Nil)
7. **Purchases of Machinery includes :** Premier Synthetics Ltd. Rs. 5.00 lacs (2013 - Rs. Nil)
8. **Interest Paid includes :** Blue Blends Equity Ltd. Rs. 1.01 lacs (2013 - Rs. 0.56 Lacs)
9. **Interest Received includes :**
Premier Synthetics Ltd. Rs. 89.34 lacs (2013 - Rs. Nil)
Cressida Traders Pvt.Ltd. Rs. 4.44 lacs (2013 - Rs.Nil)
10. **Remuneration includes :**
Anand Arya Rs. 24.00 lacs (2013 - Rs.24.00 Lacs)
Suraj Dugar Rs. 1.85 lacs (2013 - Rs. 1.89 Lacs)
Ashutosh Khemani Rs.Nil (2013 - Rs. 0.65 Lacs)
11. **Investment in Share Purchases includes -**
Purchase of 86,250 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Cressida Traders Pvt Ltd.Rs.86.25 lacs (2013 -Nil)
Purchase of 1,70,000 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Darwin Platform Capital Ltd.Rs.170.00 lacs (2013 -Nil)
Purchase of 1,15,700 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Blue Blends Leasing Pvt. Ltd.Rs.115.70 lacs (2013 -Nil)
Purchase of 68,050 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Murbad Syntex Pvt. Ltd.Rs.68.05 lacs (2013 -Nil)
Purchase of 50000 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Blue Blends Equity Ltd.Rs.50.00 lacs(2013 -Nil)
Purchase of 1,95,000 Equity Shares of Rs10/- each in Bindal Synthetics Pvt. Ltd. from Blue Blends Leasing Pvt. Ltd. Rs.138.45 lacs (2013 - Rs.Nil)
Purchase of 1,82,000 Equity Shares of Rs10/- each in Bindal Synthetics Pvt. Ltd. from Cressida Traders Pvt. Ltd. Rs.50.96 lacs (2013 - Rs.Nil)
Purchase of 4,000 Equity Shares of Rs10/- each in Bindal Synthetics Pvt. Ltd. from Premier Equity Ltd.Rs.2.00 lacs(2013 -Nil)
Purchase of 19000 Equity Shares of Rs10/- each in Bindal Synthetics Pvt. Ltd. from Anand Kumar Arya HUF Rs.7.60 lacs (2013 - Rs.Nil)



Allotment of 3,00,000 Equity Shares of Rs10/- each by Bindal Synthetics Pvt. Ltd. for Rs.150.00 lacs (2013 - Rs.Nil)

Purchase of 5,40,000 Equity Shares of Rs10/- each in Darwin Platform Capital Ltd. from Blue Blends Equity Ltd. Rs. 54.27 lacs (2013 - Rs.Nil)

12 a) Loans & Advances Receipts Includes :

Premier Synthetics Ltd. Rs. 256.97 lacs (2013 - Rs. 535.53 Lacs)
 Mahaveer Yarns Pvt Ltd. Rs.75.00 lacs (2013 - Payment Rs 150.51 Lacs)
 Darwin Platform Capital Ltd. Rs. 184.50 lacs (2013 - Rs. Nil)
 Murbad Syntex Pvt. Ltd. Rs. 51.90 lacs (2013 - Rs. Nil)
 Blue Blends Leasing Pvt. Ltd. Rs. 486.54 lacs (2013 - Rs. 0.38 Lacs)
 Cressida Traders Pvt. Ltd. Rs. 57.15 lacs (2013 - Rs.Nil)
 Bindal Synthetics Pvt. Ltd. Rs. 605.21 lacs (2013 -Payment Rs. 0.43 Lacs)

b) Loans & Advances Payments Includes :

Silvassa Span Yarn Industries Rs. Nil (2013 - Rs.30.00 Lacs)
 Blue Blends Equity Ltd. Rs. 58.22 lacs (2013 - Receipts Rs. 0.41 Lacs)

13. Deposits Given includes:

Premier Synthetics Ltd. Rs. 700 Lacs (2013 Rs.Nil)
 Bindal Synthetics Pvt. Ltd. Rs.725 lacs(2013 Rs.25 Lacs)
 Indu Arya Rs. Nil (2013 Rs. 18.75 Lacs)
 Agarwal Synthetics Rs. Nil (2013 Rs.25 Lacs)

14. Loans and Advances Balances:

	31.03.2014	Rs. in Lacs 31.03.2013
Received:		
Blue Blends Equity Ltd	-	56.13
Mahaveer Yarns Private Limited	75.00	-
Darwin Platform Capital Ltd.	123.50	-
Bindal Synthetics Pvt. Ltd.	26.76	-
Given :		
Blue Blends Equity Ltd	2.10	-
Premier Synthetics Ltd.	-	256.97
Bindal Synthetics Pvt. Ltd.	-	578.45
Blue Blends Leasing Pvt. Ltd.	8.17	494.71
Cressida Traders Pvt. Ltd.	4.00	61.15
Murbad Syntex Pvt. Ltd.	-	51.90
Darwin Platform Capital Ltd. (Formerly known as Blue Blends Holding Ltd.)	-	61.00
Deposits with -		
Premier Synthetics Ltd.	700.00	-
Bindal Synthetics Pvt. Ltd.	750.00	25.00
Agarwal Synthetics	25.00	25.00
Mrs. Indu Arya	25.00	25.00



“28” Segment Reporting

Textile business is the Company’s only business segment ,hence the disclosure of segment wise information as required by Accounting Standard (AS) 17 on “Segment Reporting” is not applicable .

“29” Contingent Liabilities and Commitments

- i) Guarantees given by the Company’s bankers and counter guaranteed by the Company-Rs. 19.47 lakhs (Previous Year Rs.55.72 lakhs)
- ii) Claims against the Company /disputed liabilities not acknowledged as debts as under :
- a) Disputed Sales Tax Liabilities under Gujarat Value Added Tax Act, 2003 Rs. 11.69 lakhs (Previous Year Rs. 11.69 lakhs)

The Company has deposited the disputed liabilities of Rs 11.69 lakh (Previous Year Rs.11.69 lakhs) with the Sales Tax Authorities under protest.

