



BLUE BLENDS (INDIA) LIMITED

35th
Annual Report
2015 - 2016

ANNUAL GENERAL MEETING

On Tuesday, the 27th day of September,

2016 at 11.30 a.m. at Tarabai Hall,

Shiv Prasad, 97-Marine Drive, Marine Lines

West, Mumbai 400 002.

Members are requested to kindly bring their copies of the Annual Report to the Meeting

REGISTERED OFFICE:-

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

PLANT:

Plot No.123/B, Saijpur, Gopalpur, Pirana Road,Piplej,

Ahmedabad 382405, (Gujarat).

DENIM DIVISION :

603, Sahajanand, Shahibaug Road, Ahmedabad - 380004

SECRETARIAL DEPARTMENT :

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

Mumbai 400 002

REGISTRAR & TRANSFER AGENTS :

PURVA SHAREGISTRY (INDIA) PVT. LTD.

9, Shiv Shakti Industrial Estate,

J R Boricha Marg,

Opp. Kasturba Hospital,

Lower Parel (E), Mumbai - 400 011

Tel.: 022- 2301 2518 / 2301 8261

Fax: 022- 2301 2517

Email ID: busicomp@gmail.com

BOARD OF DIRECTORS

Mr. Anand Arya

(Chairman & Managing Director)

Ms. Rukmani Iyer

(Non-Executive Director)

Mr. Shabbir Tambawalla

(Independent Director)

Mr. Janardan Joshi

(Independent Director)

Mr. Kalathoor Parthasarthy

(Independent Director)

(Upto 11.08.2016)

Mr. Pujaram Purohit

(Independent Director)

(Upto 20.10.2015)

Mr. Suraj Dugar

(Executive Director)

(Upto 28.08.2015)

COMPANY SECRETARY

Mr. Kushalraj Sonigda

(Company Secretary & Compliance Officer)

AUDITORS

M/s P.C.Surana & Co.

Chartered Accountants

COST AUDITORS

M/s Kiran J. Mehta & Co.

Cost Accountants

BANKERS

Indian Overseas Bank

Bank of Baroda

Bank of India

Contents	Page No.(s)
Notice -----	4
Directors' Report -----	12
Management Discussion & Analysis -----	31
Corporate Governance Report -----	34
Auditors Report -----	47
Balance Sheet -----	52
Profit & Loss Account-----	53
Cash Flow Statement -----	54
Notes of Financial Statement -----	55
Consolidated Financial Accounts	
Consolidated Auditors Report -----	69
Consolidated Balance Sheet -----	73
Consolidated Profit & Loss Account -----	74
Consolidated Cash Flow Statement -----	75
Consolidated Notes of Financial Statement -----	76



OUR COMPANY

About Us

We are one of India's established manufacturers and suppliers of finished denim fabrics, with a consistent quest for providing complete denim solutions. We provide our consumers with "Options (Fabrics) Available-Never-Before" in denim wears for Men, Women & Kids. We are present across the entire denim product line catering to various customer preferences. Our manufacturing capability and varied product profile give us recognition in the Indian denim fabrics market. We firmly believe in the philosophy of "Quality First", giving top priority to the needs of our customers and strive to earn profits through customer satisfaction.

Our strength lies in the new product development and deep understanding of consumer preferences. Post liaisoning with the marketing team and receiving inputs on the latest trends and tastes of the masses, our experienced team of fabric designers & development engineers continuously strive to produce new and varied products. We are often credited to be an initiator of new product segments, owing to the processing prowess and a deep understanding of consumer tastes and preferences. We continuously focus on developing new products aligned to user preferences, offering us a competitive edge in the marketplace.

Our Manufacturing Facilities

We supply finished products from our manufacturing facility located at Ahmedabad, Gujarat, which is considered as the Denim Capital of India. We possess state-of-the-art machinery to meet varied customer taste. At the end of FY2016, our manufacturing capacity stood at around 18 MMPA (Million Metres Per Annum) of fabrics. Our state-of-the-art machinery enables us to manufacture denim fabrics with diverse characteristics such as a varied degree of thickness, structure, stretchability and colours.

Our Products

We develop and market various denim fabric products with varying degree of characteristics. We manufacture products including Classic, Silky, Fancy, Structured, Mercerized, Mercerized Lycra, Poly Stretch, Silky Stretch, 100% Cotton and 100% Cotton Lycra, using varied raw materials.



MISSION

“To foster quality and innovation in every fabric”

We are committed to manufacture premium quality denim fabric which ensembles the latest trends in the market. To achieve this, we maintain a strong focus on research and development, which ensures improved processes, new product development and increased recognition. We aim to attain sustainable operations by leveraging growth opportunities, thereby generating substantial value for all stakeholders.

VISION

“To drive sustainable growth through customer satisfaction”

Our vision is to become the leading denim fabric manufacturer by providing high-quality denim to a spectrum of brands across India. Our customer-centric approach gives top priority to customer satisfaction and ensures timely shipment and affordable fashion. We strive to provide innovative and world-class products to gain a competitive edge in the marketplace. In pursuit of our vision, we follow ethical standards and take utmost care to maintain a healthy, happy and satisfied workforce.

OUR VALUES

Excellence - One of our core values is to drive excellence in product quality. We aim to enhance the lifestyle of our customers by offering high-quality products at affordable prices. Our products are manufactured to meet high-quality control standards which help us attract new customers and gain increased recognition in the denim industry.

Innovation - We are engaged in research and development activities on an ongoing basis. The constant focus on innovation helps us to stay updated with the latest trends in the denim market and meet the dynamic needs of our customers. By adopting innovation as a core value, we encourage design thinking to differentiate our products from competitors.

Customer Satisfaction - Our strength lies in our ability to anticipate customer demands in advance, enabling us to deliver the desired product at the right time. Increased customer satisfaction helps in building long-term loyalty and further expanding our customer base.

Ethical Behaviour - In pursuit of excellence, we ensure that all our operations are fair and transparent. We conduct ethical behaviour while dealing with all our stakeholders including creditors, directors, employees, government, shareholders, suppliers, unions and the society. We believe that operating within the boundaries of ethical conduct is quintessential to sustain in a competitive market.

Environment-friendly Operations - We recognize our responsibility to carry out environment-friendly operations. All our processes have been outlined to cause minimum impact on the environment, thereby increasing our goodwill in the society.

Employee Welfare - An efficient, healthy and satisfied workforce is crucial to the success of any organisation. We attribute our success to the hard work and intellect of our staff who strive to manufacture best-in-class products for our customers. We believe in collective growth and ensure that our workforce is adequately compensated. Additionally, we exercise due diligence to provide a safe working environment to all our employees.



CHAIRMAN'S SPEECH



In the past few years, the denim market has witnessed a dynamic environment. The rapid pace of evolution in the denim market has led to an increased focus on innovation and re-invention. Our thought-driven strategies and long-term vision have enabled us to lead this market revolution and strengthen our business model. The domestic and international denim markets are witnessing a brisk demand upsurge in recent years due to increased adoption of denim from the new generation, especially youth. This demand growth has helped us gain higher penetration in the domestic markets, thereby reinforcing confidence in the quality of our products.

Over the past couple of years, we have generated higher revenue from operations on the back of our expansion and modernisation plans. During the year, we also initiated various cost-containment measures which have started to bear fruits. Both, operating and net profit have improved over the past year. Our passion for excellence and core competencies have helped us emerge stronger in a volatile economic environment.

In our consistent quest for success, we have taken necessary steps for the modernisation and up-gradation of some of our machinery. Led by our modernisation initiative, we have increased our manufacturing capacity from 15MMPA to 18MMPA. Additionally, we have inducted high-performance machinery which have been systematically conceptualised to save energy cost and increase productivity, with improved ease of use. These efforts have enhanced our operational efficiency and strengthened our core competencies.

Our marketing team consistently receives inputs about the latest trends and fashion in the marketplace. This feedback process helps our experienced team of fabric designers and development engineers to manufacture new and varied products suiting the requirements of customers. Backed by robust processing prowess and a deep understanding of consumer tastes and preferences, we have been able to create innovative product segments.

We recognise the need to conduct ethical behaviour while dealing with our stakeholders. We also ensure that all our employees are being treated fairly and equally. Additionally, we maintain the highest safety standards to provide a risk-free work environment to our staff.

The expected growth in demand will give us an opportunity to leverage our core competencies for maximising stakeholder wealth. With state-of-the-art manufacturing capabilities and a visionary management team, we are confident to reach new heights of success in the coming years. We would like to thank our shareholders for their trust in our capabilities and look forward to their continued support and guidance in exploring this enticing growth journey.

Mr. Anand Arya
Chairman



NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of the Members of BLUE BLENDS (INDIA) LIMITED (CIN NO. L17120MH1981PLC023900) will be held on Tuesday, September 27th, 2016 at 11.30 a.m. at Tarabai Hall, Shiv Prasad, 97-Marine Drive, Marine Lines (West), Mumbai 400 002 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31st, 2016, and the reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Preference Shares and Equity Shares.
3. To appoint a Director in place of Ms. Rukmani Iyer (DIN NO: 07138340) who retires by rotation and being eligible offers herself for re-appointment at the ensuing Annual General Meeting.
4. **TO APPOINT M/S. P.C.SURANA & CO., CHARTERED ACCOUNTANTS AS THE AUDITORS OF THE COMPANY :**

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) M/s. P C Surana & Co., Chartered Accountants, Mumbai be and are hereby appointed as Statutory 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 of the Company on such remuneration as may be fixed by the Board of Directors in consultation with them.”

“**RESOLVED FURTHER THAT**, Board of Director of the Company be and is hereby authorised to complete all the formalities in this regards and to do all such acts, deeds and things in order to give effect to the above resolutions.”

SPECIAL BUSINESS:

5. **APPOINTMENT OF MR. JANARDAN JOSHI AS A INDEPENDENT DIRECTOR OF THE COMPANY :**

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

“**RESOLVED THAT**, pursuant to Section 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Janardan Joshi (DIN : 00080063)**, who was appointed as an Additional Director of the Company by the Board of Directors with effect from **October 20th, 2015** and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Janardan Joshi as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for the term of 5 (five) years and not liable to retire by rotation.”

6. **RATIFICATION OF COST AUDITOR'S APPOINTMENT:**

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

“**RESOLVED THAT**, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 {including any statutory modification(s) or re-enactment(s) thereof, for the time being in force}, the member of the Company be and hereby ratified the appointment of M/s Kiran J. Mehta & Co. Cost Accountants, (Firm Registration Number 000025), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company's Textile manufacturing unit at Plot No.123/B, Saijpur, Gopalpur, Pirana Road, Pipelej, Ahmedabad - 382405 (Gujarat) for the Financial Year ending March 31, 2017 on such remuneration as may be decided by the Board of Directors & Cost Auditor upon the recommendation of the Audit Committee.

“**RESOLVED FURTHER THAT**, Board of Director of the Company be and hereby authorised to complete all the formalities in this regards



and to do all such acts, deeds and things in order to give effect to the above resolutions.”

7. TO APPROVE THE MATERIAL RELATED PARTY TRANSACTIONS FOR PAYMENT OF JOB CHARGES.

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

“**RESOLVED THAT**, pursuant to provisions of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Regulations, 2015] and the relevant provisions of the Companies Act, 2013 read with relevant Rules thereto, consent of the members be and is hereby accorded to the Board of Directors of the Company for material contracts or arrangements with the following related parties, which are existing and continuing, up to the maximum amounts, as mentioned below on such terms and conditions as the Board may think proper and beneficial for the Company:

(Amt. in Lacs)

Sr. No.	Name of Related party	Nature of Transactions	Value of Transaction
1.	Premier Synthetics Limited	Job Charges	2,500
2.	Silvassa Span Yarn Industries		150

“**RESOLVED FURTHER THAT**, Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered necessary to give effect to the resolution.”

8. TO APPROVE THE MATERIAL RELATED PARTY TRANSACTIONS FOR AVAILING OF PART OF THE PREMISES ON LEASE.

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

“**RESOLVED THAT**, pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), and provisions of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Regulations, 2015] and the relevant provisions of the Companies Act, 2013 read with relevant Rules thereto, consent of the members be and is hereby accorded to the

Board of Directors of the Company for material contracts or arrangements with the following related parties, which are existing and continuing, up to the maximum amounts, as mentioned below on such terms and conditions as the Board may think proper and beneficial for the Company:

(Amt. in Lacs)

Sr. No.	Name of Related party	Nature of Transactions	Value of Transaction
1.	Bindal Synthetics Pvt Ltd	Rent P.A.	1.00
2.	Agarwal Synthetics		1.50
3.	Indu Anand Arya		1.50

“**RESOLVED FURTHER THAT**, all actions taken by the Board in connection with any matter referred to or contemplated in any of the forgoing resolution are hereby approved, ratified and confirmed in all respects.”

“**RESOLVED FURTHER THAT**, Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered necessary to give effect to the resolution.”

9. TO APPROVE THE MATERIAL RELATED PARTY TRANSACTIONS FOR PURCHASE OF GOODS.

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

“**RESOLVED THAT**, pursuant to provisions of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Regulations, 2015] and the relevant provisions of the Companies Act, 2013 read with relevant Rules thereto, consent of the members be and is hereby accorded to the Board of Directors of the Company for material contracts or arrangements with the following related parties, which are existing and continuing, up to the maximum amounts, as mentioned below on such terms and conditions as the Board may think proper and beneficial for the Company:

(Amt. in Lacs)

Sr. No.	Name of Related party	Nature of Transactions	Value of Transaction
1.	Agarwal Synthetics	Purchase of	300
2.	Silvassa Span Yarn Industries	Goods	4000



“RESOLVED FURTHER THAT, all actions taken by the Board in connection with any matter referred to or contemplated in any of the forgoing resolution are hereby approved, ratified and confirmed in all respects.”

“RESOLVED FURTHER THAT, Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered necessary to give effect to the resolution.”

10. TO APPROVE THE MATERIAL RELATED PARTY TRANSACTIONS FOR SALE OF GOODS.

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

“RESOLVED THAT, pursuant to provisions of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Regulations, 2015] and the relevant provisions of the Companies Act, 2013 read with relevant Rules thereto, consent of the members be and is hereby accorded to the Board of Directors of the Company for material contracts or arrangements with the following related parties, which are existing and continuing, up to the maximum amounts, as mentioned below on such terms and conditions as the Board may think proper and beneficial for the Company:

(Amt. in Lacs)

Sr. No.	Name of Related party	Nature of Transactions	Value of Transaction
1.	Silvassa Span Yarn Industries	Sale of Goods	5,000

“RESOLVED FURTHER THAT, all actions taken by the Board in connection with any matter referred to or contemplated in any of the forgoing resolution are hereby approved, ratified and confirmed in all respects.”

“RESOLVED FURTHER THAT, Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered necessary to give effect to the resolution.”

**BY ORDER OF THE BOARD OF DIRECTORS
BLUE BLENDS (INDIA) LIMITED**

**PLACE : MUMBAI
DATE : AUGUST 11TH, 2016**

**KUSHALRAJ SONIGDA
COMPANY SECRETARY**

NOTES:

- 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.**
- A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
- Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution along with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- The Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013 related to the special business to be transacted at the Meeting is annexed hereto.
- In terms of Section 152 of the Companies Act, 2013, Mrs. Rukmani Iyer (DIN:07138340), Director retire by rotation at the Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commend their respective re-appointments. Brief resume of Director proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) are provided in Annexure to the Notice.
- The Register of Members and Share Transfer Books of the Company shall remain closed from September 21st, 2016 to September 27th, 2016 (both days inclusive), for determining the names of members eligible for Dividend on equity Shares, if declared at the AGM.
- The dividend on Equity Shares, if declared at the AGM, will be payable on or after September 28th, 2016 to those members:
 - whose name appear as members in the Register of Members of the Company after giving effect to the valid Share Transfer in physical form lodged with the Company/ Registrar and Transfer Agent on or before September 20th, 2016 and



- b. whose name appear in the list of Beneficial Owners on September 20th, 2016 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company or Registrar & Share Transfer Agent.
9. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
11. Members are requested to notify the change of address, if any, to the Registrar & Share Transfer Agent.
12. Electronic copy of the Annual Report and Notice of the 35th AGM of the Company for 2015-16 is being sent to all the members whose Email IDs are registered with the Company/Depository Participants (s) for communication purpose. For members who have not registered their email address, physical copies are being sent in permitted mode.
13. A route map showing directions to reach the venue of the 35th AGM is given at the end of the notice.
14. Members are requested to dematerialize their physical shareholding at the earliest. Your Company has dematerialization connectivity with both NSDL & CDSL and **ISIN** of the Company is **INE 113 O 01014**.

VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Blue Blends (India) Limited ("the Company") is pleased to offer e-voting facilities to the Members to cast their votes electronically (Remote e-voting) on all the resolutions set forth in the Notice convening the Thirty Fifth Annual General Meeting ("AGM") scheduled to be held on Tuesday, 27th day of September, 2016. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide e-voting facility. The e-voting facility is available at the link www.evotingindia.com.

- The voting period begins at **09.00 a.m. IST on Saturday September 24th, 2016 and ends at 5.00 p.m. IST on Monday September 26th, 2016**. During this period, Members of the Company, holding

shares either in physical form or in dematerialized form (as on the **cut-off date which is Tuesday September 20th, 2016**), may cast their vote electronically. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by CDSL for e-voting after 5.00 p.m. IST on Monday September 26th, 2016

- The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- **Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Tuesday September 20th, 2016.**
- **A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Tuesday September 20th, 2016 only shall be entitled to avail the facility of remote e-voting.**
- The Company has appointed Mr. Sunil Bohra, Partner, P.C. Surana & Co., Chartered Accountants, as the scrutinizer for conducting the e-voting process in a fair and transparent manner and he will submit his report to the chairman within 3 days of conclusion of e-voting.
- The Results shall be declared on or after the Annual General Meeting (AGM). The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.blueblends.com and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange and National Stock Exchange, on which shares of the Company are listed.

Specific Instructions and process to be followed for e-voting:

- i) Log on to the e-voting website www.evotingindia.com during the voting period.
- ii) Click on the "**Shareholders**" tab
- iii) Select the "**COMPANY NAME**" from the drop down menu and click on "**SUBMIT**"
- iv) Enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to



www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB #	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

viii) After entering these details appropriately, click on "SUBMIT" tab.

ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option

YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user should be created who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

**BY ORDER OF THE BOARD OF DIRECTORS
BLUE BLENDS (INDIA) LIMITED**

PLACE : MUMBAI
DATE : AUGUST 11TH, 2016

**KUSHALRAJ SONIGDA
COMPANY SECRETARY**

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



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

Item No. 5

Mr. Janardan Joshi was appointed as an Independent Director by the Board of the Directors of the Company on October 20th, 2015. In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval by the members.

The Company has received notice in writing from a member under Section 160 of the Act, proposing the candidature of Mr. Janardan Joshi for the office of Director of the Company.

The Company has received a declaration from Mr. Janardan Joshi that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Janardan Joshi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

In the opinion of the Board, Mr. Janardan Joshi fulfills the conditions for his appointment as an Independent Director as specified in the Act & the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Janardan Joshi is independent of the management and possesses appropriate skill, knowledge and experience.