- b) Disputed Central Excise Duty Rs.5.25 lakhs (Previous Year Rs. 5.25 lakh)

Disputed amount of Rs. 5.25 lakh (Previous Year Rs. 5.25 lakh) deposited by the Company under protest.

- iii) Cumulative Dividends on Preference Shares - Rs. 0.46 lakh (Previous Year Rs. 634.50 lakh) .

“30” Figures of the previous year have been regrouped/recast wherever necessary.

Signatures to Schedules 1 to 30

As per our report of even date
for P.C. Surana & Co.
Chartered Accountants
(Registration No 110631W)

P. C. Surana
Partner
M No 17136

Place : Mumbai.
Dated : 28th April, 2014

for & on behalf of the Board

Anand Arya
Chairman & Managing Director

Suraj Dugar
Director

Archana Dubey
Company Secretary



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956 RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANY, VIZ. BINDAL SYNTHETICS PRIVATE LIMITED.

1. The Financial year of the subsidiary company ended on : 31st March, 2014
2. Date from which it became subsidiary : 26th March,2014
3. a. No. of shares held by Blue Blends (India) Limited (holding company) with its nominee in the subsidiary at the end of the financial year of the subsidiary. : 7, 00,000 Equity Shares of Rs.10/- each fully paid up.
b. Extent of interest of holding company at the end of the financial year of subsidiary : 100%
4. The net aggregate amount of the subsidiary's Profits/(Loss) so far as it concerns the members of the holding company :
 - a. Not dealt with the holding company's accounts :
 - i. For the financial year ended 31st March, 2014. : Rs. (1,80,63,991/-)
 - ii. For the previous financial years of the subsidiary since it became the holding company's subsidiary. : Rs. (4,04,57,741/-)
 - b. Dealt with the holding company's accounts. :
 - i. For the financial year ended 31st March, 2014. : Not Applicable.
 - ii. For the previous financial years of the subsidiary since it became the holding company's subsidiary : Not Applicable.
5. Changes in the holding company's interest in the subsidiary between the end of the financial year of the subsidiary and the end of the holding company's financial year : Not Applicable
6. Material changes between the end of the financial year of the subsidiary and the end of the holding company's financial year in respect of :
 - a. Fixed Assets : Not Applicable
 - b. Investments : Not Applicable
 - c. Moneys lent by the subsidiary company : Not Applicable
 - d. Moneys borrowed by the subsidiary company for any purpose other than that of meeting current liabilities : Not Applicable

For and On behalf of the Board

Anand Arya
Chairman & Managing Director

Suraj Dugar
Director

Archana Dubey
Company Secretary

Place : Mumbai.
Dated : 28th April, 2014



Independent Auditors' Report

To the Members of

BLUE BLENDS (INDIA) LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Financial Statements of **BLUE BLENDS (INDIA) LIMITED ("the Company")** and its subsidiary (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("**the Act**"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated Financial Statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Financial Statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risk of material misstatement of the consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated Financial Statements in order to design audit procedures that are appropriate in the circumstances. An Audit also includes evaluating the appropriateness of Accounting Policies used and the reasonableness of the Accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated Financial Statements. We believe that the Audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Financial Statements give a true and fair view in conformity with the Accounting Principles generally accepted in India:

- (a) In the case of the consolidated Balance Sheet, of the state of Affairs of the Group as at March 31, 2014;
- (b) In the case of the consolidated Statement of Profit & Loss, of the profit of the Group for the year ended on that date; and
- (c) In the case of the consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

Other Matters

The Financial Statements of the only subsidiary company namely Bindal Synthetics Private Limited have been audited by us.

For P.C. SURANA & CO.
Chartered Accountants
(Registration No. 110631W)

Place : Mumbai
Date: 28th April, 2014

(P C Surana)
Partner
Membership No.17136



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2	424,164,880	504,439,880
b) Reserves & Surplus	3	54,038,294	(115,941,551)
		478,203,174	388,498,329
2 Share application money pending allotment			
		-	-
3 Non-current Liabilities			
a) Long-term borrowings	4	378,344,484	243,140,433
b) Deferred tax liabilities		-	-
c) Other long term liabilities		128,041,045	-
d) Long-term provisions -For Employees benefits		1,638,426	1,567,870
		508,023,955	244,708,303
4 Current Liabilities			
a) Short-term borrowings	5	63,623,608	132,750,606
b) Trade payables		248,247,918	237,749,501
c) Other current liabilities	6	78,817,726	72,889,594
		390,689,252	443,389,701
TOTAL		1,376,916,381	1,076,596,333
II ASSETS			
1 Non-current Assets			
a) Fixed Assets			
i) Tangible Assets	7	346,674,481	319,521,218
ii) Intangible Assets		-	-
iii) Capital Work-in-Progress	7	5,704,550	3,569,440
iv) Intangible Assets under development		-	-
v) Goodwill on Consolidation		21,223,195	-
b) Non-current Investments	8	86,412,477	51,002,302
c) Deferred tax assets		35,000,000	-
d) Long-term loans and advances	9	75,000,000	-
e) Other non-current assets		-	-
		570,014,703	374,092,960
2 Current Assets			
(a) Current Investments	10	28,177,650	44,330,900
(b) Inventories	11	286,505,122	214,495,071
(c) Trade Receivables	12	303,726,460	207,654,804
(d) Cash and Cash equivalents	13	102,167,667	7,362,447
(e) Short-term loans and advances	14	86,324,779	228,660,151
		806,901,678	702,503,373
TOTAL		1,376,916,381	1,076,596,333
Significant Accounting Policies	1		
Notes forming part of the Financial Statements 2 to 29			

As per our report of even date
for P.C. Surana & Co.
Chartered Accountants
(Registration No 110631W)

P. C. Surana
Partner
M No 17136

Place : Mumbai.
Dated : 28th April, 2014

for & on behalf of the Board

Anand Arya
Chairman & Managing Director

Suraj Dugar
Director

Archana Dubey
Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note	2013-14 Rs.	2012-13 Rs.
INCOME			
(I) Revenue from Operations	15	1,755,576,463	1,686,922,579
(II) Other Income	16	57,160	18,752,201
(III) Total Revenue		1,755,633,623	1,705,674,780
(IV) EXPENSES			
Cost of Material consumed	17	1,016,535,047	1,026,177,645
Purchases in Stock in Trade (net of purchase returns)		24,459,259	8,406,693
Changes in Inventories of Finished goods, Stock in progress and Stock-in-trade	18	(52,058,379)	(80,962,193)
Employees benefits Expenses	19	52,613,286	50,738,242
Finance Costs	20	92,902,000	68,432,946
Depreciation and Amortization Expenses	21	43,487,925	43,565,579
Other Expenses	22	533,268,218	585,597,913
Total Expenses		1,711,207,356	1,701,956,825
(V) Profit before Exceptional Items		44,426,267	3,717,955
(VI) Exceptional Items	23	20,586,921	206,332,932
(VII) Profit before Taxes		65,013,188	210,050,887
(VIII) Tax Expenses :			
(1) Current tax		12,332,000	10,250
(2) Deferred tax		(35,000,000)	-
(3) Adjustment in Taxation in earlier years		-	-
		(22,668,000)	10,250
(IX) Profit after Taxes		87,681,188	210,040,637
(X) Earning Per Equity Share			
i) Before Exceptional Items			
a) Basic		2.35	0.20
b) Diluted		2.35	0.19
ii) After Exceptional Items			
a) Basic		4.64	11.56
b) Diluted		4.64	10.82

Significant Accounting Policies 1
Notes forming part of the Financial Statements 2 to 29

As per our report of even date
for P.C. Surana & Co.
Chartered Accountants
(Registration No 110631W)

P. C. Surana
Partner
M No 17136

Place : Mumbai.
Dated : 28th April, 2014

for & on behalf of the Board

Anand Arya
Chairman & Managing Director

Suraj Dugar
Director

Archana Dubey
Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014
Pursuant to Clause 32 of the Listing Agreement

Rs. in lacs

	As At 31.03.2014	As At 31.03.2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit after Exceptional Items and before Taxes as per Statement of Profit and Loss	650.13	2,100.51
Adjusted for:		
Depreciation and Amortisation Expenses	434.88	435.66
Interest Income	-	(10.12)
Dividend Income	(0.01)	(0.01)
Sundry Balances Written Back	-	(173.42)
Sundry Advances/Deposits W/off	66.64	20.83
Modvat Claims written off	-	182.82
(Profit)/Loss on Sale of Assets (Net)	-	19.27
Fixed Assets Discarded	4.82	14.00
Finance Cost	929.02	684.34
Operating profit before working capital changes and Exceptional Items	2,085.48	3,273.87
Adjusted for:		
Trade and Other Receivables	411.14	439.70
Inventories	(720.10)	(699.04)
Trade & Other Payables	158.57	341.07
Cash Generated from Operations before Exceptional Items	1,935.09	3,355.60
Adjusted for:		
Exceptional items - Profit on sale of Fixed Assets (Refer note no. 23)	(298.74)	-
Loss on sale of Investments (Refer note no. 23)	92.87	-
Interest Liabilities written back	-	(2,063.33)
Direct Taxes Paid	(15.13)	(1.46)
Net Cash from Operating Activities	1,714.09	1,290.81
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(776.72)	(350.57)
Sale of Fixed Assets	359.50	83.27
Purchase of Investments	(876.90)	-
Sale of Investments	266.07	-
Interest Income	-	10.12
Dividend Income	0.01	0.01
Net Cash (used in) Investing Activities	(1,028.05)	(257.18)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long-term borrowings(Net)	2,632.45	(417.54)
Long-term deposits given	(750.00)	-
Short-term borrowings(Net)	(691.27)	14.69
Shares Issue Expenses	(0.15)	-
Interest Paid	(929.02)	(684.32)
Net Cash (used in) from Financing Activities	262.01	(1,087.17)
Net Increase in Cash and Cash Equivalents (A+B+C)	948.05	(53.54)
Opening Balance of Cash and Cash Equivalents	73.62	127.16
Closing Balance of Cash and Cash Equivalents	1,021.67	73.62

As per our report of even date
for **P.C. Surana & Co.**
Chartered Accountants
(Registration No 110631W)

P. C. Surana
Partner
M No 17136

Place : Mumbai.
Dated : 28th April, 2014

for & on behalf of the Board

Anand Arya
Chairman & Managing Director

Suraj Dugar
Director

Archana Dubey
Company Secretary



Notes on Consolidated Financial Statements for the Year Ended on 31st March, 2014

“1” SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

A. Principles of Consolidation

- a) The financial statements of the Company and its subsidiary company are combined on a line-by line basis by adding together the book value of like items of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21-“Consolidated Financial Statements”
 - b) The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.
 - c) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss account being the profit or loss on disposal of investment in subsidiary.
 - d) Minority Interest’s share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the share-holders of the Company.
 - e) Minority Interest’s share of net assets of consolidated subsidiaries for the year is identified and presented in the consolidated balance sheet separate from liabilities and equity of the Company’s shareholders.
 - f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s separate financial statements.
- B.** Investments other than in subsidiary company have been accounted as per Accounting Standard (AS) 13 on “Accounting for Investments” issued by the Institute of Chartered Accountants of India (ICAI) referred to in Section 211 (3C) of the Companies Act, 1956.
- C.** Other Significant accounting policies
These are set out under “Significant Accounting Policies” as given in the Company’s separate financial statements.

	As At 31.03.2014 Rs.	As At 31.03.2013 Rs.
“2” Share Capital		
Authorised:		
2,05,00,000(Previous Year 2,05,00,000) Equity Shares of Rs.10 each	205,000,000	205,000,000
33,00,000 (Previous Year 33,00,000) Preference Shares of Rs.100 each.	330,000,000	330,000,000
	<u>535,000,000</u>	<u>535,000,000</u>
Issued, Subscribed and Fully Paid-up:		
Cumulative Redeemable preference Shares		
0.01% 23,00,750(Previous Year - 0.01% 32,27,000)	230,075,000	322,700,000
Redeemable Cumulative Non-convertible Preference shares of Rs.100 each		
Equity Shares		
1,94,08,988 (Previous Year -1,81,73,988) Equity Shares of Rs.10 each fully paid up of Rs.10 each	194,089,880	181,739,880
	<u>424,164,880</u>	<u>504,439,880</u>
Reconciliation of the number of shares outstanding at the beginning and at the end of the year		
Equity Shares		
No. of the Equity Shares at the beginning of the year	18,173,988	18,173,988
Addition during the year	1,235,000	-
Total No. of Equity Shares at the end of the year	<u>19,408,988</u>	<u>18,173,988</u>
0.01% Cumulative Redeemable preference Shares		
No. of the Preference Shares at the beginning of the year	3,227,000	3,227,000
Reduction during the year	926,250	-
Total No. of Preference Shares at the end of the year	<u>2,300,750</u>	<u>3,227,000</u>

Note: (i) During the year, the Company issued 12,35,000 Equity Shares of RS. 10/- each at a premium of Rs.65/- on Preferential basis to Edelweiss Asset Reconstruction Company Limited on conversion of their 9,26,250 Optionally Convertible Preference Shares as per Resolution passed at the Annual General Meeting held on 12/08/2013.