The resolution seeks the approval of members for the appointment of Mr. Janardan Joshi as an Independent Director of the Company for a period of 5 (Five) Years pursuant to Section 149 and other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He is not liable to retire by rotation.

The detailed profile of Mr. Janardan Joshi, Directorship and Committee position held by him in other companies is included separately in this Notice.

Copy of the draft letter of appointment of Mr. Janardan Joshi as an independent director setting out the terms and conditions is available for inspection by the members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Save and except Mr. Janardan Joshi, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way concerned or interested, financially or otherwise, in the resolution.

The Board considers that his appointment would be of immense benefit to the Company and it is desirable to avail his expertise and services as an Independent Director and hence recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Item no. 6

In pursuance of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual or a Firm who is a cost accountant in practice upon the recommendations of the Audit Committee.

Accordingly, the Board, on the recommendation of the Audit Committee appointed M/s Kiran J. Mehta & Co. Cost Accountants, (Firm Registration Number 000025) as the cost auditor of the company for the financial year ended March 31st, 2017 on such remuneration as may be decided mutually by the Board and Cost Auditor after taking into consideration, the recommendation of the audit committee.

The Board recommends the ratification of resolution for appointment of Cost Auditor as set out at Item no. 6 as an Ordinary Resolution.

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

Item no. 7, 8, 9 & 10

As per the requirement of Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Regulation 2015], all material related party transactions shall be require the approval of shareholders through a Resolutions. Further, the Explanation to Regulation



23 (1) of SEBI Regulations, 2015 provides that a transaction (s) to be entered into individually or taken together or taken together with previous transactions during the Financial Year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited Audited Financial Statements of the Company. According to this definition, transactions would be material if it exceeds 10% of the turnover for Financial Year 2015-16, which was approximately Rs. 180.43 crore. Hence materiality threshold transactions entered into by company during Financial Year 2016-17 would be 10 % of Rs. 180.43 crore i.e. Rs. 18.04 crore.

Consequently, the transactions with related party may exceed the above materiality threshold in the Financial Year 2016-17 and come under the purview of material related party transactions as per explanation to Regulations 23(1) of SEBI Regulations, 2015 and would require the shareholders' approval as per Regulation 23(4) of SEBI Regulations, 2015. Hence, it is proposed to secure shareholders' approval on Item No. 7, 8, 9 & 10 of the Notice conveying the AGM for approving the following prospective material related material party transactions for the Financial Year 2016-17 and each subsequent financial year, till the termination of the contract or arrangement or any modification in the terms.

(Amt. in Lacs)

Name of Related party	Nature of Transactions	Value of Transaction (Rs.)	Name of the Director or Key Managerial Personnel who is related
Premier Synthetics Limited	Job Charges	2,500	Mr. Anand Arya
Silvassa Span Yarn Industries		150	Mr. Anand Arya
Bindal Synthetics Pvt. Ltd.	Rent P.A.	1.00	Mr. Anand Arya / Mr. Janardan Joshi
Agarwal Synthetics		1.50	Mr. Anand Arya
Indu Anand Arya		1.50	Mr. Anand Arya
Agarwal Synthetics	Purchase of Goods	300	Mr. Anand Arya
Silvassa Span Yarn Industries		4,000	Mr. Anand Arya
Silvassa Span Yarn Industries	Sale of Goods	5,000	Mr. Anand Arya

In view of the above, approval of the shareholders is being sought in terms of Regulation 23(4) of SEBI Regulation 2015.

The Board recommends the above resolution to the shareholders for their approval.

According to the provisions of Regulation 23(4) of SEBI Regulation 2015, related parties shall abstain from voting on the Item No. 7, 8, 9 & 10 of the Notice.

None of the Directors, Key Managerial Personnel and / or their relatives, are interested and / or concerned in passing of the said resolution except as stated above.

**BY ORDER OF THE BOARD OF DIRECTORS
BLUE BLENDS (INDIA) LIMITED**

**PLACE : MUMBAI
DATE : AUGUST 11TH, 2016**

**KUSHALRAJ SONIGDA
COMPANY SECRETARY**



ANNEXURE TO ITEM 3 & 5 OF THE NOTICE

Details of Director seeking re-appointment at the
Forth coming Annual General Meeting

{in pursuance to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

Name of the Director	Ms. Rukmani Iyer	Mr. Janardan Joshi
DIN	07138340	00080063
Date of Birth	11/07/1957	30/01/1960
Nationality	Indian	Indian
Date of Appointment on Board	28/03/2015	20/10/2015
Qualification	B.A.	M.COM, MBA(MDBA)
Expertise	Managerial and Administration	Finance & Account
Shareholding in BBIL	NIL	NIL
List of Directorship	Blue Blends Petrochemicals Limited Premier Synthetics Limited	Bindal Synthetics Private Limited
Membership / Chairmanship of Committee of Board	Chairmanship in Stakeholders Relationship Committee of ; 1.Blue Blends (India) Limited 2. Premier Synthetics Limited 3. Blue Blends Petrochemicals Limited Membership in Audit Committee of ; 1. Blue Blends (India) Limited 2. Premier Synthetics Limited 3. Blue Blends Petrochemicals Limited	Membership in committee of Blue Blends (India) Limited 1. Stakeholders Relationship Committee 2. Audit Committee 3. Nomination and Remuneration Committee 4. Corporate Social Responsibility committee
Terms and conditions of Appointment	As per the Remuneration and Nomination policy of the Company as displayed on the Company's website viz. blueblends.com	As per the Remuneration and Nomination policy of the Company as displayed on the Company's website viz. blueblends.com

ROUTE MAP TO THE VENUE OF AGM





DIRECTORS' REPORT

To the Members of

BLUE BLENDS (INDIA) LIMITED

The Board of Directors hereby present the Thirty Fifth Annual Report on the Business and Operations of your Company along with the Audited Financial Statements for the Financial Year ended March 31st, 2016.

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	Standalone		Consolidated	
	March 31 st , 2016	March 31 st , 2015	March 31 st , 2016	March 31 st , 2015
Gross Income	18014.92	17621.19	18015.32	17621.19
Profit before interest , Depreciation & Tax	2335.20	1833.60	2335.38	1833.92
Less : Interest	1084.79	908.36	1084.79	908.36
Less : Depreciation	312.95	445.66	313.01	445.72
Profit before exceptional items and tax	937.46	479.58	937.58	479.84
Add : Exceptional items	0.00	25.21	0.00	25.21
Profit before Tax	937.46	504.79	937.58	505.05
Less : Provision for Tax	69.86	-42.98	69.88	-42.98
Profit after Tax	867.60	547.77	867.70	548.03
Balance as per last Balance Sheet	(3633.15)	(4030.93)	(3632.54)	(4030.58)
Add:Adjust against Capital Reserve	3393.36	0.00	3393.36	0.00
Add:Adjust against Securities Premium Reserve	239.79	0.00	239.79	0.00
Add:Profit / (Loss) for the year	867.60	547.78	867.69	548.04
Less:Transferred to Debenture Redemption Reserve	200.00	150.00	200.00	150.00
Less:Transferred to Preference share Redemption Reserve	375.00	0.00	375.00	0.00
Less:Provision for Dividend on Preference share and tax thereon	4.50	0.00	4.50	0.00
Less:Provision for Dividend on Equity share and tax thereon	123.92	0.00	123.92	0.00
Balance carried to Balance Sheet	164.17	(3633.15)	164.87	(3632.54)

FINANCIAL PERFORMANCE

During the year under review, your Company reported a growth of 2.23% in Revenue and 58.39% in Net Profit over the Previous Year. At Standalone level, the Gross Revenue from Operations stood at Rs. 18014.92 Lacs compared to Rs. 17621.19 Lacs in the Previous Year. The Net Profit for the year stood at Rs. 867.60 Lacs against Rs. 547.77 Lacs reported in the Previous Year.

In order to improve the performance, your Directors are considering the various plans to modernize and expand the manufacturing capacity of the Company during the year.



DIVIDEND AND RESERVES

The Board, in its meeting held on May 30th, 2016 has recommended the dividend of 5 % i.e. Rs. 0.50 per equity share of face value of Rs. 10/- each for the Financial Year ended March 31st, 2016 aggregating to Rs. 102.96 Lacs, subject to approval of shareholders.

The Board in its meeting held on May 30th, 2016 has recommended the dividend on Preference Shares as under;

- i. Arrears of Dividend on 0.01% 23,00,750 Preference Shares upto 31.03.2015 Rs. 69,023/-.
- ii. Dividend on 0.01 % 14,00,750 Preference Shares Rs. 14,008/-
- iii. Dividend on 0.01 % 9,00,000 Preference Shares upto date of Redemption Rs. 5,080/-.
- iv. Pro-rata Dividend on 1.00 % 9,00,000 Preference Shares Rs. 2,86,005/-.
- v. Dividend Distribution Tax Rs.76,111 /-

The outgo on preference shares will be Rs. 4,50,227/-including Dividend Distribution Tax.

Total outgo on dividends as stated above will be Rs. 128.42 Lacs, including Dividend Distribution Tax (Previous Year NIL).

During the year under review, your Company transferred Rs. 200.00 Lacs to the Debenture Redemption Reserve (Previous Year – Rs. 150.00 Lacs) and Rs. 375.00 Lacs to Preference Share Capital Redemption Reserve (Previous Year NIL). No amount was transferred to General Reserve.

In terms of the Special Resolution approved by the Shareholders at the Annual General Meeting held on July 29th, 2015, Company filed petition before the Honourable High Court, Bombay to adjust the Debit balance of Profit & Loss Account against Capital Reserve and Securities Premium Reserve and the same has been approved. Accordingly necessary effect has been given in the Schedule “Reserves and Surplus”.

SHARE CAPITAL

The paid up Equity Share Capital and Preference Share Capital as at March 31st, 2016 stood at Rs. 1940.90 Lacs and 2300.75 Lacs respectively. During the year under review, the redemption of the 23,00,750 0.01% Cumulative Non-Convertible Redeemable Preference Shares was due on September 30th, 2015. Company obtained approval from the preference shareholders to extend the date of redemption by 3 months i.e. 31st December, 2015, vide Postal Ballot for which the results were declared on September 30th, 2015. Company redeemed 9,00,000 0.01% Cumulative Non-Convertible Redeemable Preference

Shares of Rs. 100/- each) on October 13th, 2015 against the issue of fresh 9,00,000 1% Non-Cumulative Non-convertible Preference Shares of Rs. 100/- each.

Thereafter, Company obtained further period of extension till June 30th, 2016 for the balance outstanding 14,00,750 Preference Shares. The same has been redeemed fully in June, 2016.

Company obtained the approval from shareholders for Preferential Equity Issue to the Non-Promoter group, at the Extra Ordinary General Meeting held on February 13th, 2016. Company allotted 11,83,800 Equity Shares @ Rs. 72/- per shares in May, 2016.

CREDIT RATING

Brickwork Ratings has assigned the credit Rating of the Company BBB- (Outlook: Stable) by upgrading the earlier rating of BB+(Outlook: Stable).

FINANCE AND ACCOUNTS

• Debentures

During the year under review, Rs. 175.00 Lacs was paid to Non-Convertible Debentures holders. The outstanding balance as on March 31st, 2016 is Rs. 3600.00 Lacs.

• Cash and Cash Equivalents

Cash and cash Equivalents as at March 31st, 2016 is Rs. 821.16 Lacs which includes Rs. 771.07 Lacs held in Escrow Account for preferential issue of equity shares.

• Fixed Deposit

The Company has neither invited nor accepted any deposit from the public within the ambit of Section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

• Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

• Accounting

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and aforesaid Accounting Standards and other accounting principles generally accepted in India. The Financial Statements have been prepared on historical cost basis. The estimates and judgements relating to financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of the transactions and reasonable present the Company's state of affairs, profits and cash flows for the year ended March 31st, 2016.



Consolidated Financial Statements

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, Your Company has only one Subsidiary Company namely, Bindal Synthetics Private Limited. Subsidiary Company made a Net Profit of Rs. 11,029/- for the year ended 31st March, 2016.

A report on Financial position of the subsidiary in Form AOC-1, as per the Companies Act, 2013 and Companies (Accounts) Rules, 2014, is annexed as Annexure A.

During the year under review, no company has become or ceased to be Subsidiary Associate or Joint Venture of the Company.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Ms. Rukmani Iyer, Non-Executive Director retires by rotation and being eligible, offers herself for re-appointment. The Board recommends her re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

During the Year under review, Mr. Janardhan Joshi was appointed as an Additional Director of the Company in the category of Independent Non-Executive Director with effect from October 20th, 2015. The Company has received a Notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director

During the Year under review, Mr. Suraj Dugar, Director and Mr. Pujaram Purohit, Independent Director, resigned from the Company with effect from August 28th, 2015 and October 20th, 2015 respectively. The Board places on record its appreciation for the services rendered by them during their tenure with the Company.

CORPORATE GOVERNANCE

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

LISTING AGREEMENT

The Securities and Exchange Board of India (SEBI), on September 02nd, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provision

of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective from December 01st, 2015. The Company has entered into Listing Agreement with Bombay Stock Exchange Limited and the National Stock Exchange during February, 2016 wherein the shares of the Company are listed.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are explained in the Corporate Governance Report. The Remuneration and Nomination Policy shall be available on the website of the Company (www.blueblends.com).

RISK MANAGEMENT POLICY

Pursuant to the requirement SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has framed a Risk Management policy. Risk management is embedded in your Company's operating frame work. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management frame work is reviewed periodically by the Board and the Audit Committee. The details of this policy forms part of Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

The Board of your Company has constituted a CSR Committee. As on 31st March, 2016, the Committee comprises of three Directors. Your Company has developed a CSR Policy which is uploaded on the website of the Company viz. blueblends.com.

The Report on CSR activities as required under the Companies (Accounts) Rules, 2014 is annexed as Annexure - B and forms an integral part of this Report.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including the adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

NUMBER OF MEETING OF BOARDS

The details of the number of the meetings of the Board held during the Financial Year 2015-16 forms part of the Corporate Governance



Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 & SEBI (Listing Obligations and Disclosure Requirement Regulations, 2015).

KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the company:

1. Mr. Anand Arya Chairman and Managing Director
2. Mr. Kushalraj Sonigda Company Secretary
3. Mr. Nirmal Sirohiya Chief Financial Officer

During the year, Ms. Archana Dubey resigned as Company Secretary of the Company w.e.f August 31st, 2015. The Directors place on record, the appreciation for the contribution made by her during her tenure. The Board at its meeting held on August 28th, 2015 has appointed Mr. Kushalraj Sonigda as Key Managerial Personnel (Company Secretary) w.e.f September 01st, 2015.

COMMITTEES OF THE BOARD

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

The details of the committee along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There is no significant or material orders passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations.

DIRECTORS' RESPOSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the annual financial statements for the year ended March 31st, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. that such accounting policies have been selected and applied them consistently and made judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2016 and of the profit of the Company for the year ended on that date;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other

irregularities;

4. that the annual financial statements have been prepared on a going concern basis;
5. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

AUDITORS

STATUTORY AUDITOR

The Company's Auditors, M/s. P.C. Surana & Co. Chartered Accountants, Mumbai who retire at the ensuing Annual General Meeting of the Company are eligible for re-appointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of the Company.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its textile activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s Kiran J. Mehta & Co., Ahmedabad to audit the cost accounts of the Company for the financial year 2016-2017.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Jeethi Pillai, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report on the Secretarial Audit is annexed here with as "Annexure C".

Explanations on the observations of Secretarial Audit Report:

1. During the year under review, Company has spent less than 2 % of average net profit of the Company on Corporate Social Responsibility, keeping in view the accumulated losses at the beginning of the Financial Year 2015-16. The unspent amount have been carried forward to the next Financial Year.
2. Company has appointed Mr. Nirmal Sirohiya as a Chief Financial Officer of the Company as on date of this report.
3. Due to the technical issue while registering the Digital Signature of the Whole Time Company Secretary in Employment on the portal of Ministry of Corporate Affairs Websites and in order to file the E-Form MGT-7 within the prescribed time limit, E-form MGT – 7 have been certified by the Practicing Company Secretary.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure D"



CONSERVATION OF ENERGY

1. Steps taken or impact on conservation of energy.

In line with the Company's commitment towards conservation of energy, all units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. Some of the measures taken by the Company in this direction at its textile units located at areas under:

- Reducing power consumption in cooling towers,
- Replacement of inefficient motors,
- Installation of I.R. Compressor,
- Installation of SE-12 and SE-11 Autocoro Machine,

2. The steps taken by the company for utilising alternate sources of energy.

During the year under review, some of the measures taken by the company are;

- Separate energy meters have been installed for effectively monitoring the section wise energy consumption
- Additional capacitor banks have been installed in different section
- We have made optimum use of electrical motors and day light resources at plant.

3. The Capital investment on energy conservation equipment.

During the year under review, Company has not incurred any capital expenditure on energy conservation equipment

TECHNOLOGY ABSORPTION

1. Efforts, in brief, made towards technology absorption, adaptation & innovation:

The technologies have been absorbed and adapted/ innovated to make them suitable to the Indian manufacturing conditions by the active involvement of the R & D Department.

2. Benefits derived as a result of above efforts:

Absorption, adaptation & innovation of imported technology have led to less dependence on other manufacturer. This has saved a considerable amount of cost of production.

3. Technology imported:

The Company is not using imported technology in the manufacturing process.

4. Expenditure incurred on Research and Development:

During the year under review, Company has not incurred any Expenditure on Research and Development

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of Companies Act, 2013, as prescribed in Form AOC – 2, is appended as “Annexure – E”.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website viz. www.blueblends.com

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Outgo : Rs. 405.92 Lakhs (Previous year Rs. 506.98 Lakhs)

GREEN INITIATIVES

As in the previous year, this year too, we are publishing only the statutory disclosure in the print version of the Annual Report. Electronic copies of the Annual Report 2015-16 and Notice of the 35th Annual General Meeting are sent to all the members whose E-Mail ID is registered with the Company/Depository Participant(s). The members who have not registered their email addresses, physical copies are sent in the permitted mode.

CAUTIONARY STATEMENT

Statements in this Directors' Report and 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 difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

FOR AND ON BEHALF OF THE BOARD

BLUE BLENDS (INDIA) LIMITED

ANAND ARYA

DIN NO.: 00084995

CHAIRMAN AND MANAGING DIRECTOR

PLACE : MUMBAI

DATE : AUGUST 11TH, 2016

**ANNEXURE A****Form AOC-1**

(PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) of Section 129 READ WITH RULE 5 OF
COMPANIES (ACCOUNTS) RULES, 2014)

**Statement containing salient features of the financial statement of
subsidiaries / Associates / Companies / Joint Venture**

(Amount in Rs.)