(ii) Refer Note No. 25 for Terms & Conditions as to Redemption of above Preference Shares.



As At
31.03.2014
Rs.

As At
31.03.2013
Rs.

Details of shareholders holding more than 5% shares :

Cumulative Redeemable Preference Shares

i) 0.01% (Previous Year - 0.01%) Redeemable Cumulative

Non Convertible Preference share

	<u>No. of shares</u>	<u>% held</u>	<u>No. of shares</u>	<u>% held</u>
Premier Synthetics Limited	250,000	10.87	200,000	6.20
Jindal Worldwide Limited	160,000	6.95	160,000	4.96
Anand Arya	990,000	43.03	-	-
Edelweiss Asset Reconstruction Company Limited	-	-	990,000	30.68
Anand Arya	710,750	30.89	-	-
Edelweiss Asset Reconstruction Company Limited	-	-	1,637,000	50.73

Equity Shares

	<u>No. of Shares</u>	<u>% held</u>	<u>No. of Shares</u>	<u>% held</u>
Anand Arya	8,421,427	43.39	7,428,869	40.88
Aman Arya	1,400,000	7.21	1,400,000	7.70
Indu Arya	2,301,114	11.86	2,087,973	11.49
Bindal Synthetics Private Limited	-	-	1,008,588	5.55
Cressida Traders Private Limited	1,000,600	5.16	-	-
Edelweiss Asset Reconstruction Company Limited	1,235,000	6.36	-	-

“3” Reserves & Surplus

Capital Reserves:

339,336,054

339,336,054

Preference Share Capital Redemption Reserve

Balance as per last Balance Sheet	7,500,000		7,500,000	
Add : Transferred from Profit & Loss a/c	<u>10,000,000</u>		<u>-</u>	
		17,500,000		7,500,000

Securities Premium Reserve

Received during the year	80,275,000		-	
Less: Share Issue Expenses	<u>15,000</u>	80,260,000	<u>-</u>	-

Debenture Redemption Reserve

Transferred from Profit & Loss a/c		20,000,000		-
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Profit and Loss Account

Balance as per last Balance Sheet	(462,777,605)		(672,818,242)	
Add : Profit/(Loss) for the year	87,681,188		210,040,637	
Add: Adjustment on account of a Comoany ceased to be subsidisry	2,038,657		-	
Less : Transferred to Debenture Redemption Reserve	20,000,000		-	
Less : Transferred to Preference Share Redemption Reserve	<u>10,000,000</u>		<u>-</u>	
		(403,057,760)		(462,777,605)
		<u>54,038,294</u>		<u>(115,941,551)</u>

“4” Non-current Liabilities

a) Long term borrowings

Secured

i) 16% Non Convertible Debentures	377,500,000		-	
ii) Term Loans- From Others	-		239,800,000	
iii) Vehicle Loans	844,484		3,340,433	
		<u>378,344,484</u>		<u>243,140,433</u>

b) Other Long term borrowings

Unsecured

From Others	<u>128,041,045</u>		-	
		<u>128,041,045</u>		<u>-</u>



“4.1” During the year, the Company has issued 430-16% Secured Non-Convertible Debentures (16% NCDs) of Rs. 10 lacs each for Rs. 4300.00 lacs to Religare Finvest Limited. These NCDs are secured by-

- i) First and exclusive charge by hypothecation of all the Plant and Machineries situated at Company’s manufacturing Unit at Piplej, Ahmedabad and all other current assets of the Company
 - ii) Pledge of 51% of the Equity shares of the Company held by the Promoters and entire equity share capital of Bindal Synthetics Pvt.Ltd. (BSPL) held by the Company
 - iii) Mortgage of freehold land at Piplej, Ahmedabad owned by its subsidiary Company, BSPL and one of the personal property of the Promoters and
 - iv) Corporate guarantee by BSPL and personal guarantee of Promoters.
- Interest on 16% NCDs is payable quarterly @ 16% per annum 16% NCDs are repayable in 16 equal quarterly installments starting from 31/07/2014.

Term Loans- From Others payable to Edelweiss Asset Reconstruction Company Limited was fully repaid during the year.

“4.2” Vehicle Loans of Rs.8.44 lakhs are secured by first charge and hypothication of respective vehicles financed and are repayable in equal monthly installments over a remaining period of two years.

“4.3” Maturity profile of the Secured Long Term Borrowings are as under:

	(Rs. In lacs)		
	Maturity Profile		
	2015-16	2016-17	2017-18
Non-Convertible Debentures	92,500,000	115,000,000	170,000,000
Vehicle Loans	844,484	-	-
	As At		As At
	31.03.2014		31.03.2013
	Rs.		Rs.
“5” Short term borrowings			
Unsecured, repayable on demand			
Loans and Advances			
Life Insurance Corporation of India	-	-	10,380,000
From Related Parties	19,850,000		
From Others	43,773,608	122,370,606	
	<u>63,623,608</u>		<u>122,370,606</u>
	<u>63,623,608</u>		<u>132,750,606</u>
“6” Other Current Liabilities			
Current maturities of long term debt (Secured)	54,991,037	57,481,512	
Advances from Customers	-	8,039,784	
Other Payables*	23,826,689	7,368,298	
	<u>78,817,726</u>		<u>72,889,594</u>
	<u>78,817,726</u>		<u>72,889,594</u>

*Includes statutory dues and security deposits.

**“7” Fixed Assets
Tangible Assets**

(Amt in Rs.)