Subsidiaries

SNO	Particular	Details
1	Name of the subsidiary	Bindal Synthetics Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1st, 2015 - March 31st, 2016
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of Foreign Subsidiaries	N.A.
4	Share capital	70,00,000
5	Reserves & surplus	67,32,952
6	Total Assets	9,61,62,380
7	Total Liabilities (Excluding Share capital & reserve & surplus)	8,24,29,428
8	Investments(Non - Current)	NIL
9	Turn over	40,000
10	Profit before taxation	11,029
11	Provision for taxation	2,279
12	Profit after taxation	8,750
13	Proposed Dividend	0
14	% of share holding	99.99

Notes :

- Names of Subsidiaries which are yet to commence operations : **NIL**
- Names of Subsidiaries which have been liquidated or sold during the year : **NIL**

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

P. C. Surana
Partner
M. No. 017136
Place : Mumbai.
Dated : 11th August, 2016

For & on behalf of the Board

Anand Arya
Chairman & Managing Director
DIN No. 00084995

Shabbir Tambawalla
Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



ANNEXURE B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes

CSR Policy is stated herein below Website:www.blueblends.com

2. Composition of the CSR Committee:

- a. Anand Arya Chairman
b. Rukmani Iyer Member
c. Janardhan Joshi Member

3. Net Profit of the Company for last year: RS. 8,86,60,147 /-

4. Prescribed CSR Expenditure: RS. 17,73,203 /-

5. Details of CSR spend for the financial year:

- a. Total amount spent for the financial year: Rs. 1,20,800/-
b. Amount unspent: RS. 16,52,403/-
c. Manner in which the amount spent during the financial year is detailed below:

CSR project or activity identified	Sector in which the project is covered	Projects or programme		Amount outlay (budget project or programme wise)	Amount spent on the project or programme Sub Heads		Cumulative expenditure up to the reporting period	Amount Spent direct or through implementing agency
		Local area or other	Specify the state and district where projects or programs was undertaken		Direct expenditure on projects or programmes	Overheads		
Medical help	Hospital	Mumbai	Maharashtra	19,800	19,800	-	19,800	Direct
Sansthan	Education/ Gaushala/ sanitation	-	Rajashthan/ Maharashtra/Uttar Pradesh/Bihar	1,01,000	1,01,000	-	1,01,000	Direct

6. Considering the accumulated losses of Rs. 36,33,15,466/- during the financial year under review, the CSR Committee and the Board is of the view that it would not be in the company's interest to spend full 2% on the CSR activity for the Financial year 2015-16 and the same shall be carried forward to the next Financial year
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

ANAND ARYA

DIN NO.: 00084995

CHAIRMAN AND MANAGING DIRECTOR

RUKMANIYER

DIN NO.:07138340

DIRECTOR



ANNEXURE C

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

M/s. Blue Blends (India) Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Blue Blends (India) Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. Blue Blends (India) Limited, the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (v) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (vi) Environment Protection Act, 1986 and other environmental laws
- (vii) Indian Contract Act, 1872
- (viii) Income Tax Act, 1961 and Indirect Tax Laws
- (ix) Indian Stamp Act, 1999
- (x) Industrial Dispute Act, 1947
- (xi) Minimum Wages Act, 1948
- (xii) Negotiable Instruments Act, 1881
- (xiii) Payment of Bonus Act, 1965
- (xiv) Payment of Gratuity Act, 1972
- (xv) Payment of Wages Act, 1936 and other applicable labour laws

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited. To the extent it was applicable and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent it was applicable.

During the year under review, National Stock Exchange of India Limited (NSE) had revoked the suspension on the Securities of the Company for Trading. Further, during the year, Company has applied for delisting from the Delhi Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for the following observations:

1. *The Annual Report for the year ended 31st March, 2015 do not contain the Annual Report on the Corporate Social Responsibility Policy. As informed by the management, the company has spent less than 2 % of the average net profit keeping in view of the accumulated losses.*
2. *The Company has not appointed Chief Financial Officer as required under Section 203 of the Companies Act, 2013. However, the Board of Directors have appointed Mr. Nirmal Sirohiya as the Chief Financial Officer w.e.f 11th August, 2016.*
3. *The e-Form MGT-7 has not been digitally signed and certified by the Company Secretary in Employment even when the Company had a Company Secretary in Whole Time Employment, but was certified by the Company Secretary in Whole Time Practice. The same was filed within prescribed time. As informed by the management, it was due to the technical issues with the website of the Ministry of Corporate Affairs (MCA 21).*

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year, the Company has:

1. Regularized the appointment of Ms. Rukmani Iyer as a Director at the Annual General Meeting of the Company held on 29th July, 2015 after being appointed as Additional Director by the Board of Directors w.e.f 28th March, 2015.
2. Ratified the re-appointed Mr. Anand Aryaby the members at the Annual General Meeting of the Company held on 29th July, 2015 (whose tenure expired on 31.03.2015) as the Managing Director of the Company for a further period of Five years, after being re-appointed at the meeting of Board of Directors held on 13th February, 2015.
3. Appointed Mr. Janardhan Joshi as an Additional Director (Independent Director) w.e.f 20th October, 2015 and whose appointed shall be regularized at the Annual General Meeting to be held for the financial year ended 31st March, 2016 and thereafter being appointed for a period of 5 years subject to the approval of the shareholders at the meeting.
4. Accepted the resignation of Mr. Suraj Dugar, Executive Director of the Company w.e.f. 28th August, 2015 and Mr. Pujaram Purohit, Independent Director of the Company w.e.f. 20th October, 2015.

Mr. Kalathoor Parthasarathy, Director of the Company failed to attend the Board Meetings for a period of more than twelve months. As



required, his office was vacated under Section 167(1)(b) of the Companies Act, 2013 by the Board of Directors of the Company at its meeting held on 11th August, 2016.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

During the year under audit, the Company appointed Mr. Kushalraj Sonigda as the Company Secretary in whole time employment w.e.f. 1st September, 2015 and Ms. Archana Dubey resigned as the Company Secretary in whole time employment w.e.f. 28th August, 2015 and duly complied with provisions under section 203 of the Companies Act, 2013 and rules thereunder.

I further report that during the audit period there were no instances of:

1. Public/Right/ debentures/sweat equity, etc.
2. Buy-back of securities
3. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
4. Merger / amalgamation / reconstruction, etc.
5. Foreign technical collaborations.

However, during the year there were following instances of:

a. Redemption of Preference Shares:

During the year under review, the redemption of the 23,00,750 0.01% Cumulative Non-Convertible Redeemable Preference Shares were due on 30th September, 2015. However, as informed by the Management, due to paucity of funds, the Company had obtained approval from the preference shareholders to extend the date of redemption by period of 3 months i.e. 31st December, 2015, vide Postal Ballot for which the results were declared on 30th September, 2015. However, the Company had redeemed only 9,00,000 0.01% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100/- each on October 13th, 2015 against the issue of fresh 9,00,000 1% Non-Cumulative Non-convertible Preference Shares of Rs. 100/- each.

Thereafter, the Company had obtained further period of extension till 30th June, 2016 from the outstanding Preference Shareholders, aggregating to 14,00,750 0.01% Cumulative Non-Convertible Redeemable Preference Shares vide Postal Ballot, for which the results were declared on 29th January, 2016.

b. Preferential Allotment

At the Extra Ordinary General Meeting held on 13th February, 2016, the Board of Directors had obtained approval from the members of the Company vide Special Resolution for Preferential Allotment of 37,17,000 Equity Shares of Rs. 10/- each at a premium of Rs. 62/- per share to the non-promoters group. However, as on 31st March, 2016, the Company is in process of allotment of the Equity Shares

against which the Company had received Share Application Money. Further, as informed by the Management, Company was yet to receive the in-principle approval from appropriate authorities as at 31st March, 2016.

c. Reduction of Capital

At the Annual General Meeting of the Company held on 29th July, 2015, the Shareholders of the Company had passed a Special Resolution under Section 52 and Section 66 of the Companies Act, 2013 to set off the debit balance of Profit & Loss Account amounting to Rs. 36,33,15,466/- as on 31st March, 2015 against the available reserves from Capital Reserves and Securities Premium Account. The Hon'ble High Court, Mumbai sanctioned the order for the above mentioned set-off vide order dated 5th August, 2016 and the effect of the order has been given from 29th July, 2015.

Jeethi R. Pillai

Place: Thane

Dated: August 11th, 2016 (Practicing Company Secretary)

ACS NO.33085

CP NO.13235

Note: This report is to be read with my letter of event date which is annexed as Annexure C-I and forms an integral part of this report.

ANNEXURE C - I

To,

The Members,

Blue Blends India Limited

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Blue Blends India Limited (the 'Company') is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to me by the Company, along with explanations where so required.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to me. I believe that the processes and practices I followed, provides a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Jeethi R. Pillai

Place: Thane

Dated: August 11th, 2016

(Practicing Company Secretary)

ACS NO.33085

CP NO.13235



ANNEXURE D

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.**

I. Registration and other details	
1 CIN	L17120MH1981PLC023900
2 Registration Date	16/02/1981
3 Name of the Company	BLUE BLENDS (INDIA) LIMITED
4 Category	COMPANY LIMITED BY SHARES
5 Sub-category of the Company	INDIAN NON-GOVERNMENT COMPANY
6 Address of the Registered office & contact details	JBF House, 2nd Floor, Old Post Office Lane, Kalbadevi Road, Mumbai – 400 002 Tel No. 022- 2208 8736
7 Whether listed company	YES
8 Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Pvt. Ltd.9, Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai – 400 011Tel.: 022- 2301 0771 / 2301 8261 Fax: 022- 2301 2517

II. Principal Business Activities of the Company		
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated :		
Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
TEXTILE	17111	100

III. Particulars of Holding, Subsidiary and Associate Companies

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Bindal Synthetics Pvt. Ltd. JBF House, 02nd Floor, Old Post Office Lane , Kalbadevi Road, Mumbai-400002	U17120MH1982PTC027738	Subsidiary	100	2 (87)



IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,21,51,921	-	1,21,51,921	62.61%	1,21,10,042	-	1,21,10,042	62.39%	-0.34%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	14,70,600	-	14,70,600	7.58%	9,00,000	-	9,00,000	4.64%	-38.80%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	1,36,22,521	-	1,36,22,521	70.19%	1,30,10,042	-	1,30,10,042	67.03%	-4.50%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	1,36,22,521	-	1,36,22,521	70.19%	1,30,10,042	-	1,30,10,042	67.03%	-4.50%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	30,799	30,799	0.16%	-	30,799	30,799	0.16%	0.00%
b) Banks / FI	3,06,188	8,898	3,15,086	1.62%	-	8,898	8,898	0.05%	-97.18%
c) Central Govt	-	150	150	0.00%	-	-	-	0.00%	-100.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	24,250	24,250	0.12%	3,06,188	100	3,06,288	1.58%	1163.04%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (Foreign Portfolio Investore)	-	-	-	0.00%	1,340	-	1,340	0.00%	0.00%
Sub-total (B)(1):-	3,06,188	64,097	3,70,285	1.91%	3,07,528	39,797	3,47,325	1.79%	-6.20%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	21,45,046	63,080	22,08,126	11.38%	1099347	18781	11,18,128	5.76%	-49.36%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%



IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,38,560	23,78,220	25,16,780	12.97%	904312	2175911	30,80,223	15.87%	22.39%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	5,62,102	1,11,450	6,73,552	3.47%	1335501	111150	14,46,651	7.45%	114.78%
c) Others (specify)									
Non Resident Indians	-	13,225	13,225	0.07%	17552	13225	30,777	0.16%	132.72%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	1,79,354	0	1,79,354	0.00%	0.00%
Trusts	-	80	80	0.00%	362	-	362	0.00%	352.50%
Hindu Undivided Family	3,654	765	4,419	0.02%	195361	765	1,96,126	1.01%	4338.24%
Sub-total (B)(2):-	28,49,362	25,66,820	54,16,182	27.91%	37,31,789	23,19,832	60,51,621	31.18%	11.73%
Total Public (B)	31,55,550	26,30,917	57,86,467	29.81%	40,39,317	23,59,629	63,98,946	32.97%	10.58%
C. Shares held by Custodian for GDRs & ADRs	-			0.00%				0.00%	0.00%
Grand Total (A+B+C)	1,67,78,071	26,30,917	1,94,08,988	100%	1,70,49,359	23,59,629	1,94,08,988	100%	0.00%

(ii) Shareholding of Promoter

SN	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	
1	ANAND ARYA	84,21,427	43.39%	99.75	92,08,928	47.45%	96.10	9.35%
2	ANAND ARYA HUF	29,380	0.15%	-	-	0.00%	0	-100.00%
3	INDU ARYA	23,01,114	11.86%	99.95	15,01,114	7.73%	96.59	-34.77%
4	AMAN ARYA	14,00,000	7.21%	100	14,00,000	7.21%	100	0.00%
5	PREMIER SYNTHETICS LIMITED	4,70,000	2.42%	85.11	-	0.00%		-100.00%
6	CRESSIDA TRADERS PRIVATE LIMITED	10,00,600	5.16%	89.95	9,00,000	4.64%	100	-10.05%



iii) Change in Promoters' Shareholding (please specify, if there is no change)

1	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	NAME	ANAND ARYA					
	At the beginning of the year	01/04/2015	NA	84,21,427	43.39%	84,21,427	43.39%
	Inter se Purchase	11/05/2015		4,70,000	2.42%	88,91,427	45.81%
	Open Market Purchase	03/09/2015		2,30,001	1.19%	91,21,428	47.00%
	Open Market Purchase	07/09/2015		87,500	0.45%	92,08,928	47.45%
	At the end of the year	31/03/2016	NA	92,08,928	47.45%	92,08,928	47.45%

2	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	NAME	ANAND ARYA HUF					
	At the beginning of the year	01/04/2015	NA	29,380	0.15%	29,380	0.15%
	Market sale	04/01/2016		29,380	0.15%	-	0.00%
	At the end of the year	31/03/2016	NA	-	0.00%	-	0.00%

3	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	NAME	INDU ARYA					
	At the beginning of the year	01/04/2015	NA	23,01,114	11.86%	23,01,114	11.86%
	Market sale	04/01/2016		8,00,000	4.12%	15,01,114	7.73%
	At the end of the year	31/03/2016	NA	15,01,114	7.73%	15,01,114	7.73%

4	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	NAME	AMAN ARYA					
	At the beginning of the year	01/04/2015	NA	14,00,000	7.21%	14,00,000	7.21%
	Changes during the year			NO CHANGES DURING THE YEAR			
	At the end of the year	31/03/2016	NA	14,00,000	7.21%	14,00,000	7.21%

5	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	NAME	PREMIER SYNTHETICS LIMITED					
	At the beginning of the year	01/04/2015	NA	4,70,000	2.42%	4,70,000	2.42%
	Interse Transfer	11/05/2015		4,70,000	2.42%	-	0.00%
	At the end of the year	31/03/2016	NA	-	0.00%	-	0.00%

6	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	NAME	CRESSIDA TRADERS PRIVATE LIMITED					
	At the beginning of the year	01/04/2015	NA	10,00,600	5.16%	10,00,600	5.16%
	Market Sale	30/11/2015		1,00,600	0.52%	9,00,000	4.64%
	At the end of the year	31/03/2016	NA	9,00,000	4.64%	9,00,000	4.64%



(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

1	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
Name LIFE INSURANCE CORPORATION OF INDIA							
	At the beginning of the year	4/1/2015		306,188	1.58%	306,188	1.58%
	Changes during the year			NO CHANGES DURING THE YEAR			
	At the end of the year	3/31/2016		306,188	1.58%	306,188	1.58%
Name CNI RESEARCH LIMITED							
	At the beginning of the year	4/1/2015		-	0.00%	-	0.00%
	Changes During the year	12/11/2015	Purchase	400,000	2.06%	400,000	2.06%
		1/22/2016	Sale	128,369	0.66%	271,631	1.40%
		1/29/2016	Sale	95,170	0.49%	176,461	0.91%
		2/5/2016	Sale	34,433	0.18%	142,028	0.73%
		2/12/2016	Purchase	99,999	0.52%	242,027	1.25%
		3/4/2016	Sale	7,614	0.04%	234,413	1.21%
	At the end of the year	3/31/2016		234,413	1.21%	234,413	1.21%
Name AMIT JAIN							
	At the beginning of the year	4/1/2015		-	0.00%	-	0.00%
	Changes during the year	3/4/2016	Purchase	36,513	0.19%	36,513	0.19%
		3/18/2016	Purchase	100,000	0.52%	136,513	0.70%
		3/31/2016	Purchase	50,000	0.26%	186,513	0.96%
	At the end of the year	3/31/2016		186,513	0.96%	186,513	0.96%
Name GLOBE CAPITAL MARKET LTD							
	At the beginning of the year	4/1/2015		-	0.00%	-	0.00%
	Changes during the year	12/4/2015	Purchase	156,380	.81%	156,380	0.81%
		12/11/2015	Purchase	17,403	0.09%	173,783	0.90%
		12/18/2015	Sale	14,903	0.08%	158,880	0.82%
		1/8/2016	Purchase	3,600	0.02%	162,480	0.84%
		1/15/2016	Sale	2,489	0.01%	159,991	0.82%
		1/22/2016	Sale	156,133	0.80%	3,858	0.02%
		1/29/2016	Purchase	750	0.00%	4,608	0.02%
		2/5/2016	Purchase	6,600	0.03%	11,208	0.06%
		2/12/2016	Purchase	600	0.00%	11,808	0.06%
		3/11/2016	Purchase	6,000	0.03%	17,808	0.09%
		3/18/2016	Purchase	100,904	0.52%	118,712	0.61%
		3/25/2016	Purchase	19,781	0.10%	138,493	0.71%
		3/31/2016	Purchase	6,900	0.04%	145,393	0.75%
	At the end of the year	3/31/2016		145,393	0.75%	145,393	0.75%
Name TECKNOPOINT MERCANTILE CO PRIVATE LIMITED							
	At the beginning of the year	4/1/2015		-	0.00%	-	0.00%
	Changes during the year	3/25/2016	Purchase	133,058	0.69%	133,058	0.69%
	At the end of the year	3/31/2016		133,058	0.69%	133,058	0.69%
Name KISHOR PUNAMCHAND OSTWAL							
	At the beginning of the year	4/1/2015		-	0.00%	-	0.00%
	Changes during the year	12/31/2015	Purchase	300,000	1.55%	300,000	1.55%
		1/22/2016	Sale	174,331	0.90%	125,669	0.65%
	At the end of the year	3/31/2016		125,669	0.65%	125,669	0.65%
Name BRIGHT HILLS INFRA PROJECTS PVT LTD							
	At the beginning of the year	4/1/2015		-	0.00%	-	0.00%
	Changes during the year	2/26/2016	Purchase	57,000	0.29%	57,000	0.29%



(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
	3/4/2016	Purchase	21,138	0.11%	78,138	0.40%
	3/11/2015	Sale	7,573	0.04%	70,565	0.36%
	3/18/2016	Sale	30,200	0.16%	40,365	0.21%
	3/25/2016	Purchase	18,807	0.10%	59,172	0.30%
	3/31/2016	Purchase	65,686	0.34%	124,858	0.64%
At the end of the year	3/31/2016		124,858	0.64%	124,858	0.64%
Name SUNIL BANSILAL RAISONI						
At the beginning of the year	4/1/2015		-	0.00%	-	0.00%
Changes during the year	1/22/2016	Purchase	35,000	0.18%	35,000	0.18%
	2/12/2016	Purchase	75,000	0.39%	110,000	0.57%
At the end of the year	3/31/2016		110,000	0.57%	110,000	0.57%
Name B N MITTAL						
At the beginning of the year	4/1/2015		-	0.00%	-	0.00%
Changes during the year	12/25/2015	Purchase	100,000	0.52%	100,000	0.52%
At the end of the year	3/31/2016		100,000	0.52%	100,000	0.52%
Name JYOTIVARDHAN JAIPURIA						
At the beginning of the year	4/1/2015		-	0.00%	-	0.00%
Changes during the year	1/8/2016	Purchase	100,000	0.52%	100,000	0.52%
	3/31/2016	Sale	200	0.00%	99,800	0.51%
At the end of the year	3/31/2016		99,800	0.51%	99,800	0.51%
Name EDELWEISS ASSET RECONSTRUCTRION COMPANY LIMITED						
At the beginning of the year	4/1/2015		1,235,000	6.36%	1,235,000	6.36%
Changes during the year	12/4/2015	Sale	735,000	3.79%	500,000	2.58%
	1/15/2016	Sale	300,000	1.55%	200,000	1.03%
	1/29/2016	Sale	100,000	0.52%	100,000	0.52%
	2/5/2016	Sale	31,806	0.16%	68,194	0.35%
	2/12/2016	Sale	68,194	0.35%	-	0.00%
At the end of the year	3/31/2016		-	0.00%	-	0.00%
Name POISE SECURITIES PRIVATE LIMITED						
At the beginning of the year	4/1/2015		771,851	3.98%	771,851	3.98%
Changes during the year	12/4/2015	Sale	402,100	2.07%	369,751	1.91%
	12/11/2015	Purchase	55,650	0.29%	425,401	2.19%
	1/8/2016	Sale	375,000	1.93%	50,401	0.26%
	3/4/2016	Sale	16,343	0.08%	34,058	0.18%
	3/11/2016	Sale	7,201	0.04%	26,857	0.14%
At the end of the year	3/31/2016		26,857	0.14%	26,857	0.14%
Name JYOTI N JAIN						
At the beginning of the year	4/1/2015		141,250	0.73%	141,250	0.73%
Changes during the year	11/20/2015	Sale	12,877	0.07%	128,373	0.66%
	11/27/2015	Sale	5,000	0.03%	123,373	0.64%
	12/4/2015	Sale	26,700	0.14%	96,673	0.50%
	1/8/2016	Sale	96,673	0.50%	-	0.00%
At the end of the year	3/31/2016		-	0.00%	-	0.00%
Name GAUTAMCHAND SETHIYA						
At the beginning of the year	4/1/2015		130,450	0.67%	130,450	0.67%
Changes during the year	9/4/2016	Sale	2,150	0.01%	128,300	0.66%
	9/11/2016	Sale	90,000	0.46%	38,300	0.20%
	1/8/2016	Sale	38,300	0.20%	-	0.00%
At the end of the year	3/31/2016		-	0.00%	-	0.00%



(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares	No. of shares	% of total shares
Name			ARIHANT SETHIA			
At the beginning of the year	4/1/2015		129,450	0.67%	129,450	0.67%
Changes during the year	9/4/2016	Sale	129,450	0.67%	-	0.00%
At the end of the year	3/31/2016		-	0.00%	-	0.00%
Name			SARLA SETHIA			
At the beginning of the year	4/1/2015		127,600	0.66%	127,600	0.66%
Changes during the year	7/8/2015	Sale	5	0.00%	127,595	0.66%
	7/10/2015	Sale	5	0.00%	127,590	0.66%
	7/17/2015	Sale	1,309	0.01%	126,281	0.65%
	8/7/2015	Sale	4,500	0.02%	121,781	0.63%
	9/4/2015	Sale	121,781	0.63%	-	0.00%
At the end of the year	3/31/2016		-	0.00%	-	0.00%
Name			SHREEPATI HOLDING AND FINANCE PRIVATE LIMITED			
At the beginning of the year	4/1/2015		80,000	0.41%	80,000	0.41%
Changes during the year	12/4/2015	Sale	80,000	0.41%	-	0.00%
At the end of the year		3/31/2016	-	0.00%	-	0.00%
Name			NEHA ANAND ARYA			
At the beginning of the year	4/1/2015		40,250	0.21%	40,250	0.21%
Changes during the year	10/23/2015	Sale	300	0.00%	39,950	0.21%
At the end of the year	3/31/2016		39,950	0.21%	39,950	0.21%
Name			KOTAK SECURITIES LIMITED			
At the beginning of the year	4/1/2015		34,450	0.18%	34,450	0.18%
Changes during the year	4/24/2015	Sale	34,450	0.18%	-	0.00%
	6/19/2015	Purchase	40	0.00%	40	0.00%
	6/26/2015	Sale	40	0.00%	-	0.00%
	8/21/2015	Purchase	9,200	0.05%	9,200	0.05%
	8/28/2015	Sale	9,200	0.05%	-	0.00%
	9/4/2015	Purchase	12	0.00%	12	0.00%
	9/11/2015	Sale	12	0.00%	-	0.00%
	11/13/2015	Purchase	500	0.00%	500	0.00%
	11/20/2015	Sale	500	0.00%	-	0.00%
	12/4/2015	Purchase	500	0.00%	500	0.00%
	12/11/2015	Sale	500	0.00%	-	0.00%
	1/8/2016	Purchase	44,400	0.23%	44,400	0.23%
	1/15/2016	Sale	44,400	0.23%	-	0.00%
	1/22/2016	Purchase	157	0.00%	157	0.00%
	1/29/2016	Purchase	58	0.00%	215	0.00%
	2/5/2016	Sale	183	0.00%	32	0.00%
	2/12/2016	Purchase	6,058	0.03%	6,090	0.03%
	2/19/2016	Sale	3,019	0.02%	3,071	0.02%
	2/26/2016	Purchase	1,894	0.01%	4,965	0.03%
	3/4/2016	Sale	4,565	0.02%	400	0.00%
	3/11/2016	Sale	390	0.00%	10	0.00%
	3/18/2016	Purchase	3,034	0.02%	3,044	0.02%
	3/25/2016	Sale	3,044	0.02%	-	0.00%
At the end of the year	3/31/2016		-	0.00%	-	0.00%



(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	NAME	ANAND ARYA, Chairman & Managing Director					
	At the beginning of the year	01/04/2015		84,21,427	43.39%	84,21,427	43.39%
	Changes	11/05/2015	Interse Transfer	4,70,000	0.45%	88,91,427	45.81%
		03/09/2015	Purchase	2,30,001	1.19%	91,21,428	47.00%
		07/09/2015	Purchase	87,500	0.00%	92,08,928	47.45%
	At the end of the year	31/03/2016		92,08,928	47.45%	92,08,928	47.45%

The following Directors and KMP did not hold any Shares during Financial Year 2015-16

Suraj Duggar - Director	Pujaram Purohit - Director
Janardhan Joshi - Director	Rukmani Iyer - Director
Shabbir Tambawalla - Director	Kalathoor Parthasarathy - Director
Archana Dubey - KMP	Kushalraj Sonigda - KMP

V. INDEBTEDNESS

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

(Amt. Rs. Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,817.86	2,216.31	-	6,034.17
ii) Interest due but not paid	-	82.04	-	82.04
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,817.86	2,298.35	-	6,116.21
Change in Indebtedness during the financial year				
* Addition	53.75	1,203.61	-	1,257.36
* Reduction	217.85	533.35	-	751.20
Net Change	(164.10)	670.26	-	506.16
Indebtedness at the end of the financial year				
i) Principal Amount	3,653.76	2,893.56	-	6,547.32
ii) Interest due but not paid	-	75.05	-	75.05
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,653.76	2,968.61	-	6,622.37

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Name	Anand Arya
1	Gross salary	2400000	2400000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, Bonus	0	0
	Total (A)	24,00,000	24,00,000
	Ceiling as per the Act		1,10,00,000



B. Remuneration to other Directors

SN.	Particulars of Remuneration	Independent Directors				Non Executive Directors		Total Amount
		Kalathoor Parthasarathy	Shabbir Tambawala	Pujaram Purohit	Janardhan Joshi	Suraj Dugar	Rukmani Iyer	
1	Designation	Independent Director	Independent Director	Independent Director	Independent Director	Executive Director	Non-Executive Director	
	Fee for attending board committee meetings	-	2,500	2,000	500	1,000	3,500	9,500
	Commission	-	-	-	-	-	-	-
	Others, Salary	-	-	-	-	-	2,03,735	2,03,735
	Total Managerial Remuneration	-	2,500	2,000	500	1,000	2,07,235	2,13,235
	Overall Ceiling as per the Act							2,42,00,000

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rs/Lac)
		Kushalraj Sonigda*	Archana Dubey#	
	Name			
	Designation	CS	CS	
1	Gross salary	178200.00	174481.00	352681.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify	0	0	0
5	Others, Bonus	0	0	0
	Total	178200.00	174481.00	3,52,681

* Remuneration is for the period September, 2015 to March, 2016

Remuneration is for the period April, 2015 to August, 2015.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no Penalties/Punishments/Compounding of Offences for the year ended March, 31st 2016

**FOR AND ON BEHALF OF THE BOARD
BLUE BLENDS (INDIA) LIMITED**

**ANAND ARYA
DIN NO.: 00084995
CHAIRMAN AND MANAGING DIRECTOR**

PLACE : MUMBAI

DATE : AUGUST 11TH, 2016



ANNEXURE E
FORM NO. AOC - 2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
2. Details of material contracts or arrangement or transactions at arm's length basis

(Amt. in Lacs)

Name of Related party	Nature of Transactions	Value of Transaction (Rs.)	Name of the Director or Key Managerial Personnel who is related
Premier Synthetics Limited	Job Charges	1395.50/-	Mr. Anand Arya
Silvassa Span Yarn Industries		83.96/-	Mr. Anand Arya
Bindal Synthetics Pvt. Ltd.	Rent	0.78/-	Mr. Anand Arya / Mr. Janardan Joshi
Agarwal Synthetics		1.20/-	Mr. Anand Arya
Indu Anand Arya		1.20/-	Mr. Anand Arya
Agarwal Synthetics	Purchase of Goods	182.62/-	Mr. Anand Arya
Silvassa Span Yarn Industries		2521.35/-	Mr. Anand Arya
Silvassa Span Yarn Industries	Sale of Goods	2832.95/-	Mr. Anand Arya

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

P. C. Surana
Partner
M. No. 017136
Place : Mumbai.
Dated : 11th August, 2016

For & on behalf of the Board

Anand Arya
Chairman & Managing Director
DIN No. 00084995

Shabbir Tambawalla
Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



MANAGEMENT DISCUSSION & ANALYSIS

Our Company is engaged in the business of denim fabric manufacturing since 1995. We manufacture various types of denim fabrics including Classic, Silky, Fancy, Structured, Mercerized, Mercerized Lycra, Poly Stretch, Silky Stretch, 100% Cotton and 100% Cotton Lycra. Our manufacturing unit at Ahmedabad has a composite denim mill with installed production capacity of 18 MMPA. Our experienced marketing and designing teams ensure that our products meet the latest trends in the denim market. We are in the process of upgrading our existing machinery to improve labour productivity and cost efficiency.

In the recent past, denim markets across the world have witnessed a remarkable upswing in demand, primarily from the new generation. Further, people in rural areas of India are increasingly adopting denim as a daily wear. The growing apparel market, increasing adoption of denim and rising disposable incomes of Indian population are expected to present humongous business opportunities to our Company.

a) Industry Structure and Development

On the production side, India is the second largest denim manufacturing country in the world, with an installed capacity of 1,100 MMPA. India's average utilisation rate of its production capacity hovers between 80% - 85%, resulting in a total supply of 850 - 900 MMPA. China leads the global denim marketplace with a capacity of close to 3,500 MMPA, with Asia alone accounting for about 70% of the global production of denim fabric capacities. India is also the fourth largest exporter of denim fabric globally, after China, Pakistan and Turkey.

Our business has witnessed traction in the domestic market and expect the growth momentum to continue in the coming years, on account of changing dynamics of the Indian consumer base. Additionally, our expansion and modernisation plans have poised us to take advantage of the expected increase in the market share of denim fabric due to higher awareness of denim quality and greater adoption of denim wear in cities and rural India.

Growth Drivers

We expect our Company to benefit substantially from the favourable drivers for the Indian denim industry as an increasing number of global denim manufacturers are looking at India as an emerging denim export region owing to its quality standards, cost effectiveness and a large pool of skilled workforce.

b) Segment-wise or Product-wise Performance:

Our Company has one denim unit located at Piplej, Ahmedabad (Gujarat state). Our Company's denim products are popular amongst customers, especially the youth, from metro cities as well as tier II and III cities, as they become aspirational on account of rising income levels. The concept of denim as a core apparel is catching up rapidly amongst the youth of India as they see this as a casual everyday garment. Thus, denim has become one of the promising category in the overall apparel industry in India. Moreover, Indian denim industry has been growing over the years, and as mentioned earlier, denim market in India is slated to grow at healthy compounded annual growth rate (CAGR) of 15% between 2013 and 2023. Looking ahead, the catalysts for the denim market in India include rapid advancement in technology, the opening of newer territories and fast changing fashion trends. We, Blue Blends India Limited, are well positioned to reap the benefits of this growth trend in denim market.

c) Outlook, Opportunities, Threats, Risks and Concerns

The demand for denim has been continuously rising in India and is expected to grow manifold in the coming years. India is being positioned as one of the leading manufacturers and exporters of denim, owing to its quality standards, cost effectiveness and a large pool of skilled workforce. Moreover, higher disposable income, westernisation of clothing culture and growing popularity of denim jeans as a business casual wear is expected to drive future growth. Our Company is well positioned to benefit from these growth prospects presented by the Indian denim industry.



SWOT

Strengths

- Expertise in denim fabric in the textile industry
- Wide price range suitable for different target markets/ customers
- Continuous focus on developing new products aligned to user preferences
- Experienced team of fabric designers & development engineers
- Portfolio of new and varied products

Weaknesses

- Availability of counterfeit and cheaper products
- Predominance of unorganised sector

Opportunities

- Healthy growth in denim market
- Increased acceptance of denim fabric in tier II and III cities and rural India
- Increasing popularity of casual attire amongst youth
- Production of value-added products to help climb the value chain

Threats

- Change in fashion cycle related to denim
- Sharp competition in the domestic market as well as from low-cost countries such as Bangladesh
- Increase in price of raw materials, especially cotton
- Rise in the usage of non-denim fabrics

d) Internal Control Systems and their Adequacy- Our Company has adequate internal control and risk management systems. Internal control systems comprising of policies and procedures are designed to ensure the reliability of financial policies, procedures, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected. These systems enable integrity of financial reporting and adherence to defined guidelines. Internal controls are regularly reviewed by both internal and external agencies for their efficiency and effectiveness. Corporate policies, management information and reporting system for the major operational areas form part of the overall control mechanism.

e) Financial Performance

During the year, our Company witnessed stable growth in revenues from Rs. 176.35 Crores in FY2015 to Rs. 180.44 Crores in FY2016. Our disciplined cost-containment initiatives have helped us reduce total expenses from Rs. 171.55 Crores in FY2015 to Rs. 171.06 Crores in FY2016. These measures have facilitated an improvement in our operating margin from 7.9% in FY2015 to 11.2% in FY2016. Our modernization and up-gradation plans focused on improving the efficiency and quality of our products would further reduce the cost of production.

During the year, we have also been successful at enhancing our manufacturing capacity from 15MMPA to 18MMPA. This capacity expansion is expected to generate incremental revenues for our Company in the coming years. Additional benefits may be derived in the form of higher economies of scale and increased market share.



State-of-the-art machinery, stable revenue, established customer base, aggressive growth strategies and higher operating efficiency have helped us improve our profitability as compared to the previous year. Consequently, our net profit increased from Rs. 5.48 Crores in FY2015 to Rs. 8.68 Crores in FY2016.

- f) **Human resources-** We consider human resources as one of the vital and important factors for the sustained growth of our Company. Our management is highly focused on strengthening the talent pool by providing employees with career enrichment opportunities. The employees are offered competitive compensation and benefits to keep them highly motivated and extract the best performance from them. Our human resources strategy is to attract talent in the industry, develop and upgrade skills and competence on the job. Further, our Company ensures employee satisfaction through rewards, appreciation and development of environment based on culture and values nurtured by the group over the years. We recognise people as our primary asset and consistently focus on developing a continuously learning workforce to unleash their maximum potential.
- g) **Risk management** - The operations of our Company are subject to certain risks that may have an impact on our performance and ability to achieve stated goals. These risks could result in a variance in actual results and historical results. Apart from these, there may be other risks and uncertainties that may affect our performance and ability to achieve set goals. These are not currently known to us or are deemed immaterial.

The principal risks factors associated with our Company are as follows:

- **Quality Control Risk** - Consumers across the world focus on the quality of the product during their purchase decisions. Thus, the inability of our Company to ensure high product quality could adversely impact our reputation.
- **Economic and Political Risk** - Any adverse political or economic development in end markets may affect the business of our Company. We regularly monitor the economic and political environment of associated markets to identify primary risks.
- **Pricing Risk** - We operate in the denim segment of the apparel industry, which is characterized by the presence of a large number of players who continuously compete to enhance their market shares, leading to constant pricing pressure.
- **Litigation Risk** - Failure to comply with the applicable laws, rules and regulations may result in legal action against our Company. Such disputes are costly and may hinder our reputation. Our Company abides by all such laws to avoid this risk.

We have designed adequate risk management policies to avoid events or situations which may have adverse effects on our business operations. A professional and structured approach is being adopted by our Company to manage uncertainties. The risk management policies are uniformly applied to all our business processes. Further, our management discusses the primary risk factors stated above in its strategic meetings and formulates plans to mitigate the same.

h) Cautionary Statement:

Statements in the Director's Report and Management Discussion and Analysis describing our 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 our Company's operations include raw material availability and prices, cyclical demand and pricing in our principal markets, changes in government regulations, tax regimes, economic developments within India and the countries in which we conduct business and other incidental factors.



REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31st, 2016.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Company's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. The Company has not only put in place the system for compliance of regulatory requirements but also the system of customers satisfaction and meeting the expectations of its stakeholders, employees and society. Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The mandatory requirements of Regulation 34 of SEBI (LODR) Regulations, 2015 have been fully implemented by your Company. The Company's Code of Business Conduct, its Fraud Risk Management Policy and its well-structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders.

2. GOVERNANCE STRUCTURE

The Corporate Governance structure at Blue Blends (India) Limited is as follows:

2.1 Board of Directors:

The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

2.2 Committees of the Board:

The Board has constituted the following Committees viz, Audit Committee, Remuneration and Nomination Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility (CSR) Committee. Each of the said Committee has been mandated to operate within a given framework.

3. GOVERNANCE CODES

3.1 CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the current year. The Company formulated code of conduct, which is uploaded on the website of the Company viz. www.blueblends.com

3.2 PREVENTION OF INSIDER TRADING

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed company.