Description of Assets	Gross Block				Depreciation				Net Carrying Value	
	As at 1.04.2013	Additions	Deletions	As at 31.03.2014	Up to 31.03.2013	For the Year	Adjustment (Del.)Add.	Up to 31.03.2014	As at 31.03.2014	As at 31.03.2013
Freehold Land	1,762,727	50,535,083	580,982	51,716,828	-	-	-	-	51,716,828	580,982
Leasehold Land	3,456,223	-	255,654	3,200,569	-	-	-	-	3,200,569	3,456,223
Factory Building	154,723,681	85,730	16,026,355	138,783,056	81,070,110	4,768,172	11,578,453	74,259,829	64,523,227	73,640,339
Office Building	777,245	-	-	777,245	162,211	12,669	-	174,880	602,365	335,259
Residential Building	565,041	-	-	565,041	88,378	-	-	88,378	476,663	476,663
Plant & Machineries	680,018,269	24,156,448	12,025,606	692,149,111	460,034,009	35,432,733	11,421,238	484,045,504	208,103,607	219,984,260
Electrical Installations	27,499,662	9,470	1,454,834	26,054,298	23,212,476	1,237,729	1,382,093	23,068,112	2,986,186	4,287,186
Furniture & Fixtures	9,995,605	40,795	5,303,979	4,732,421	7,895,057	173,877	5,038,780	3,030,154	1,702,267	2,100,548
Vehicles	15,860,592	-	68,605	15,791,987	3,733,125	1,479,174	65,183	5,147,116	10,644,871	12,127,467
Office Equipment	3,994,409	180,913	731,171	3,444,151	2,341,307	159,810	692,740	1,808,377	1,635,774	1,653,102
Computer	6,422,750	528,732	2,040,768	4,910,714	5,543,561	223,761	1,938,732	3,828,590	1,082,124	879,189
Total Tangible Assests	905,076,204	75,537,171	38,487,954	942,125,421	584,080,234	43,487,925	32,117,219	595,450,940	346,674,481	319,521,218
Previous Year	949,842,803	31,487,834	77,864,910	903,465,727	606,589,602	43,565,579	66,210,672	583,944,509	319,521,218	-
Capital work-in-progress	3,569,440	2,135,110	-	5,704,550	-	-	-	-	5,704,550	3,569,440

Notes: Capital work in Progress is the cost of under construction building at Factory Premises at Piplej , Ahmedabad.



	As At 31.03.2014 Rs.	As At 31.03.2013 Rs.
“8” Non-current Investments		
A. Trade Investments (At Cost)		
In Preference Shares of Associate Company- Quoted, fully paid up		
8,00,000 (Previous Year 3,10,000) Redeemable Cumulative Non Convertible Preference Shares of Rs.100/- each of Premier Synthetics Limited	80,000,000	51,000,000
31,58,240 (Previous Year Nil) Equity Shares of Rs. 2/- each In Blue Blends Petrochemicals Ltd.	<u>6,332,275</u>	
	86,332,275	
B. In Equity Shares of Associate Companies Unquoted, fully paid up		
76,000 (Previous Year Nil) Equity Shares of Rs. 10/- each In Blue Blends Leasing Pvt. Ltd.	77,900	
Total Trade Investment (A)	<u>86,410,175</u>	<u>51,000,000</u>
C Unquoted, fully paid up		
20 (Previous Year 20) Dhanudyog Sahakari Sangh Limited of Rs.100 each	2,302	2,302
Total Other Investment (C)	<u>2,302</u>	<u>2,302</u>
Total Non-current Investment (A to C)	<u>86,412,477</u>	<u>51,002,302</u>
Aggregate amount of Quoted investments	86,332,275	51,000,000
Market value of Quoted Investment	86,332,275	51,000,000
Aggregate amount of Unquoted investment	80,202	2,302
“9” Long -Term Loans and Advances		
Deposits with Related Parties	75,000,000	-
	<u>75,000,000</u>	<u>-</u>
10” Current Investment		
A. Other Investments (At Cost)		
In Equity Shares of Associate Companies Unquoted, fully paid up		
9,40,000 (Previous Year 940,000) Blue Blends Holding Limited. of Rs. 10 each	9,427,000	9,427,000
17,99,994 (Previous Year Nil) Blue Blends Equity Limited. of Rs. 10 each	16,950,070	-
Total Other Investments (A)	<u>26,377,070</u>	<u>9,427,000</u>
B. In Equity Shares of Other Companies Quoted, fully paid up		
180 (Previous Year 180) Asian Paints Limited of Rs 1/- each	3,900	3,900
1,40,800 (Previous Year 27,35,000) Blue Blends Finance Ltd. of Rs. 10 each	1,796,680	34,900,000
Total Trade Investment (B)	<u>1,800,580</u>	<u>34,903,900</u>
Total Current Investment (A to B)	<u>27,537,650</u>	<u>44,330,900</u>
Aggregate amount of Quoted investments	1,800,580	34,903,900
Market value of Quoted Investment	4,449,090	15,459,159
Aggregate amount of Unquoted investment	26,377,070	9,427,000



	As At 31.03.2014 Rs.	As At 31.03.2013 Rs.
“11” Inventories		
Raw- Materials	75,392,278	63,687,485
Work - in - progress	78,841,048	69,332,247
Finished Goods(At lower of cost and net realisable value)	112,871,577	70,139,033
Stores & Spare parts	9,810,150	7,205,808
Packing Material	882,763	684,145
Dyes,Chemicals & Lubricants	8,707,306	3,446,353
	<u>286,505,122</u>	<u>214,495,071</u>
“12” Trade Receivables		
(Unsecured and considered good)		
Over Six months	10,744,800	5,029,046
Others	292,981,660	202,625,758
	<u>303,726,460</u>	<u>207,654,804</u>
“13” Cash and Cash Equivalents		
Balances with Bank		
In Current Accounts	81,126,459	4,395,930
In Fixed Deposit Accounts	20,438,546	2,763,173
Cash on hand	602,662	203,344
	<u>102,167,667</u>	<u>7,362,447</u>
Fixed Deposits with Banks include Deposits of Rs.25.53 lakhs are pledged as security and Rs. 173.41 lacs are earmarked to secure the payment of interest on NCDs.		
“14” Short-Term Loans and Advances		
(Unsecured, considered good)		
Loans and Advances to Related Parties	40,472,777	177,743,292
Balances/Claims with Revenue Authorities	7,025,854	5,522,392
Deposits	8,411,824	16,865,610
Others*	30,414,324	28,528,857
	<u>86,324,779</u>	<u>228,660,151</u>

*Includes primarily advances to suppliers, interest receivables and advances to staff.