The Company has adopted a "CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PROHIBITION OF INSIDER TRADING" ("the Code") in accordance with the requirements of the PIT Regulations. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Compliance Officer is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code

3.3 CONFLICT OF INTERESTS

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.



4. BOARD OF DIRECTORS:

4.1 Composition of the Board as on March 31st, 2016.

Category	No. of Directors
Managing Director	1
Non-Executive Director	1
Independent Director	3
Total	5

4.2 Composition, category and Number of Board and Committee position held as on March 31st, 2016.

Name (Promoter ~ P Non-Promoter ~ NP)	Category	No. of Directorship ⁴	Attendance at AGM	No. of Committee Position held ⁵	
				As Chairman	As Member
Mr. Anand Arya (P)	Chairman & Managing Director	4	Yes	Nil	Nil
Mr. Suraj Dugar(NP) ¹	Executive Director	1	Yes	NA	NA
Ms. Rukmani Iyer(NP)	Non-Executive Director	3	Yes	3	3
Mr. K. Parthasarathy(NP)	Independent Director	1	No	Nil	1
Mr. Shabbir Tambawalla(NP)	Independent Director	3	Yes	3	3
Mr. Pujaram Purohit(NP) ²	Independent Director	1	Yes	NA	NA
Ms. Janardan Joshi (NP) ³	Independent Director	2	NA	Nil	2

⁽¹⁾ Mr. Suraj Dugar resigned from the office of the Director w.e.f. 28.08.2015,

⁽²⁾ Mr. Pujaram Purohit resigned from the office of the Director w.e.f. 20.10.2015,

⁽³⁾ Mr. Janardan Joshi was appointed as an Additional Independent Director w.e.f. 20.10.2015,

⁽⁴⁾ Includes all the companies incorporated in India including the reporting Company,

⁽⁵⁾ Committee position held in listed and unlisted Public Limited Companies are considered including the reporting Company. For this purpose only Audit Committee and Stakeholder's Relationship Committee are considered.

4.3 Scheduling of Board Meetings:

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets. In the Financial year 2015-16, the Board met seven times. The Interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the SEBI (LODR) Regulations 2015. Meetings and attendance during the year from April, 2015 to March, 2016:

Date of Meeting	ATTENDANCE RECORDED						
	Mr. Anand Arya	Mr. Shabbir Tambawalla	Ms. Rukmani Iyer	Mr. Kalathoor Parthasarathy	Mr. Janardan Joshi	Mr. Suraj Dugar	Mr. Pujaram Purohit
23.04.2015	Yes	Yes	Yes	No	NA	Yes	Yes
14.08.2015	Yes	No	Yes	No	NA	Yes	Yes
28.08.2015	Yes	No	Yes	No	NA	Yes	Yes
20.10.2015	Yes	Yes	Yes	No	NA	NA	Yes
31.12.2015	Yes	Yes	Yes	No	No	NA	NA
12.01.2016	Yes	Yes	Yes	No	No	NA	NA
12.02.2016	Yes	Yes	Yes	No	Yes	NA	NA



- 4.4 The Non-Executive Director have no pecuniary relationship or transactions with the Company in their personal capacity except Remuneration of Rs. 2.04 Lacs.
- 4.5 None of the Directors of the Company are related amongst themselves.
- 4.6 Details of Director retiring of being re-appointed is given in the notice to Annual General Meeting.
- 4.7 Brief profile of each of the Directors is available on the Company's website: www.blueblends.com.
- 4.8 The minimum information as mentioned in Schedule II of the SEBI (LODR) Regulations 2015 was made available to the Board Members and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting The Board periodically reviews compliance reports of all laws applicable to the Company and the steps taken to rectify instances of non-compliance.
- 4.9 Details of sitting fees, remuneration, etc. paid to Directors during the year ended March 31st, 2016:

Name of the Directors	Remuneration paid during the year (Rs.)	Sitting Fees paid during the year (Rs.)	Total (Rs.)
Mr. Anand Arya,	24,00,000/-	-	24,00,000/-
Mr. Suraj Dugar,	-	1,000/-	1,000/-
Mr. Kalathoor Parthasarathy	-	-	-
Mr. Shabbir Tambawalla	-	2,500/-	2,500/-
Mr. Pujaram Purohit	-	2,000/-	2,000/-
Ms. Rukmani Iyer	2,03,735/-*	3,500/-	2,07,235/-
Mr. Janardhan Joshi	-	500/-	500/-

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

5. COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee 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. Every Director has informed the Company about Committee positions he occupies in other Companies.

The Minutes of the Committee Meetings are placed before the Board for noting. The Board currently has the following committees;

5.1 AUDIT COMMITTEE

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of the and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief description of terms of reference:

The Audit Committee is authorised to exercise all the powers and perform all the functions as specified in Section 177 of the Companies Act, 2013 and rules made there under and Regulation 18 of SEBI (LODR) Regulation, 2015 both as amended from time to time. The said Committee reviews reports of the Internal Auditors, mets Statutory Auditors, Internal Auditors and Cost Auditors periodically to discuss their findings and suggestions, Internal control systems, scope of audit, observations of the auditors and other related matters and reviews major accounting policies followed by the Company. The Minutes of the Audit Committee meetings are circulated and the Board of Directors take note of the same.



Composition:

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. He was present at the Annual General Meeting to answer shareholders' queries. The Composition of the Audit Committee as on 31st March, 2016 was as under:

1. Mr. Shabbir Tambawalla - Chairman
2. Ms. Rukmani Iyer - Member
3. Mr. Kalathoor Parthasarathy - Member
4. Mr. Janardan Joshi - Member

Meetings and Attendance:

Meetings and attendance during the year from April, 2015 to March, 2016:

Date of Meeting	Attendance Recorded					
	Shabbir Tambawalla	Rukmani Iyer	Kalathoor Parthasarathy	Janardan Joshi	Suraj Dugar	Pujaram Purohit
23.04.2015	Yes	NA	No	NA	Yes	Yes
14.08.2015	No	NA	No	NA	Yes	Yes
20.10.2015	Yes	Yes	No	NA	NA	Yes
12.02.2016	Yes	Yes	No	Yes	NA	NA

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.

5.2 NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013, and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has renamed the existing "Remuneration Committee" as the "Nomination and Remuneration Committee". In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company

Brief description of terms of reference:

The terms of reference of the Committee inter alia, include the following:

- a. Succession planning of the Board of Directors and Senior Management Employees;
- b. Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- c. Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- d. Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration;
- e. Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

Composition:

The Composition of the Nomination and Remuneration Committee as on 31st March, 2016 was as under:

1. Mr. Shabbir Tambawalla - Chairman
2. Ms. Rukmani Iyer - Member
3. Mr. Kalathoor Parthasarathy - Member
4. Mr. Janardan Joshi - Member



Meetings and Attendance:

Meetings and attendance during the year from April, 2015 to March, 2016:

Date of Meeting	Attendance Recorded				
	Shabbir Tambawalla	Rukmani Iyer	Kalathoor Parthasarathy	Pujaram Purohit	Janardan Joshi
21.04.2015	Yes	Yes	No	Yes	NA
17.08.2015	No	Yes	No	Yes	NA
07.10.2015	Yes	Yes	No	Yes	NA

5.3 STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee", under Chairmanship of Non-Executive Director to look into the redressal of shareholders complaints.

Brief description of terms of reference:

The terms of reference of the Committee are:

- a. transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- b. issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- c. issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- d. issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- e. monitoring expeditious redressal of investors / stakeholders grievances;
- f. to fix record date/book closure of share/debenture transfer book of the Company from time to time;
- g. all other matters incidental or related to shares, debentures and other securities of the Company.
- h. to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

Composition:

- 1. Ms. Rukmani Iyer - Chairman
- 2. Mr. Shabbir Tambawalla - Member
- 3. Mr. Janardan Joshi - Member

Mr. Kushalraj Sonigda, Company Secretary is the Compliance Officer.

Details of shareholders' complaints received, solved and pending share transfers

The total number of complaints received and resolved during the year ended March 31st, 2016 were 5. These complaints includes complaints received from SEBI Scores by the Company. There were no complaints outstanding as on March 31, 2016. The number of pending share transfers and pending requests for dematerialization as on March 31st, 2016 were 7. Shareholders'/Investors' complaints and other correspondence are normally attended to within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended / pending for more than thirty days as on March 31st, 2016.

5.4 CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In accordance with the requirements laid down in Section 135 of the Companies Act, 2013 and the Rules framed thereunder, the Board of the



Company has constituted a Corporate Social Responsibility (CSR) Committee consisting of three directors.

Brief description of terms of reference:

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

Composition:

The composition of the Corporate Social Responsibility Committee as at March 31st, 2016 is as under:

- | | |
|-----------------------|------------|
| 1. Mr. Anand Arya | - Chairman |
| 2. Ms. Rukmani Iyer | - Member |
| 3. Mr. Janardan Joshi | - Member |

CSR Policy

The Company formulated CSR Policy, which is uploaded on the website of the Company viz. www.blueblends.com

6. INDEPENDENT DIRECTOR:

6.1 DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), 2015

6.2 FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of Company. The Director is also explained in detail the compliance required from him under the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant regulations and affirmation taken with respect to same. The Chairman and Managing Director also has one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the Director's about the Company, its product, Business and on-going events relating to the Company.

6.3 SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 12th March, 2016 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

6.4 TENURE OF INDEPENDENT DIRECTOR

As per the provisions of Section 149 (10) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the tenure of the Mr. Shabbir Tambawala and Mr. Kalathoor Parthasarthy will be 5 Years starting from April 01st, 2014 and hold the office till March 31st, 2019. The tenure of Mr. Janardan Joshi is for the period of 5 years starting from Tuesday, September 27th, 2016.

7. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the



Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

8. SUBSIDIARY COMPANY:

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated. The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings. Copies of the Minutes of the Audit Committee / Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

9. AFFIRMATIONS AND DISCLOSURES:

9.1 COMPLIANCE WITH CORPORATE GOVERNANCE

The Company is in compliance with all mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9.2 RELATED PARTY TRANSACTIONS POLICY

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and do not attract the provisions of Section 188 of the Companies Act, 2013.. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The statement is supported by a Certificate from the CEO & MD and the CFO. As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. www.blueblends.com.

9.3 VIGIL MECHANISM

In staying true to our values of Strength, Performance and Passion, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a Fraud Risk Management Policy (FRM) to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

9.4 WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. www.blueblends.com.

9.5 REMUNERATION POLICY

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure / consider the following:

- a) the relationship of remuneration and performance benchmark is clear;
- i. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the



Company and its goals;

- ii. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - iii. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals' performance, industry benchmark and current compensation trends in the market.
- b) The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

9.6 RISK MANAGEMENT POLICY

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a Company level as also separately for business segments. Risk management forms an integral part of the Company's planning cycle. The key business risks identified by the Company and its mitigation plans are as under:

a) Project Risks:

The Textile Industry is capital intensive in nature. In the execution of large projects which are highly capital intensive in nature, there could be exposure to time and cost overruns. To mitigate these risks, the project management team and the project accounting and governance framework has been further strengthened.

b) Competition Risks:

The Textile Industry is becoming intensely competitive with the foray of new entrants and some of the existing players adopting inorganic growth strategies. To mitigate this risk, the Company is leveraging on its expertise, experience and its created capacities to increase market share, enhance brand equity / visibility and enlarge product portfolio and service offerings. It would also leverage on its Infrastructure, Commercial and Institutional Sales team to offer value to large customers.

c) Financial Risks:

The Company's policy is to actively manage its foreign exchange risk within the framework laid down by the Company's forex policy approved by the Board. Given the interest rate fluctuations, the Company has adopted a prudent and conservative risk mitigation strategy to minimize interest costs.

d) Commodity Price Risks

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking, inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

e) Regulatory Risks

The Company is exposed to risks attached to various statutes and regulations. The Company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

f) Strategic Risks

Emerging businesses, capital expenditure for capacity expansion, etc., are normal strategic risks faced by the Company. However, the Company has well-defined processes and procedures for obtaining approvals for investments in new businesses and capacity expansion etc.



g) Occupational Health & Safety Risks:

Safety of employees and workers is of utmost importance to the Company. To reinforce the safety culture in the Company, it has identified Occupational Health & Safety as one of its focus areas.

10. MANAGEMENT:

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

Disclosures by Management:

- a) 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.
- b) 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.

11. GENERAL BODY MEETINGS:

Location and time of last three AGM's held:

Location	Date	Time	Special Resolution Passed
M.C. Ghia Hall Bhogilal Hargovindas Building, 4 th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai-400 001	29.07.2015	11.00 AM	Yes(Five)
M.C. Ghia Hall Bhogilal Hargovindas Building, 4 th Floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai-400 001	27.08.2014	10:30 AM	Yes (Five)
Tarabai Hall 97, Marine Drive, 'Shivprasad', Near Marine Lines Station, Mumbai- 400002	12.08.2013	11:30 AM	Yes (One)

12. POSTAL BALLOT:

During the year, the Company has approached the preference Shareholders twice through Postal Ballot, in August, 2015 and December, 2015. A snapshot of the above mentioned postal ballots is as follows:

12.1 Resolution passed through Postal Ballot on September 30th, 2015.

Postal Ballot notice were dispatched on August 28th, 2015 and the results were declared and approved on September 30th, 2015.

Mr. Sunil Bohra, Practicing Chartered Accountant was appointed as the Scrutinizer for conducting the Postal Ballot process.

Special Resolution was passed on September 30th, 2015 through Postal Ballot, pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management Administration) Rules, 2013 as per the scrutinizer report is as follows:

"Special Resolution to Extend the Redemption period of 23,00,750 0.01% Non-Cumulative Non- Convertible Redeemable Preference Shares of Rs. 100/- each which were due for redemption on September 30th, 2015 by three months i.e. December 31st, 2015."

12.2 Resolution passed through Postal Ballot on January 29th, 2016.

Postal Ballot notice were dispatched on December 31st, 2015 and the results were declared and approved on January 29th,2016.

Mr. Sunil Bohra, Practicing Chartered Accountant was appointed as the Scrutinizer for conducting the Postal Ballot process.

Special Resolution was passed on January 29th, 2016 through Postal Ballot, pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management Administration) Rules, 2013 as per the scrutinizer report is as follows:

"Special Resolution to Extend the Redemption period of 14,00,750 0.01% Non-Cumulative Non- Convertible Redeemable Preference Shares of Rs. 100/- each which were due for redemption on December 31st, 2015 by six months i.e. June 30th, 2016."



13. 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 payment of listing fees to the Delhi Stock Exchange remains unpaid. The application of the Company for de-listing of the company's securities from Delhi Stock Exchange is pending.

14. MEANS OF COMMUNICATION:

- 1. Half yearly report sent to each shareholders residence No
- 2. In which newspapers quarterly results were normally published. 1. Business Standard 2. Mint 3. Mumbai Lakshdeep
- 3. Any website where results or official news are displayed. www.blueblends.com
- 4. The presentation made to institutional investors or to the analysts. No
- 5. Whether Management Discussion and Analysis is part of Annual Report Yes, Contained in the Directors Report

15. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting Date, Time and venue	Tuesday, September 27 th , 2016 at 11.30 a.m. at Tarabai Hall, Shiv Prasad, 97- Marine Drive, Marine Lines West, Mumbai 400 002
Financial Year	April 1 st , 2015 to March 31 st , 2016
Date of Book Closure	Wednesday, September 21 st , 2016 to Tuesday, September 27 th , 2016 (both days inclusive)
Dividend Payment Date	On or after September 28 th , 2016
Listing on Stock Exchange	BSE, NSE
Stock Code	BSE Stock Code – 502761, NSE Stock Code – BLUEBLENDS
Demat ISIN No.	INE 113 O 01014 (NSDL & CDSL)

16. MARKET PRICE DATA

Month	BSE				NSE			
	High Price	Low Price	No. of Shares	Turnover	High Price	Low Price	No. of Shares	Turnover
Apr-15	14	13	9,850	1,30,759	14.00	14.00	200	2,800
May-15	17	13	5,849	87,877	15.40	13.85	7,450	1,12,000
Jun-15	29	18	15,379	3,40,465	14.50	14.00	650	9,000
Jul-15	29	20	12,445	2,84,943	14.70	14.00	850	12,000
Aug-15	23	16	24,483	4,89,618	16.85	14.70	1,062	16,000
Sep-15	19	15	3,60,724	55,93,050	17.25	15.50	5,565	90,000
Oct-15	21	17	8,167	1,58,780	18.90	16.40	382	7,000
Nov-15	21	17	49,110	9,41,112	20.75	16.70	1,91,532	35,66,000
Dec-15	57	19	13,16,530	3,50,97,849	43.55	17.80	2,00,455	39,70,000
Jan-16	112	59	38,20,836	30,12,62,798	104.15	45.70	7,894	7,40,000
Feb-16	115	81	9,74,618	8,86,42,606	112.80	81.70	2,92,548	2,59,69,000
Mar-16	107	81	18,06,802	17,65,34,210	107.65	81.35	14,89,281	14,84,51,000



17. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2016

No. of Equity Shares	No. of Shareholders	% to Total	No. of Shares	Amount(In Rs.)	% to Total
UPTO - 5,000	17737	95.31	1915270	19152700	9.87
5,001 - 10,000	432	2.32	335798	3357980	1.73
10,001 - 20,000	171	0.92	255358	2553580	1.31
20,001 - 30,000	91	0.49	234140	2341400	1.21
30,001 - 40,000	36	0.19	128894	1288940	0.66
40,001 - 50,000	28	0.15	132058	1320580	0.68
50,001 - 1,00,000	44	0.24	316242	3162420	1.63
1,00,001 & above	71	0.38	16091228	160912280	82.91
	18610	100.00	19408988	194089880	100.00

18. SHAREHOLDING PATTERN AS ON MARCH 31ST, 2016:

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	1,30,10,042	67.03	12,600,000	96.85
2.	Persons acting in concert	0	0.00	0	0.00
	Sub ~ Total	1,30,10,042	67.03	12,600,000	96.85
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)	3,15,186	1.63	0	0.00
c.	FIs	1,340	0.00	0	0.00
	Sub ~ Total	3,47,325	1.79	0	0.00
4.	Others				
a.	Private Corporate Bodies	11,18,128	5.76	0	0.00
b.	Indian Public	45,26,874	23.32	0	0.00
c.	NRIs/OCBs	30,777	0.16	0	0.00
d.	Any other (Please specify)HUF	1,96,126	1.01	0	0.00
e.	Trust	362	0.00	0	0.00
f.	Clearing Members	1,79,354	0.92	0	0.00
	Sub ~ Total	60,51,621	31.18	0	0.00
	GRAND ~ TOTAL	1,94,08,988	100.00	12,600,000	96.85
	TOTAL FOREIGN HOLDING	32,177	0.17	0	0.00



Notes:

		No. of Shares	%
i) Total foreign shareholding in number	: NRI	- 32,117	0.17
of shares and percentage shareholding	: OCBs & OTHERS	- NIL	NIL
including GDR and ADR holdings	: GDR	- NIL	NIL
	: ADR	- NIL	NIL
ii) The Promoter's shareholding includes an aggregate of 12,600,000 shares, which are pledged.			