	2013-14 Rs.	2012-13 Rs.
“15” Revenue from Operations		
a) Sale of Products	1,733,059,840	1,657,426,200
b) Sale of Services	45,856	478,364
c) Other Operating Revenues	<u>22,470,767</u>	<u>29,018,015</u>
	<u>1,755,576,463</u>	<u>1,686,922,579</u>
Less : Excise Duties	-	-
	<u>1,755,576,463</u>	<u>1,686,922,579</u>
“16” Other Income		
Dividend	855	720
Interest Income	-	1,011,799
Sundry Balances Written Back	-	17,341,517
Profit on Sale of Assets	-	-
Rent Received	47,845	396,445
Miscellaneous Income	<u>8,460</u>	<u>1,720</u>
	<u>57,160</u>	<u>18,752,201</u>
“17” Cost of Materials consumed (100% Indigenous)		
Stock at Commencement	1,026,177,645	75,423,736
Add : Purchases	65,749,680	1,014,441,394
Less : Stock at close	<u>75,392,278</u>	<u>63,687,485</u>
	<u>1,016,535,047</u>	<u>1,026,177,645</u>
“18” Changes in Inventories of Finished goods, Stock in progress and Stock-in-trade		
Opening Stock		
Finished Goods	70,139,033	15,020,039
Semi Finished Goods	<u>69,332,247</u>	<u>43,489,048</u>
Closing Stock		
Finished Goods	112,688,611	70,139,033
Semi Finished Goods	<u>78,841,048</u>	<u>69,332,247</u>
	<u>191,529,659</u>	<u>139,471,280</u>
	<u>(52,058,379)</u>	<u>(80,962,193)</u>
“19” Employees benefits Expenses		
Salaries, Wages & Bonus	44,410,564	43,071,282
Contribution to Provident Fund & Other Funds	3,170,137	3,231,023
Employees Welfare & Other Amenities	3,420,623	2,977,555
Gratuity	<u>1,611,962</u>	<u>1,458,382</u>
	<u>52,613,286</u>	<u>50,738,242</u>
“20” Finance Cost		
(a) Interest on loan	98,511,728	68,432,946
(b) Other Interest	<u>5,955,690</u>	-
	<u>104,467,418</u>	<u>68,432,946</u>
Less : Interest received	<u>11,565,418</u>	<u>-</u>
	<u>92,902,000</u>	<u>68,432,946</u>
	<u>92,902,000</u>	<u>68,432,946</u>



	2013-14 Rs.	2012-13 Rs.
“21” Depreciation and Amortization Expenses		
Depreciation and amortization	<u>43,487,925</u>	<u>43,565,579</u>
“22” Other Expenses		
Manufacturing Expenses		
Dyes & Chemicals	91,021,806	97,139,848
Oil & Lubricants	-	665,819
Stores & Spares	19,783,321	21,256,725
Testing Expenses	233,595	90,952
Labour & Job Charges	271,568,696	282,053,739
Power & Fuel Charges	90,695,022	107,111,377
Repairs to Buildings	978,857	1,891,179
Repairs to Plant & Machinery	<u>4,804,643</u>	<u>5,545,527</u>
	479,085,940	515,755,166
Sales & Distribution Expenses		
Packing Materials	11,540,433	12,168,148
Sales Promotion & Advertisement Expenses	613,751	1,481,596
Brokerage, Commission & Discount	1,707,694	2,404,175
Freight & Forwarding Charges	<u>1,771,661</u>	<u>3,065,383</u>
	15,633,539	19,119,302
Establishment Expenses		
Rent	1,242,134	1,178,605
Rates & Taxes	2,669,104	1,787,731
Insurance Charges	786,298	692,165
Postage & Telephone	2,154,139	2,000,587
Other Repairs	233,956	177,458
Printing & Stationery	1,189,453	1,084,419
Travelling Expenses	3,200,285	2,028,536
Conveyance Expenses	1,547,249	1,090,147
Sundry Expenses	2,710,359	3,464,278
Legal & Professional Charges	13,089,563	2,416,739
Bank Charges	148,209	91,313
Security Charges	1,088,085	996,576
BSE reinstatement charges for listing	-	3,831,476
Modvat Claims written off	-	18,281,791
Sundry Advances/Deposits W/off	6,663,823	2,082,885
Membership & Subscription	417,664	254,349
Listing Fees	699,734	237,928
Loss on Sale of Fixed Assets(Net)	-	7,423,653
Fixed Assets Discarded	481,830	1,400,000
Auditors’ Remuneration	<u>226,854</u>	<u>202,809</u>
	38,548,739	50,723,445
	<u>533,268,218</u>	<u>585,597,913</u>
“23” Exceptional Items		

Exceptional Items in the current year include profit of Rs. 298.74 Lacs on sale of Fixed assets; profit of Rs. 44.04 lacs on disposal of Investment in a subsidiary and loss of Rs 136.91 Lacs on sale of other investments.



	2013-14 Rs.	2012-13 Rs.
“24” Earning Per Equity Share		
1. Net Profit/(Loss) for the year before Exceptional Items as per Statement of Profit and Loss attributable to Equity Shareholders	44,426,267	3,717,955
2. Net Profit/(Loss) for the year after Exceptional Items as per Statement of Profit and Loss attributable to Equity Shareholders	87,681,188	210,040,637
3. Number of Equity Shares	19,408,988	18,173,988
4. Prev.Year 9,26,250 - 5% Redeemable Cumulative Optionally - convertible Preference Shares of Rs. 100/- each to be converted into 12,35,000 Equity Shares of Rs. 10/- each	-	1,235,000
5. Equity Shares issued on 24/08/2013 during the year	12,35,000	-
6. Weighted Average number of equity shares used as denominator for calculating Basic EPS	18,914,988	18,173,988
7. Weighted Average number of equity shares used as denominator for calculating Diluted EPS	18,914,988	19,408,988
8. Earning per Share before Exceptional Items		
a) Basic	2.35	0.20
b) Diluted	2.35	0.19
9. Earning per Share after Exceptional Items		
a) Basic	4.64	11.56
b) Diluted	4.64	10.82
10. Face Value per equity share (in Rs)	10.00	10.00

“25” The terms of Redemption of Preference Shares:

Out of the 16,37,000 - 5% Redeemable Cumulative Optionally-Convertible Preference Shares of Rs.100/- each, 9,26,250 Preference Shares were converted into 12,35,000 equity shares of Rs. 10 each at premium of Rs. 65/- per share during the year. The balance 7,10,750 Preference shares are now redeemable on 30 th September, 2015 and carry dividend @ 0.01% with effect from 01/04/2012. The dividend for earlier years has been fully waived by the Preference Shareholders.

“26” Related party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

Related parties/Nature of Relationship :

Key Managerial Persons

Mr. Anand Arya

Mr. Suraj Dugar

Mr. S. K.Tambawala

Mr. Kalathoor Parthasarathy

Mr. Pujaram Purohit

Associates

Premier Synthetics Limited

Blue Blends Leasing Private Limited

Agarwal Synthetics

Silvassa Span Yarn Industries

Blue Blends Petrochemicals Limited

Cressida Traders Private Limited

Murbad Syntex Private Limited

Premier Equity Limited

Darwin Platform Capital Ltd. (Formerly known as Blue Blends Holding Ltd.)

Mahaveer Yarns Private Limited

Blue Blends Equity Ltd

Subsidiary Company (100%)

Bindal Synthetics Private Limited



Nature of Transaction	Key Managerial Persons	Associates	Total
Job Charges Paid	-	1,614.23	1,614.23
	-	<i>1,819.37</i>	<i>1,819.37</i>
Job Charges Received.	-	0.46	0.46
	-	<i>4.78</i>	<i>4.78</i>
Rent Paid	-	2.40	2.40
	-	<i>2.73</i>	<i>2.73</i>
Rent Received	-	0.06	0.06
	-	<i>1.45</i>	<i>1.45</i>
Purchases of Goods	-	1,266.68	1,266.68
	-	-	-
Sale of Finished Goods	-	1,448.09	1,448.09
	-	-	-
Purchases of Machinery	-	5.00	5.00
	-	-	-
Interest Paid	-	1.01	1.01
	-	-	-
Interest Received	-	93.78	93.78
	-	-	-
Remuneration	25.85	-	25.85
	<i>26.54</i>	-	<i>26.54</i>
Sitting fees	0.07	-	0.07
	<i>0.11</i>	-	<i>0.11</i>
Investment in Share Purchases	-	544.27	544.27
	-	-	-
Loans and advances Re- Paid (Net)	-	-	-
	-	-	-
Loans and advances Receipts (Net)	-	1,112.06	1,112.06
	-	<i>535.94</i>	<i>535.94</i>
Loans and advances Given	-	58.22	58.22
	-	<i>180.51</i>	<i>180.51</i>
Deposits Given	-	700.00	1,425.00
	-	<i>43.75</i>	<i>43.75</i>
Balances as at 31st March ,2014			
Trade Payables(Advances from Customers)	-	-	-
	-	-	-
Trade Receivables	-	-	-
	-	-	-
Loans & Advances Receivable	-	14.27	14.27
	-	<i>1,777.43</i>	<i>1,777.43</i>
Loans & Advances Payable	-	198.50	198.50
	-	-	-
Deposits Given	-	750.00	750.00
	-	<i>50.00</i>	<i>50.00</i>
Deposit Receipts	-	-	-
	-	<i>20.00</i>	<i>20.00</i>

Note : Figures in Italic represent Previous Year's amount



Disclosure in Respect of Material Related Party Transaction during the year

1. **Job Charges Paid includes :** Premier Synthetics Ltd. Rs. 1614.23 lacs (2013 - Rs. 1819.37 Lacs)
2. **Job Charges Received includes :** Premier Synthetics Ltd. Rs. 0.46 lacs (2013 - Rs. 4.78 Lacs)
3. **Rent Paid includes :**
Agarwal Synthetics Rs. 1.20 lacs (2013 - Rs. 0.90 Lacs)
Indu Anand Arya Rs. 1.20 lacs (2013 - Rs. 1.05 Lacs)
4. **Rent Received includes :**
Premier Synthetics Ltd. Rs. 0.06 lacs (2013 - Rs. 0.71 Lacs)
Blue Blends Leasing Pvt. Ltd. Rs. Nil (2013 - Rs. 0.39 Lacs)
5. **Purchases of Goods includes :** Premier Synthetics Ltd. Rs. 240.42 Lacs (2013 - Rs. Nil)
Silvassa Span Yarn Industries Rs. 1026.26 Lacs (2013 - Rs Nil)
6. **Sale of Finished Goods includes :** Silvassa Span Yarn Industries Rs.1448.09 Lacs(2013 - Rs Nil)
7. **Purchases of Machinery includes :** Premier Synthetics Ltd. Rs. 5.00 lacs (2013 - Rs. Nil)
8. **Interest Paid includes :** Blue Blends Equity Ltd. Rs. 1.01 lacs (2013 - Rs. 0.56 Lacs)
9. **Interest Received includes :**
Premier Synthetics Ltd. Rs. 89.34 lacs (2013 - Rs. Nil)
Cressida Traders Pvt.Ltd. Rs. 4.44 lacs (2013 - Rs.Nil)
10. **Remuneration includes :**
Anand Arya Rs. 24.00 lacs (2013 - Rs.24.00 Lacs)
Suraj Dugar Rs. 1.85 lacs (2013 - Rs. 1.89 Lacs)
Ashutosh Khemani Rs.Nil (2013 - Rs. 0.65 Lacs)
11. **Investment in Share Purchases includes -**
Purchase of 86,250 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Cressida Traders Pvt Ltd.Rs.86.25 lacs (2013 -Nil)
Purchase of 1,70,000 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Darwin Platform Capital Ltd.Rs.170.00 lacs (2013 -Nil)
Purchase of 1,15,700 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Blue Blends Leasing Pvt. Ltd.Rs.115.70 lacs (2013 -Nil)
Purchase of 68,050 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Murbad Syntex Pvt. Ltd.Rs.68.05 lacs (2013 -Nil)
Purchase of 50000 Preference Shares of Rs.100/- each in Premier Synthetics Ltd. from Blue Blends Equity Ltd.Rs.50.00 lacs(2013 -Nil)
Purchase of 5,40,000 Equity Shares of Rs10/- each in Darwin Platform Capital Ltd.from Blue Blends Equity Ltd. Rs. 54.27 lacs (2013 - Rs.Nil)
- 12 a) **Loans & Advances Receipts Includes :**
Premier Synthetics Ltd. Rs. 256.97 lacs (2013 - Rs. 535.53 Lacs)
Mahaveer Yarns Pvt Ltd. Rs.75.00 lacs (2013 - Rs 150.41Lacs)
Darwin Platform Capital Ltd. Rs. 184.50 lacs (2013 - Rs. Nil)
Murbad Syntex Pvt. Ltd. Rs. 51.90 lacs (2013 - Rs. Nil)
Blue Blends Leasing Pvt. Ltd. Rs. 486.54 lacs (2013 -Payment Rs. 0.38 Lacs)
Cressida Traders Pvt. Ltd. Rs. 57.15 lacs (2013 -Payment Rs.Nil)
- b) **Loans & Advances Payments Includes :**
Silvassa Span Yarn Industries Rs. Nil (2013 - Rs.30.00 Lacs)
Blue Blends Equity Ltd. Rs. 58.22 lacs (2013 - Receipts Rs. 0.41 Lacs)
13. **Deposits Given includes:**
Premier Synthetics Ltd. Rs. 700 Lacs (2013 Rs.Nil)
Indu Arya Rs. Nil (2013 Rs. 18.75 Lacs)
Agarwal Synthetics Rs. Nil (2013 Rs.25 Lacs)