19. 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.

20. OTHER DISCLOSURE RELATING TO SHARE:

Dematerialization of shares and Liquidity	The shares of the Company are in Demat segment and are available for Demat with CDSL & NSDL as on 31 st March, 2016, 1,70,49,359 Equity Shares of the Company representing 87.84% 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/B, Saijpur, Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405
Address for Correspondence :	Blue Blends (India) Limited JBF House, 2 nd Floor, Old Post Office Lane, Kalbadevi Road, Mumbai - 400 002. Tel. 2208 5951
Name of the Contact Person :	Mr. Kushalraj Sonigda Company Secretary JBF House, 2 nd Floor, Old Post Office Lane, Kalbadevi Road, Mumbai - 400 002. Tel. 2208 5951 Email Id: blueblends.ho@gmail.com
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 : busicomp@gmail.com

21. COMPLIANCE CERTIFICATE OF THE AUDITORS:

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulation and the same is annexed to this Report.

22. CODE OF CONDUCT DECLARATION

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Blue Blends (India) Limited Code of Business Conduct and Ethics for the year ended March 31, 2016.



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 March 31st, 2016 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 2015-2016 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 March 31st, 2016.
 - 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.

PLACE : MUMBAI
DATE : AUGUST 11TH, 2016.

Sd/-
ANAND ARYA
CHAIRMAN AND MANAGING DIRECTOR

FOR BLUE BLENDS (INDIA) LIMITED
Sd/-
NIRMAL SIROHIYA
CHIEF FINANCIAL OFFICER

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To 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 March 31st, 2016, as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

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 in the SEBI Listing Regulations, 2015.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the record maintained by the Stakeholder's Relationship 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 : AUGUST 11TH, 2016



Independent Auditors' Report

To the Members of

BLUE BLENDS INDIA LIMITED

Report on the Financial Statements

1. We have audited the accompanying Financial Statements of **BLUE BLENDS INDIA LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2016, 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

2. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("**the Act**") with respect to 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 the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. 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, 2016;
 - b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and



- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A', a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by section 143(3) of the Act, we further report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
- g) with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) the Company does not have any pending litigations which would impact its financial position.
- ii) the Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- iii) there has not been any occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For P.C. SURANA & CO.

Chartered Accountants

(Registration No. 110631W)

(P.C.Surana)

Partner

Place: Mumbai

Date: August 11th, 2016

Membership No.17136



Annexure 'A' referred to in paragraph 9 of Our Report of even date to the Members of BLUE BLENDS (INDIA) LIMITED ("the Company") on the accounts of the Company for the year ended 31st March, 2016

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) 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.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of its inventories:
- As explained to us, in our opinion, the management has physically verified inventories at reasonable intervals during the year and there was no material discrepancies noticed on such physical verification as compared to the book records.
- (iii) In respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013:
- (a) the terms and conditions of the grant of such loans are not prejudicial to the company's interest;
 - (b) such loans are payable on demand and receipt of the principal amount and interest, if any are regular; and
 - (c) there is no overdue amount of principal and interest in respect of such loans,
- (iv) In our opinion and according to the information and explanations given to us the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the loans, investments and guarantees made.
- (v) The Company has not accepted any deposits from the public covered under sections 73 to 76 of the Act.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of Company's products and services 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 cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues, as applicable, have been generally deposited regularly with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues were in arrears as at 31 March, 2016 for a period of more than six months from the date they become payable.
 - (b) 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, Excise & Custom Duty, Value Added Tax or Cess except following:-



1. 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. However, the Company has paid the full amount under protest.
 2. Disputed Sales Tax demands in respect of financial years 2007-08 and 2008-09 under Gujarat Value Added Tax Act, 2003 Rs. 11.69 lakhs. Company is in appeal before Sales Tax Appellate Tribunal, Ahmedabad. However, the Company has paid the full amount under protest.
- (viii) According to the explanations and information given to us, and on the basis of our examination of records of the Company, the Company does not have any loans or borrowings from any financial institution or bank and in respect of borrowings from the debenture holders as at Balance Sheet date, the Company has not defaulted in repayment of dues to such debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans raised by the Company have been applied by the Company for the purpose for which such loans were obtained.
- (x) During the course of our examination of the books and records of the Company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company or by its officers or employees on it, has been noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- (xi) According to the information and explanations given to us, the provisions of section 197 read with Schedule V to the Companies Act have been complied with in making the payment of managerial remuneration.
- (xii) In our opinion and according to information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, in our opinion, all the transactions entered with the related parties are in compliance with sections 177 and 188 of the Act and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year in terms of section 42 of the Act. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P.C. SURANA & CO.

Chartered Accountants

(Registration No. 110631W)

(P.C.Surana)

Partner

Place: Mumbai

Date : August 11th, 2016

Membership No.17136



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Blue Blends India Limited ("the Company")** as of 31 March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(P.C.Surana)
Partner

Place: Mumbai
Date : August 11th, 2016

Membership No.17136



BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2	42,41,64,880	42,41,64,880
b) Reserves & Surplus	3	18,27,13,014	10,87,95,588
		60,68,77,894	53,29,60,468
2 Share application money pending allotment		7,70,97,600	-
3 Non-current Liabilities			
a) Long-term borrowings	4	21,46,57,063	28,79,26,348
b) Deferred tax liabilities		-	-
c) Other long term liabilities		13,64,97,911	13,40,45,213
d) Long-term provisions -For Employees benefits		16,68,178	16,28,642
		35,28,23,152	42,36,00,203
4 Current Liabilities			
a) Short-term borrowings	5	16,03,62,844	9,57,89,925
b) Trade payables		23,67,15,601	24,71,70,762
c) Other current liabilities	6	15,59,90,191	10,13,47,104
d) Short-term provisions	7	3,28,42,721	2,12,26,057
		58,59,11,357	46,55,33,848
TOTAL		1,62,27,10,003	1,42,20,94,519
II ASSETS			
1 Non-current Assets			
a) Fixed Assets			
i) Tangible Assets	8	28,30,57,201	25,95,23,687
ii) Intangible Assets		-	-
iii) Capital Work-in-Progress		2,72,395	5,53,88,101
iv) Intangible Assets under development		-	-
b) Non-current Investments	9	12,99,02,000	12,99,02,000
c) Deferred tax assets		2,35,00,000	5,00,00,000
d) Long-term loans and advances	10	15,75,00,000	15,00,00,000
e) Other non-current assets		-	-
		59,42,31,596	64,48,13,788
2 Current Assets			
(a) Current Investments	11	-	94,27,000
(b) Inventories	12	29,01,35,763	30,17,50,936
(c) Trade Receivables	13	42,54,55,859	42,68,51,945
(d) Cash and Cash equivalents	14	8,21,16,783	1,98,28,354
(e) Short-term loans and advances	15	23,07,70,002	1,94,22,496
		1,02,84,78,407	77,72,80,731
TOTAL		1,62,27,10,003	1,42,20,94,519
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. 017136
Place : Mumbai.
Dated : 11th August, 2016

For & on behalf of the Board

Anand Arya
Chairman & Managing Director
DIN No. 00084995

Shabbir Tambawalla
Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2016

	Note	2015-16 Rs.	2014-15 Rs.
INCOME			
(I) Revenue from Operations	16	1,80,14,91,670	1,76,21,19,215
(II) Other Income	17	28,99,459	13,56,060
(III) Total Revenue		1,80,43,91,129	1,76,34,75,275
(IV) EXPENSES			
Cost of Material consumed	18	93,45,45,884	95,71,24,432
Purchases of Stock in Trade(net of purchase returns)		2,45,28,719	3,31,83,788
Changes in Inventories of Finished goods,Stock in progress and Stock-in-trade	19	92,05,435	(2,52,53,589)
Employees benefits Expenses	20	6,13,72,295	5,64,93,106
Finance Costs	21	10,84,78,833	9,08,36,203
Depreciation and Amortization Expenses	22	3,12,94,883	4,45,66,047
Other Expenses	23	54,12,18,357	55,85,67,285
Total Expenses		1,71,06,44,406	1,71,55,17,272
(V) Profit before Exceptional Items		9,37,46,723	4,79,58,003
(VI) Exceptional Items		-	25,21,354
(VII) Profit before Taxes		9,37,46,723	5,04,79,357
(VIII) Tax Expenses :			
(1) Current tax		2,00,00,000	1,07,02,000
(2) Deferred tax		2,65,00,000	(1,50,00,000)
(3) MAT Credits available		(4,12,19,326)	-
(4) Adjustment in Taxation in earlier years		17,05,902	-
		69,86,576	(42,98,000)
(IX) Profit after Taxes		8,67,60,147	5,47,77,357
(X) Earning Per Equity Share			
24			
i) Before Exceptional Items			
a) Basic		4.47	2.69
b) Diluted		4.47	2.69
ii) After Exceptional Items			
a) Basic		4.47	2.82
b) Diluted		4.47	2.82

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. 017136
Place : Mumbai.
Dated : 11th August, 2016

For & on behalf of the Board

Anand Arya
Chairman & Managing Director
DIN No. 00084995

Shabbir Tambawalla
Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Rs. in lacs

	As At 31.03.2016 <u>Rs.</u>	As At 31.03.2015 <u>Rs.</u>
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxes as per Statement of Profit and Loss	937.47	504.79
Adjusted for:		
Depreciation and Amortisation Expenses	312.95	445.66
Sundry Balances Written Back	(7.38)	(1.20)
Sundry Advances/Deposits W/off	0.59	1.91
Fixed Assets Discarded	-	1.44
(Profit)/Loss on sale of Fixed Assets	(21.51)	(23.04)
(Profit)/Loss on sale of Investments	36.11	(2.17)
Finance Cost	1,084.79	908.36
Operating profit before working capital changes	2,343.01	1,835.75
Adjusted for:		
Trade and Other Receivables	(646.28)	(971.36)
Inventories	116.15	(154.29)
Trade & Other Payables	(118.93)	339.20
Cash Generated from Operations	1,693.96	1,049.30
Adjusted for:		
Direct Taxes Paid	(242.09)	(1.47)
Net Cash from Operating Activities	1,451.87	1,047.83
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(31.01)	(597.29)
Sale of Fixed Assets	55.39	28.00
Purchase of Investments	-	(150.01)
Sale of Investments	58.16	189.68
Net Cash (used in) Investing Activities	82.55	(529.62)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Share application money received	770.98	-
Long-term borrowings and other liabilities (Net)	(139.58)	(844.14)
Long-term deposits given	(75.00)	-
Short-term borrowings(Net)	645.73	417.00
Short-term advances	(1,028.86)	-
Interest Paid	(1,084.79)	(908.36)
Net Cash (used in) from Financing Activities	(911.53)	(1,335.50)
Net Increase in Cash and Cash Equivalents (A+B+C)	622.89	(817.29)
Opening Balance of Cash and Cash Equivalents	198.28	1,015.57
Closing Balance of Cash and Cash Equivalents	821.17	198.28

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

P. C. Surana
Partner
M. No. 017136
Place : Mumbai.
Dated : 11th August, 2016

For & on behalf of the Board

Anand Arya
Chairman & Managing Director
DIN No. 00084995

Shabbir Tambawalla
Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

1. SIGNIFICANT ACCOUNTING POLICES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as specified under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hereto in use.

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP require Management to make estimates and assumptions that effects the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting periods. Examples of such estimates include estimates of useful life of assets and future obligations under employee retirement benefit plans and income tax. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates and difference between the actual results and estimates are recognized in period in which the result is known/materialized.

REVENUE RECOGNITION

The Company follows the mercantile system of accounting and recognizes incomes and expenditures on accrual basis. The accounts are prepared on historical cost basis, as a going concern, and are consistent with accounting principles generally accepted in India. Dividend income is recognised for when the right to receive dividend is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchases 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 / AMORTISATION

Depreciation on the fixed assets is charged on Straight Line Method. Depreciations are charged over the estimated useful lives of the assets as specified in Schedule II of the Companies Act, 2013.

Depreciation in respect of additions to/and deletion from assets has been charged on pro-rata basis from/till the date they are put to commercial use.

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. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

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.



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, the resultant exchange difference is adjusted to the profit & loss account except in the case of Foreign Currency Liabilities on account of acquisition of Fixed Assets, where such exchange difference is adjusted to the cost of the assets.

EMPLOYEE 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.

TAXATION

Income Tax is computed in accordance with Accounting Standard 22, "Accounting for Taxation on Income" issued by the ICAI. Provision for current income tax and fringe benefit 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.

EARNINGS PER SHARE (EPS)

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax (and include post tax effect of any extraordinary items.) The number of shares used in computing basic earnings per share is the weighed average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average shares considered for deriving basic earning per share, and also the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

IMPAIRMENT OF ASSESTS

Tangible fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of the asset's net selling price or its value in use.

EXTRA ORDINARY AND EXCEPTIONAL ITEMS

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

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

RELATED PARTY TRANSACTIONS

Related party transactions are transfer of resources or obligations between related parties, regardless of whether a price is charged. Parties are considered to be related, if one party has the ability, directly or indirectly, to control the other party of exercise significant influence over the other party in making financial or operating decisions. Parties are considered to be related if they are subject to common control or common significant influence.

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 31.03.2016 Rs.	As At 31.03.2015 Rs.
“2” Share Capital		
Authorised:		
3,00,00,000 (Previous Year 2,05,00,000) Equity Shares of Rs.10/- each	30,00,00,000	20,50,00,000
23,50,000 (Previous Year 33,00,000) Preference Shares of Rs.100/- each.	23,50,00,000	33,00,00,000
	<u>53,50,00,000</u>	<u>53,50,00,000</u>
Issued, Subscribed and Fully Paid-up:		
Cumulative Redeemable Preference Shares		
0.01% 14,00,750 (Previous Year - 0.01% 23,00,750)	14,00,75,000	23,00,75,000
Cumulative Non-convertible Redeemable Preference shares of Rs.100/- each		
Non-Cumulative Redeemable Preference Shares		
1.00% 9,00,000 (Previous Year - Nil) Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.100/- each	9,00,00,000	-
Equity Shares		
1,94,08,988 (Previous Year -1,94,08,988) Equity Shares of Rs.10/- each fully paid up of Rs.10/- each	19,40,89,880	19,40,89,880
	<u>42,41,64,880</u>	<u>42,41,64,880</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	1,94,08,988	1,94,08,988
Addition during the year	-	-
Total No. of Equity Shares at the end of the year	<u>1,94,08,988</u>	<u>1,94,08,988</u>
0.01% Cumulative Non-Convertible Redeemable Preference Shares		
No. of the Preference Shares at the beginning of the year	23,00,750	23,00,750
Reduction during the year due to redemption	9,00,000	-
Total No. of Preference Shares at the end of the year	<u>14,00,750</u>	<u>23,00,750</u>
1% Non-Cumulative Non-Convertible Redeemable Preference Shares		
No. of the Preference Shares at the beginning of the year	-	-
Addition during the year	9,00,000	-
Total No. of Preference Shares at the end of the year	<u>9,00,000</u>	<u>-</u>

- Note:** (i) In the Financial year 2013-14, 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 of Rs.100/- each as per Resolution passed at the Annual General Meeting held on 12/08/2013.
- (ii) 0.01% 14,00,750 (Previous Year-23,00,750) Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100/- each are due for redemption on 30/06/2016
- (iii) 1% 9,00,000 (Previous Year-Nil) Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100/- each allotted on 14/10/2015 private placement basis are due for redemption on the expiry of ten years from the date of their allotment i.e.13/10/2025.
- (iv) At the Extra Ordinary General Meeting held on 13th February, 2016, Company re-classified Authorised Share Capital amounting to Rs. 53.50 Crores consisting of Rs. 20,50,00,000/-(Rupees Twenty Crores Fifty Lacs only) divided into 2,05,00,000 (Two Crores Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each and Rs. 33,00,00,000 (Rupees Thirty Three Crores only) divided in 33,00,000 (Thirty Three Lacs) Preference Shares of Rs. 100/- (Rupees Hundred Only) to Rs. 30,00,00,000/-(Rupees Thirty Crores only) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each and Rs. 23,50,00,000 (Rupees Twenty Three Crores Fifty Lacs Only) divided in 23,50,000 (Twenty Three Lacs Fifty Thousands) Preference Shares of Rs. 100/- (Rupees Hundred Only).



Blue Blends (India) Limited

	As At 31.03.2016 Rs.		As At 31.03.2015 Rs.	
Details of shareholders holding more than 5% shares :				
Cumulative Redeemable preference Shares				
	No. of shares	% held	No. of shares	% held
i) 0.01% Cumulative Non-Convertible Redeemable Preference Shares				
Non Convertible Preference Share				
Anand Arya	9,15,750	65.38	17,00,750	73.92
Jindal Worldwide Limited	1,60,000	11.42	1,60,000	6.95
Indu Arya	1,35,000	9.64	-	-
Cressida Traders Pvt. Ltd.	75,000	5.35	-	-
New India Assurance Co. Ltd.	75,000	5.35	-	-
Premier Synthetics Limited	-	-	2,50,000	10.87
ii) 1% Non-Cumulative Non-Convertible Redeemable Preferences Shares				
	No. of shares	% held	No. of shares	% held
Anand Arya	9,00,000	100	-	-
Equity Shares				
	No. of Shares	% held	No. of Shares	% held
Anand Arya	92,08,928	47.45	84,21,427	43.39
Aman Arya	14,00,000	7.21	14,00,000	7.21
Indu Arya	15,01,114	7.73	23,01,114	11.86
Cressida Traders Private Limited	-	-	10,00,600	5.16
Edelweiss Asset Reconstruction Company Limited	-	-	12,35,000	6.36
“3” Reserves & Surplus				
Capital Reserves:				
Balance as per last Balance Sheet	33,93,36,054		33,93,36,054	
Less : Adjusted against Debit balance of Profit & Loss A/c*	33,93,36,054	-	-	33,93,36,054
Preference Share Capital Redemption Reserve				
Balance as per last Balance Sheet	1,75,00,000		1,75,00,000	
Add : Transferred from Profit & Loss a/c	3,75,00,000		-	
		5,50,00,000		1,75,00,000
Securities Premium Reserve				
Balance as per last Balance Sheet	8,02,75,000		8,02,75,000	
Less : Adjusted against Debit balance of Profit & Loss A/c*	2,39,79,412	5,62,95,588	-	8,02,75,000
Debenture Redemption Reserve				
Transferred from Profit & Loss a/c	2,00,00,000	5,50,00,000	1,50,00,000	3,50,00,000
Profit and Loss Account				
Balance as per last Balance Sheet	(36,33,15,466)		(40,30,92,823)	
Add: Adjusted against Capital Reserve as above*	33,96,36,054		-	
Add: Adjusted against Securities Premium Reserve as above*	2,39,79,412		-	
Add: Profit/(Loss) for the year	8,67,60,147		5,47,77,357	
Less : Transferred to Debenture Redemption Reserve	2,00,00,000		1,50,00,000	
Less : Transferred to Preference Share Redemption Reserve	3,75,00,000		-	
Less : Provisions for Dividends on Preference Shares and tax thereon.	4,50,227		-	
Less : Provisions for Dividends on Equity Shares and tax thereon.	1,23,92,494		-	
		1,64,17,426		(36,33,15,466)
		18,27,13,014		10,87,95,588

*Note : Company filed petition before Honorable Bombay High Court, Bombay for permission to utilise Capital Reserve and Securities Premium reserve to adjust against Debit balance of Profit & loss account and the same was approved. Accordingly effect has been given in the above Schedule.