14. Loans and Advances Balances:		Rs. in Lacs
Received:	31.03.2014	31.03.2013
Blue Blends Equity Ltd	-	56.13
Mahaveer Yarns Private Limited	75.00	-
Darwin Platform Capital Ltd. (Formerly known as Blue Blends Holding Ltd.)	123.50	-
Given :		
Blue Blends Equity Ltd	2.10	-
Premier Synthetics Ltd.	-	256.97
Blue Blends Leasing Pvt. Ltd.	8.17	494.71
Cressida Traders Pvt. Ltd.	4.00	61.15
Murbad Syntex Pvt. Ltd.	-	51.90
Darwin Platform Capital Ltd. (Formerly known as Blue Blends Holding Ltd.)	-	61.00
Deposits with -		
Premier Synthetics Ltd.	700.00	-
Agarwal Synthetics	25.00	25.00
Mrs. Indu Arya	25.00	25.00

“27” Segment Reporting

Textile business is the Company's only business segment ,hence the disclosure of segment wise information as required by Accounting Standard (AS) 17 on “Segment Reporting” is not applicable .

“28” Contingent Liabilities and Commitments

- i) Guarantees given by the Company's bankers and counter guaranteed by the Company-Rs. 19.47 lakhs (Previous Year Rs.55.72 lakhs)
- ii) Claims against the Company /disputed liabilities not acknowledged as debts as under :
 - a) Disputed Sales Tax Liabilities under Gujarat Value Added Tax Act, 2003 Rs. 11.69 lakhs (Previous Year Rs. 11.69 lakhs)
The Company has deposited the disputed liabilities of Rs 11.69 lakh (Previous Year Rs.11.69 lakhs) with the Sales Tax Authorities under protest.
 - b) Disputed Central Excise Duty Rs.5.25 lakhs (Previous Year Rs. 5.25 lakh)
Disputed amount of Rs. 5.25 lakh (Previous Year Rs. 5.25 lakh) deposited by the Company under protest.
- iii) Cumulative Dividends on Preference Shares - Rs. 0.46 lakh (Previous Year Rs. 634.50 lakh) .

“29” Figures of the previous year have been regrouped/recast wherever necessary.

Signatures to Schedules 1 to 29

As per our report of even date
for P.C. Surana & Co.
Chartered Accountants
(Registration No 110631W)

P. C. Surana
Partner
M No 17136

Place : Mumbai.
Dated : 28th April, 2014

for & on behalf of the Board

Anand Arya
Chairman & Managing Director

Suraj Dugar
Director

Archana Dubey
Company Secretary



BLUE BLENDS (INDIA) LIMITED

Registered Office: JBF House, 2nd Floor, Old Post Office Lane, Kalbadevi Road, Mumbai – 400 002

ATTENDANCE SLIP

To be handed over at the entrance of the meeting hall.

Name of the Shareholder (in Block Letters) _____

L.F. No. / DP ID / Client ID _____

Name of the Proxy (in Block Letters) to be filled if the Proxy attends instead of the Member _____

Number of Shares held _____

I hereby record my presence, at the Annual General Meeting held on Friday the 25th day of July, 2014 at 10.30 a.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai-400 021.

Member's / Proxy's Signature

1. To be signed at the time of handing over this slip.
2. Shareholders are requested to advise, indicating their folio number, the change of their address, if any, to the Company.



BLUE BLENDS (INDIA) LIMITED

Registered Office: JBF House, 2nd Floor, Old Post Office Lane, Kalbadevi Road, Mumbai – 400 002

PROXY

L.F.No. / DP ID / Client ID	
No. of Shares	

I/We _____

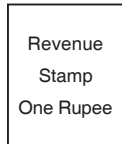
of _____

being a member/members of the above named Company, hereby appoint _____ of

_____ or failing him _____

as my/our Proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, the 25th day of July, 2014 at 10.30 a.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai-40 0021.

Signed at _____ this _____ day of _____ 2014.



Notes :

1. This instrument of Proxy should be deposited at the Secretarial Department of the Company, not less than 48 hours before the holding of the meeting.
2. The form should be signed across the stamp as per the specimen signature registered with the company.
3. A Proxy need not be a member.

BOOK - POST

TO

If undelivered, Please return to :

BLUE BLENDS (INDIA) LIMITED

JBF House, 2nd Floor, Old Post Office Lane,
Kalbadevi Road, Mumbai – 400002

Email : blueblends.ho@gmail.com

Website : www.blueblends.com