	As At 31.03.2016 Rs.	As At 31.03.2015 Rs.
“4” Non-current Liabilities		
a) Long term borrowings		
Secured		
i) 17% (P.Y. 16%) Non Convertible Debentures	21,10,00,000	28,50,00,000
ii) Vehicle Loans	<u>36,57,063</u>	<u>29,26,348</u>
	<u>21,46,57,063</u>	<u>28,79,26,348</u>
b) Other Long term borrowings		
Unsecured		
From Others - Body Corporates	<u>13,64,97,911</u>	<u>13,40,45,213</u>
	<u>13,64,97,911</u>	<u>13,40,45,213</u>
“4.1” 430 - 17% (Previous Year - 16%) Secured Non-Convertible Debentures of Rs. 10 lacs each issued to Religare Finvest Limited 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 all the equity shares of its wholly owned subsidiary company M/s Bindal Synthetics Pvt.Ltd. (BSPL).		
iii) Mortgage of freehold land at Piplej, Ahmedabad owned by its subsidiary Company, BSPL and one of the personal property of the Promoters .		
iv) Corporate guarantee by BSPL and personal guarantee of Promoter Director Mr. Anand Arya.		
v) 17% NCDs are repayable in quarterly installments and to be repaid fully by 27.03.2018.		
vi) The outstanding balance as on 31.03.2016 is Rs 36.00 crore, and there is no overdue amount.		
“4.2” Vehicle Loans of Rs.36.57 lacs (Previous Year Rs.29.26 lakhs) are secured by first charge and hypothication of respective vehicles financed and are repayable in equal monthly installments over a remaining period of three years.		
“4.3” Maturity profile of the Secured Long Term Borrowings are as under:		
	Current Liability	Maturity Profile
	2016-17	2017-18
		2018-19
Non-Convertible Debentures	149,000,000	211,000,000
Vehicle Loans	1,718,450	2,076,225
		1,580,838
“5” Short term borrowings		
“A” Secured repayable on demand		
From Related Parties		-
From Others		-
Body Corporates	15,27,517	-
Others	<u>1,96,47,400</u>	-
		<u>2,11,74,917</u>
		<u>2,11,74,917</u>
(Secured against pledge of 17,00,000 equity shares of the Company held by its Promoter Director Mr. Anand Arya and his relative.)		
“B” Unsecured, repayable on demand		
Loans and Advances		
From Related Parties- Body Corporates		-
From Others		-
Body Corporates	8,60,56,391	6,37,03,248
Others	<u>5,31,31,536</u>	<u>3,20,86,677</u>
		<u>13,91,87,927</u>
		<u>13,91,87,927</u>
Total (A+B)		<u>16,03,62,844</u>
“6” Other Current Liabilities		
Current maturities of long term borrowings (Secured) (Refer Note No. 4.1 and 4.2 for Security given)	15,07,18,450	9,38,59,903
Other Payables*	<u>52,71,741</u>	<u>74,87,201</u>
	<u>15,59,90,191</u>	<u>10,13,47,104</u>
*Includes statutory dues and security deposits.		
“7” Short-term provisions		
For Dividend on Preference share and tax thereon	4,50,227	-
For Dividend on Equity share and tax thereon	1,23,92,494	-
For Income tax (net of advances)	<u>2,00,00,000</u>	<u>2,12,26,057</u>
	<u>3,28,42,721</u>	<u>2,12,26,057</u>



**“8” Fixed Assets
Tangible Assets**

(Amt in Rs.)

Description of Assets	Gross Block			Depreciation				Net Carrying Value		
	As at 1.04.2015	Additions	Deletions	As at 31.03.2016	Up to 31.03.2015	For the Year	Adjustment (Del.) / Add.	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
Freehold Land	-	-	-	-	-	-	-	-	-	-
Factory Building	14,19,55,556	62,99,196	-	14,82,54,752	7,85,93,970	49,50,277	-	8,35,44,247	6,47,10,505	6,33,61,586
Residential Building	3,65,041	-	-	3,65,041	32,336	-	-	32,336	3,32,705	3,32,705
Plant & Machinaries	70,15,10,539	5,11,21,825	6,23,19,842	69,03,12,522	52,08,09,978	2,42,99,839	5,92,03,850	48,59,05,967	20,44,06,555	18,07,00,561
Electrical Installations	2,60,54,298	50,341	-	2,61,04,639	2,42,41,831	55,944	-	2,42,97,775	18,06,864	18,12,467
Furniture & Fixtures	47,61,558	1,33,955	-	48,95,513	32,10,262	1,82,687	-	33,92,949	15,02,564	15,51,296
Vehicles	1,57,91,987	-	18,85,309	1,39,06,678	65,82,127	14,06,188	16,12,836	63,75,479	75,31,199	92,09,860
Office Equipment	35,75,251	4,90,300	-	40,65,551	19,76,221	1,90,560	-	21,66,781	18,98,770	15,99,030
Computer	50,02,959	1,21,245	-	51,24,204	40,46,777	2,09,388	-	42,56,165	8,68,039	9,56,182
Total Tangible Assets	89,90,17,189	5,82,16,862	6,42,05,151	89,30,28,900	63,94,93,502	3,12,94,883	6,08,16,686	60,99,71,699	28,30,57,201	25,95,23,687
Previous Year	89,00,14,168	1,00,45,266	10,42,245	89,90,17,189	59,53,29,858	4,45,66,047	4,02,403	63,94,93,502	25,95,23,687	-
Capital work in progress	5,53,88,101	2,72,395	5,53,88,101	2,72,395	-	-	-	-	2,72,395	5,53,88,101

As At
31.03.2016
Rs.

As At
31.03.2015
Rs.

“9” Non-current Investments

A. Trade Investments (At Cost)

In Preference Shares of Associate Company-

Unquoted, fully paid up

0.01% 9,50,000 (Previous Year 9,50,000) Cumulative Non Convertible Redeemable Preference Shares of Rs.100/- each of Premier Synthetics Limited

9,50,00,000

9,50,00,000

Total Trade Investment (A)

9,50,00,000

9,50,00,000

B. In Equity Shares of a Subsidiary Company

Unquoted, fully paid up

7,00,000 (Previous Year 7,00,000) Bindal Synthetics Private Limited . of Rs. 10/- each

3,49,01,000

3,49,01,000

Note: The above Shares are pledged with the Company's Debenture holders

Total Other Investments (B)

3,49,01,000

3,49,01,000

C Unquoted, fully paid up

100 (Previous Year 100) The Bharat Co. Op. Bank (Mumbai) Ltd. of Rs. 10/- each

1,000

1,000

Total Other Investment (C)

1,000

1,000

Total Non-current Investment (A to C)

12,99,02,000

12,99,02,000

Aggregate amount of Unquoted investment

12,99,02,000

12,99,02,000



Blue Blends (India) Limited

	As At 31.03.2016 Rs.	As At 31.03.2015 Rs.
“10” Long -Term Loans and Advances		
Security Deposits with subsidiary company	7,50,00,000	7,50,00,000
Business Security deposits with Related Parties	<u>8,25,00,000</u>	<u>7,50,00,000</u>
	<u><u>15,75,00,000</u></u>	<u><u>15,00,00,000</u></u>
11" Current Investment		
A. Other Investments (At Cost)		
In Equity Shares of Other Companies		
Unquoted, fully paid up		
Nil (Previous Year 9,40,000) Darwin Platform Capital Ltd.	-	94,27,000
of Rs. 10/- each	<u>-</u>	<u>-</u>
Total Other Investments	<u>-</u>	<u>94,27,000</u>
Aggregate amount of Unquoted investment	<u>-</u>	<u>94,27,000</u>
“12” Inventories		
Raw- Materials	7,02,27,242	6,44,73,607
Work - in - progress	7,01,91,003	9,82,28,374
Finished Goods (At lower of cost and net realisable value)	13,73,86,810	11,85,54,874
Stores & Spare parts	65,24,678	1,07,55,360
Packing Material	7,66,262	8,74,882
Dyes,Chemicals & Lubricants	50,39,768	88,63,839
	<u>29,01,35,763</u>	<u>30,17,50,936</u>
“13” Trade Receivables		
(Unsecured and considered good)		
Over Six months	1,39,82,763	1,45,22,028
Others	41,14,73,096	41,23,29,917
	<u>42,54,55,859</u>	<u>42,68,51,945</u>
“14” Cash and Cash Equivalents		
Balances with Bank		
In Current Accounts	11,08,453	1,63,73,355
In Fixed Deposit Accounts	35,49,615	31,60,795
In Escrow Accounts	7,71,07,737	-
Cash on hand	3,50,978	2,94,204
	<u>8,21,16,783</u>	<u>1,98,28,354</u>
Fixed Deposits with Banks include Deposits of Rs.29.90 lakhs (Prev. Yr. Rs. 26.42 Lacs) are pledged as security.		
“15” Short-Term Loans and Advances		
(Unsecured, considered good)		
Loans and Advances to Related Parties	9,94,73,737	8,16,732
Loans and Advances to Subsidiary	42,29,428	-
Balances/Claims with Revenue Authorities (Net of Provisions)	4,81,05,983	54,70,122
Deposits	80,98,050	86,30,358
Others*	7,08,62,804	45,05,284
	<u>23,07,70,002</u>	<u>1,94,22,496</u>

*Includes primarily advances to suppliers and advances to staff.



	2015-16 Rs.	2014-15 Rs.
“16” Revenue from Operations		
a) Sale of Products (Net of Returns)	1,78,38,61,143	1,74,12,35,425
b) Sale of Services	24,829	-
c) Other Operating Revenues	1,76,05,698	2,08,83,790
	<u>1,80,14,91,670</u>	<u>1,76,21,19,215</u>
“16”.1 Particulars of Sale of Products		
a) Fabrics	1,72,46,19,295	1,62,28,02,982
b) Yarns/ Cotton Yarn	5,92,41,848	11,83,97,855
c) Garments	-	34,588
	<u>1,78,38,61,143</u>	<u>1,74,12,35,425</u>
“17” Other Income		
Dividend	138	-
Sundry Balances Written Back	7,37,710	1,20,095
Miscellaneous Income	21,61,611	12,35,965
	<u>28,99,459</u>	<u>13,56,060</u>
“18” Cost of Materials consumed (100% Indigenous)		
Stock at Commencement	6,44,73,607	7,53,92,278
Add : Purchases (Net)	94,02,99,519	94,62,05,761
Less : Stock at close	7,02,27,242	6,44,73,607
	<u>93,45,45,884</u>	<u>95,71,24,432</u>
“18”.1 Particulars of materials consumed		
Cotton & Cotton Yarn	80,52,90,159	95,49,92,153
Grey Cloth	12,92,55,725	21,32,279
	<u>93,45,45,884</u>	<u>95,71,24,432</u>
“19” Changes in Inventories of Finished goods, Stock in progress and Stock-in-trade		
Opening Stock		
Finished Goods	11,85,54,874	11,26,88,611
Semi Finished Goods	9,82,28,374	7,88,41,048
Closing Stock		
Finished Goods	13,73,86,810	11,85,54,874
Semi Finished Goods	7,01,91,003	9,82,28,374
	<u>20,75,77,813</u>	<u>21,67,83,248</u>
	<u>92,05,435</u>	<u>(2,52,53,589)</u>
“20” Employees benefits Expenses		
Salaries, Wages & Bonus	5,22,65,100	4,83,38,384
Contribution to Provident Fund & Other Funds	45,15,245	37,24,741
Employees Welfare & Other Amenities	35,06,168	33,79,254
Gratuity	10,85,782	10,50,727
	<u>6,13,72,295</u>	<u>5,64,93,106</u>



	2015-16 Rs.	2014-15 Rs.
“21” Finance Cost		
(a) Interest on loan	9,21,93,395	7,99,56,864
(b) Other Interest	<u>1,85,67,250</u>	<u>1,27,98,105</u>
	11,07,60,645	9,27,54,969
Less : Interest received	<u>22,81,812</u>	<u>19,18,766</u>
	<u>10,84,78,833</u>	<u>9,08,36,203</u>
	<u>10,84,78,833</u>	<u>9,08,36,203</u>
“22” Depreciation and Amortization Expenses		
Depreciation and amortization	<u>3,12,94,883</u>	<u>4,45,66,047</u>
“23” Other Expenses		
Manufacturing Expenses		
Dyes & Chemicals	12,52,21,145	11,39,87,634
Stores & Spares	2,41,48,293	1,91,83,019
Testing Expenses	3,89,840	5,07,857
Labour & Job Charges	24,20,18,432	25,88,34,438
Power & Fuel Charges	10,03,90,388	11,42,77,620
Repairs to Buildings	6,09,745	14,10,452
Repairs to Plant & Machinery	<u>47,78,832</u>	<u>43,01,291</u>
	49,75,56,675	51,25,02,311
Sales & Distribution Expenses		
Packing Materials	1,05,53,515	1,09,77,033
Sales Promotion & Advertisement Expenses	7,30,879	11,59,895
Brokerage, Commission & Discount	22,46,419	30,99,909
Freight & Forwarding Charges	<u>23,49,896</u>	<u>20,20,602</u>
	1,58,80,709	1,72,57,439
Establishment Expenses		
Rent	15,23,448	18,67,014
Rates & Taxes	31,15,123	40,81,832
Insurance Charges	11,05,649	10,25,275
Postage & Telephone	23,77,495	22,89,792
Other Repairs	2,96,284	3,73,896
Printing & Stationery	12,83,082	13,83,254
Travelling Expenses	45,29,628	37,81,312
Conveyance Expenses	15,97,818	15,05,955
Sundry Expenses	33,49,630	28,67,133
Legal & Professional Charges	18,83,249	37,63,606
Loan Processing Expenses	2,86,193	1,47,113
Loss on Sale of Investment	36,10,566	-
Bank Charges	2,86,072	4,18,402
Security Charges	11,74,881	11,20,993
Sundry Advances/Deposits W/off	59,159	1,90,782
Membership & Subscription	3,56,196	4,35,145
Stock Exchange Charges	5,40,000	13,04,937
Debenture Issue Expenses	-	19,07,137
Fixed Assets Discarded	-	1,43,957
Auditors' Remuneration	<u>4,06,500</u>	<u>2,00,000</u>
	<u>2,77,80,973</u>	<u>2,88,07,535</u>
	<u>54,12,18,357</u>	<u>55,85,67,285</u>



	2015-16		2014-15	
	Rs.		Rs.	
“23”.1 Value of Stores Spares , Dyes & Chemicals consumed				
Stores & Spares				
	Rs	% of	Rs	% of
	Consumption		Consumption	
Indegenious	2,37,36,219	98.29	1,84,29,567	96.07
Imported	4,12,074	1.71	7,53,452	3.93
	2,41,48,293	100.00	1,91,83,019	100.00
Dyes & Chemicals				
Indegenious	7,75,45,178	61.93	6,13,71,428	53.84
Imported	4,76,75,967	38.07	5,26,16,206	46.16
	12,52,21,145	100.00	11,39,87,634	100.00
“23”.2 Value of Imports on CIF Basic				
Stores & Spares	3,31,078		5,08,246	
Dyes & Chemicals	3,82,72,785		4,84,29,412	
Capital Goods	-		-	
	3,86,03,863		4,89,37,658	
“23”.3 Payments to Auditors				
Statuary Audit fees	3,00,000		1,30,000	
Tax Audit fees	56,500		40,000	
Taxation Matters	50,000		30,000	
	4,06,500		2,00,000	
“23”.4 Expenditure in Foreign currency				
Travelling Expenses	19,88,824		17,60,605	
“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	8,67,60,147		5,22,56,003	
2. Net Profit/(Loss) for the year after Exceptional Items as per Statement of Profit and Loss attributable to Equity Shareholders	8,67,60,147		5,47,77,357	
3. Number of Equity Shares	1,94,08,988		1,94,08,988	
4. Weighted Average number of equity shares used as denominator for calculating Basic EPS	1,94,08,988		1,94,08,988	
5. Weighted Average number of equity shares used as denominator for calculating Diluted EPS	1,94,08,988		1,94,08,988	



6. Earning per Share before Exceptional Items		
a) Basic	4.47	2.69
b) Diluted	4.47	2.69
7. Earning per Share after Exceptional Items		
a) Basic	4.47	2.82
b) Diluted	4.47	2.82
8. Face Value per equity share (in Rs)	10.00	10.00
“25” Earning in Foreign Exchange	Nil	Nil

“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. Janardan Joshi

Mr. Shabbir Tambawala

Mr. Kalathoor Parthasarathy

Ms. Rukmani Iyer

Mr. Kushalraj Sonigda

Associates

Premier Synthetics Limited

Blue Blends Leasing Private Limited

Agarwal Synthetics

Silvassa Span Yarn Industries

Blue Blends Petrochemicals Limited

Cressida Traders Private Limited

Entwine Mobisoft Technologies Private Limited

Subsidiary Company (100%)

Bindal Synthetics Private Limited

Nature of Transaction	<u>Key Managerial Persons</u>	<u>Associates</u>	<u>Subsidiaries</u>	<u>Total</u>
Job Charges Paid	-	1,479.46	-	1,479.46
	-	1,436.30	-	1,436.30
Rent Paid	-	2.40	0.78	3.18
	-	2.40	0.78	3.18
Purchases of Goods	-	2,703.97	-	2,703.97
	-	1,645.46	-	1,645.46
Sale of Finished Goods	-	2,832.95	-	2,832.95
	-	1,841.45	-	1,841.45



Blue Blends (India) Limited

Purchases of Machinery	-	-	-	-
Interest Paid	-	492.00	-	492.00
Remuneration	29.56	-	-	29.56
Sitting fees	28.71	-	-	28.71
Loans and advances Re- Paid (Net)	-	38.02	100.29	138.31
Loans and advances Receipts (Net)	-	0.37	-	0.37
Loans and advances Given	-	42.02	72.75	114.77
Deposit Given	-	75.00	-	75.00
Balances as at 31st March ,2016				
Advances to Suppliers	-	986.94	-	986.94
Loans & Advances Receivable	-	(8.86)	-	(8.86)
Loans & Advances Payable	-	7.80	42.29	50.09
Deposits Given	-	8.17	-	8.17
	-	-	-	-
	-	38.02	100.29	138.31
	-	825.00	750.00	1,575.00
	-	750.00	750.00	1,500.00

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

Disclosure in Respect of Material Related Party Transaction during the year

- Job Charges Paid includes** : Premier Synthetics Ltd. Rs. 1395.50 Lacs (2015 - Rs. 1436.30 Lacs)
Silvassa Span Yarn Industries Rs. 83.96 Lacs (2015- Rs Nil)
- Rent Paid includes** : Bindal Synthetics Pvt.Ltd. Rs. 0.78 Lacs (2015- Rs. 0.78 Lacs)
Agarwal Synthetics Rs. 1.20 Lacs (2015 - Rs. 1.20 Lacs)
Indu Anand Arya Rs. 1.20 Lacs (2015 - Rs. 1.20 Lacs)
- Purchases of Goods includes** : Silvassa Span Yarn Industries Rs. 2521.35 Lacs (2015 - Rs.1645.46 Lacs)
Agarwal Synthetics Rs. 182.62 Lacs (2015 - Rs. Nil)
- Sale of Finished Goods includes** : Silvassa Span Yarn Industries Rs.2832.95 Lacs(2015 - Rs.1841.45 Lacs)



5. Purchases of Machinery includes	:	Premier Synthetics Ltd. Rs. Nil (2015 - Rs. 492.00 Lacs)
6. Interest Paid includes	:	Silvassa Span Yarn Industries Rs. 35.24 Lacs (2015 - Rs. 46.09 Lacs)
7. Remuneration includes	:	Anand Arya Rs. 24.00 Lacs (2015 - Rs. 24.00 Lacs) Rukmani Iyer Rs. 2.04 Lacs (2015 - Rs. 2.05 Lacs) Archana Dubey Rs. 1.74 Lacs (2015 - Rs. 3.22 Lacs) Kushalraj Sonigda Rs. 1.78 Lacs (2015 - Rs. Nil)
8 a) Loans and advances Re- Paid (Net)	:	Bindal Synthetics Pvt. Ltd. Rs.100.29 Lacs (2015 - Rs. Nil) Agarwal Synthetics Rs.29.16 Lacs (2015 - Receipts Rs. 29.16 Lacs) Premier Synthetics Pvt. Ltd. Rs.8.86 Lacs (2015 - Rs. Nil)
b) Loans & Advances Receipts Includes	:	Cressida Traders Pvt. Ltd. Rs.Nil (2015 - Rs.4.00 Lacs) Blue Blends Leasing Pvt. Ltd. Rs. 0.37 Lacs (2015 - Rs. Nil)
c) Loans & Advances Payments Includes	:	Bindal Synthetics Pvt. Ltd. Rs.42.29 Lacs (2015 - Receipts Rs. 72.75 Lacs)
9. Deposit Given Includes	:	Silvassa Span Yarn Industries Rs. 75 Lacs (2015 - Rs. Nil)

10. Loans and Advances Balances:		Rs. in Lacs
Received :		
Agarwal Synthetics	-	29.16
Given :		
Blue Blends Leasing Pvt. Ltd.	7.80	8.17
Bindal Synthetics Pvt. Ltd.	42.29	(100.29)
Advances to Suppliers :		
Premier Synthetics Ltd.	986.94	-
Deposits with -		
Premier Synthetics Ltd.	700.00	700.00
Bindal Synthetics Pvt. Ltd.	750.00	750.00
Silvassa Span Yarn Industries	75.00	-
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. 24.47 lakhs (Previous Year Rs.24.47 lakhs)
- ii) Claims against the Company /disputed liabilities not acknowledged as debts as under :
 - a) Disputed Sales Tax demands in respect of financial years 2007-08 and 2008-09 under Gujarat Value Added Tax Act, 2003 Rs. 11.69 lakhs (Previous Year Rs. 11.69 lakhs) Amount deposited under protest by the Company against disputed Sales Tax demands.- Rs.11.69 lakh (Previous Year Rs.11.69 lakhs).
 - b) Disputed Central Excise Duty in respect financial years 2001-02 and 2002-03- Rs.5.25 lakhs (Previous Year Rs. 5.25 lakh) Amount deposited under protest by the Company against disputed Central Excise Duty - Rs. 5.25 lakh (Previous Year Rs. 5.25 lakh)
 - c) Other Parties’ claims against Company-Rs. 4.61 lakh (Previous Year Rs.4.61Lakh)
- iii) Cumulative Dividends on Preference Shares - Rs. Nil (Previous Year Rs. 0.69 lakh) .

“29” Board of Directors approved the Annual Accounts on May 30th, 2016. In terms of the Special Resolution passed at the Annual General Meeting held on July 29th, 2015, Company filed petition before the Honorable High Court, Bombay to adjust the Debit balance of Profit & Loss Account against Capital Reserve and Securities Premium Reserve and the same has been allowed. Accordingly necessary effect has been given in the Schedule “Reserves and Surplus”. As per approval of the shareholders, Stock Exchanges and the Honourable High Court, effect of the above order was to be given in the Annual Accounts for the Financial Year 2015-16. As this order was received subsequent to the approval of the Annual Accounts by the Board of Directors on May 30th, 2016 so, the effect has been given by making the necessary amendments and re-groupings in the Schedule of “Reserves and Surplus”. There has been no change in the net effect in the Reserves and Surplus, Profit & Loss Account, Assets & Liabilities of the Company in the accounts approved on May 30th, 2016. The amended Accounts were approved by Board of Directors along with the Directors Report and Auditors Report thereon at the meeting held on August 11th, 2016.

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

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

P. C. Surana
Partner
M. No. 017136
Place : Mumbai.
Dated : 11th August, 2016

For & on behalf of the Board

Anand Arya
Chairman & Managing Director
DIN No. 00084995

Shabbir Tambawalla
Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



Independent Auditors' Report on Consolidated Financial Statements

To the Members of

Blue Blends (India) Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated Financial Statements of **Blue Blends (India) Limited ("the Holding Company")**, and its only subsidiary (collectively referred to as "the Company" or "the Group",) which comprise the Consolidated Balance Sheet as at March 31, 2016, 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

2. The management and Board of Directors of the Holding Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("**the Act**") with respect to 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 Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management and the Board of Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.
6. 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 risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and presentation of the consolidated financial statements, that give a true and fair view, 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 the Holding Company's management and Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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



generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2016 and their consolidated profit and their consolidated cash flows for the year ended on that date.

9. Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report to the extent applicable, that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- b) in our opinion proper books of account as required by law relating to the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books.
- c) the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) in our opinion, the aforesaid consolidated financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) on the basis of written representations received from the directors of the Holding Company as on March 31, 2016, and taken on record by the Board of Directors of the Holding Company as well as of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) with respect to adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A", and
- g) with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) the Group Companies do not have any pending litigations which would impact the consolidated financial position of the Group.
- ii) the Group Companies did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- iii) there has not been any occasion in case of the Group Companies during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

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

Place: Mumbai
Date: August 11th, 2016.

P. C. Surana
Partner
Membership No. 17136



Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31 March, 2016, we have audited the internal financial controls over financial reporting of **Blue Blends India Limited ("the Holding Company")** and its subsidiary companies which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Mumbai
Date: August 11th, 2016.

P. C. Surana
Partner
Membership No. 17136



CONSOILDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2	42,41,64,880	42,41,64,880
b) Reserves & Surplus	3	18,27,68,161	10,88,41,985
		60,69,33,041	53,30,06,865
2 Share application money pending allotment		7,70,97,600	-
3 Non-current Liabilities			
a) Long-term borrowings	4	21,46,57,063	28,79,26,348
b) Deferred tax liabilities		-	-
c) Other long term liabilities		13,64,97,911	13,40,45,213
d) Long-term provisions -For Employees benefits		16,68,178	16,28,642
		35,28,23,152	42,36,00,203
4 Current Liabilities			
a) Short-term borrowings	5	16,35,62,844	9,57,89,925
b) Trade payables		23,67,15,601	24,71,70,762
c) Other current liabilities	6	15,59,90,191	10,13,47,104
d) Short-term provisions	7	3,28,42,721	2,12,52,239
		58,91,11,357	46,55,60,030
TOTAL		1,62,59,65,150	1,42,21,67,098
II ASSETS			
1 Non-current Assets			
a) Fixed Assets			
i) Tangible Assets	8	33,50,34,517	31,15,07,432
ii) Intangible Assets		-	-
iii) Capital Work-in-Progress		2,72,395	5,53,88,101
iv) Intangible Assets under development		-	-
v) Goodwill on Consolidation		2,12,23,195	2,12,23,195
b) Non-current Investments	9	10,14,12,175	10,14,12,175
c) Deferred tax assets		2,35,00,000	5,00,00,000
d) Long-term loans and advances	10	8,25,00,000	7,50,00,000
e) Other non-current assets		-	-
		56,39,42,282	61,45,30,903
2 Current Assets			
(a) Current Investments	11	-	94,27,000
(b) Inventories	12	29,01,35,763	30,19,33,902
(c) Trade Receivables	13	42,54,55,859	43,68,80,758
(d) Cash and Cash equivalents	14	8,21,72,993	1,99,20,319
(e) Short-term loans and advances	15	26,42,58,253	3,94,74,216
		1,06,20,22,868	80,76,36,195
TOTAL		1,62,59,65,150	1,42,21,67,098
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. 017136
Place : Mumbai.
Dated : 11th August, 2016

For & on behalf of the Board

Anand Arya
Chairman & Managing Director
DIN No. 00084995

Shabbir Tambawalla
Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note	2015-16 Rs.	2014-15 Rs.
INCOME			
(I) Revenue from Operations	16	1,80,15,31,670	1,76,21,19,215
(II) Other Income	17	30,26,097	14,22,060
(III) Total Revenue		1,80,45,57,767	1,76,35,41,275
(IV) EXPENSES			
Cost of Material consumed	18	93,45,45,884	95,71,24,432
Purchases in Stock in Trade(net of purchase returns)		2,45,28,719	3,31,83,788
Changes in Inventories of Finished goods, Stock in progress and Stock-in-trade	19	93,88,401	(2,52,47,389)
Employees benefits Expenses	20	6,13,72,295	5,64,93,106
Finance Costs	21	10,84,78,833	9,08,36,203
Depreciation and Amortization Expenses	22	3,13,01,312	4,45,72,476
Other Expenses	23	54,11,84,571	55,85,94,322
Total Expenses		1,71,08,00,015	1,71,55,56,938
(V) Profit before Exceptional Items		9,37,57,752	4,79,84,337
(VI) Exceptional Items		-	25,21,354
(VII) Profit before Taxes		9,37,57,752	5,05,05,691
(VIII) Tax Expenses :			
(1) Current tax		2,00,02,059	1,07,02,000
(2) Deferred tax		2,65,00,000	(1,50,00,000)
(3) MAT Credits available		(4,12,19,326)	-
(4) Adjustment in Taxation in earlier years		17,06,122	-
		69,88,855	(42,98,000)
(IX) Profit after Taxes		8,67,68,897	5,48,03,691
(X) Earning Per Equity Share			
i) Before Exceptional Items			
a) Basic		4.47	2.69
b) Diluted		4.47	2.69
ii) After Exceptional Items			
a) Basic		4.47	2.82
b) Diluted		4.47	2.82

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. 017136
Place : Mumbai.
Dated : 11th August, 2016

For & on behalf of the Board

Anand Arya
Chairman & Managing Director
DIN No. 00084995

Shabbir Tambawalla
Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Rs. in lacs

	As At 31.03.2016	As At 31.03.2015
	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit after Exceptional Items and before Taxes as per Statement of Profit and Loss	937.58	505.12
Adjusted for:		
Depreciation and Amortisation Expenses	313.01	445.72
Sundry Balances Written Back	(7.38)	(1.20)
(Profit)/Loss on sale of Fixed Assets	(21.51)	(23.04)
(Profit)/Loss on sale of Investments	36.11	(2.17)
Sundry Advances/Deposits W/off	0.59	1.91
Fixed Assets Discarded	-	1.44
Finance Cost	1,084.79	908.36
Operating profit before working capital changes and Exceptional Items	2,343.19	1,836.14
Adjusted for:		
Trade and Other Receivables	(543.48)	(881.56)
Inventories	117.98	(154.29)
Trade & Other Payables	(118.93)	339.20
Cash Generated from Operations before Exceptional Items	1,798.76	1,139.49
Adjusted for:		
Direct Taxes Paid	(242.09)	(1.47)
Net Cash from Operating Activities	1,556.67	1,138.02
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(31.01)	(597.29)
Sale of Fixed Assets	55.39	28.00
Purchase of Investments	-	(150.00)
Sale of Investments	58.16	189.65
Interest Income	-	-
Dividend Income	-	-
Net Cash (used in) Investing Activities	82.54	(529.64)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Share application money received	770.98	-
Long-term borrowings and other liabilities (Net)	(139.58)	(844.15)
Long-term deposits given	(75.00)	-
Short-term borrowings(Net)	677.73	321.66
Short-term advances	(1,166.02)	-
Interest Paid	(1,084.79)	(908.36)
Net Cash (used in) from Financing Activities	(1,016.68)	(1,430.85)
Net Increase in Cash and Cash Equivalents (A+B+C)	622.53	(822.47)
Opening Balance of Cash and Cash Equivalents	199.20	1,021.67
Closing Balance of Cash and Cash Equivalents	821.73	199.20

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

P. C. Surana
Partner
M. No. 017136
Place : Mumbai.
Dated : 11th August, 2016

For & on behalf of the Board

Anand Arya
Chairman & Managing Director
DIN No. 00084995

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Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

1. SIGNIFICANT ACCOUNTING POLICES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as specified under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hereto in use.

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP require Management to make estimates and assumptions that effects the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting periods. Examples of such estimates include estimates of useful life of assets and future obligations under employee retirement benefit plans and income tax. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates and difference between the actual results and estimates are recognized in period in which the result is known/materialized.

REVENUE RECOGNITION

The Company follows the mercantile system of accounting and recognizes incomes and expenditures on accrual basis. The accounts are prepared on historical cost basis, as a going concern, and are consistent with accounting principles generally accepted in India. Dividend income is recognised for when the right to receive dividend is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchases 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 / AMORTISATION

Depreciation on the fixed assets is charged on Straight Line Method. Depreciations are charged over the estimated useful lives of the assets as specified in Schedule II of the Companies Act, 2013.

Depreciation in respect of additions to/and deletion from assets has been charged on pro-rata basis from/till the date they are put to commercial use.

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. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

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.

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, the resultant exchange difference is adjusted to the profit & loss account except in the case of Foreign Currency Liabilities on account of acquisition of Fixed Assets, where such exchange difference is adjusted to the cost of the assets.

EMPLOYEE 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.

TAXATION

Income Tax is computed in accordance with Accounting Standard 22, "Accounting for Taxation on Income" issued by the ICAI. Provision for current income tax and fringe benefit 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.

EARNINGS PER SHARE (EPS)

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax (and include post tax effect of any extraordinary items.) The number of shares used in computing basic earnings per share is the weighed average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average shares considered for deriving basic earning per share, and also the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

IMPAIRMENT OF ASSESTS

Tangible fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of the asset's net selling price or its value in use.

EXTRA ORDINARY AND EXCEPTIONAL ITEMS

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

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

RELATED PARTY TRANSACTIONS

Related party transactions are transfer of resources or obligations between related parties, regardless of whether a price is charged. Parties are considered to be related, if one party has the ability, directly or indirectly, to control the other party of exercise significant influence over the other party in making financial or operating decisions. Parties are considered to be related if they are subject to common control or common significant influence.

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 31.03.2016 Rs.	As At 31.03.2015 Rs.
“2” Share Capital		
Authorised:		
3,00,00,000 (Previous Year 2,05,00,000) Equity Shares of Rs.10/- each	30,00,00,000	20,50,00,000
23,50,000 (Previous Year 33,00,000) Preference Shares of Rs.100/- each.	23,50,00,000	33,00,00,000
	<u>53,50,00,000</u>	<u>53,50,00,000</u>
Issued, Subscribed and Fully Paid-up:		
Cumulative Redeemable Preference Shares		
0.01% 14,00,750(Previous Year - 0.01% 23,00,750)	14,00,75,000	23,00,75,000
Cumulative Non-Convertible Redeemable Preference Shares of Rs.100/- each		
Non-Cumulative Redeemable Preference Shares		
1% 9,00,000 (Previous Year - Nil) Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.100/- each	9,00,00,000	-
Equity Shares		
‘1,94,08,988 (Previous Year -1,94,08,988) Equity Shares of Rs.10/- each fully paid up of Rs.10/- each	19,40,89,880	19,40,89,880
	<u>42,41,64,880</u>	<u>42,41,64,880</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	1,94,08,988	1,94,08,988
Addition during the year	-	-
Total No. of Equity Shares at the end of the year	<u>1,94,08,988</u>	<u>1,94,08,988</u>
0.01% Cumulative Non-Convertible Redeemable Preference Shares		
No. of the Preference Shares at the beginning of the year	23,00,750	23,00,750
Reduction during the year due to redemption	9,00,000	-
Total No. of Preference Shares at the end of the year	<u>14,00,750</u>	<u>23,00,750</u>
1% Non-Cumulative Non-Convertible Redeemable Preference Shares		
No. of the Preference Shares at the beginning of the year	-	-
Addition during the year	9,00,000	-
Total No. of Preference Shares at the end of the year	<u>9,00,000</u>	<u>-</u>

- Note:** (i) In the Financial year 2013-14, 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 of Rs.100/- each as per Resolution passed at the Annual General Meeting held on 12/08/2013.
- (ii) 0.01% 14,00,750 (Previous Year-2300750) Cumulative Non-Convertible Redeemable Preferential Shares of Rs. 100/- each are due for redemption on 30/06/2016
- (iii) 1% 9,00,000 (Previous Year-Nil) Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100/- each allotted on 14/10/2015 private placement basis are due for redemption on the expiry of ten years from the date of their allotment i.e.13/10/2025.
- (iv) At the Extra Ordinary General Meeting held on 13th February, 2016, Company re-classified Authorised Share Capital amounting to Rs. 53.50 Crores consisting of Rs. 20,50,00,000/- (Rupees Twenty Crores Fifty Lacs only) divided into 2,05,00,000 (Two Crores Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each and Rs. 33,00,00,000 (Rupees Thirty Three Crores only) divided in 33,00,000 (Thirty Three Lacs) Preference Shares of Rs. 100 (Rupees Hundred Only) to Rs. 30,00,00,000/-(Rupees Thirty Crores only) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/ -(Rupees Ten only) each and Rs. 23,50,00,000 (Rupees Twenty Three Crores Fifty Lacs Only) divided in 23,50,000 (Twenty Three Lacs Fifty Thousands) Preference Shares of Rs. 100/- (Rupees Hundred Only).



Blue Blends (India) Limited

	As At 31.03.2016 Rs.		As At 31.03.2015 Rs.	
Details of shareholders holding more than 5% shares :				
Cumulative Redeemable preference Shares				
	No. of shares	% held	No. of shares	% held
i) 0.01% Cumulative Non-convertible Redeemable Preference shares				
Non Convertible Preference share				
Anand Arya	9,15,750	65.38	17,00,750	73.92
Jindal Worldwide Limited	1,60,000	11.42	1,60,000	6.95
Indu Arya	1,35,000	9.64	-	-
Cressida Traders Pvt. Ltd.	75,000	5.35	-	-
New India Assurance Co. Ltd.	75,000	5.35	-	-
Premier Synthetics Limited	-	-	2,50,000	10.87
ii) 1% Non-Cumulative Non-convertible Redeemable Preference shares				
Anand Arya	9,00,000	100	-	-
Equity Shares	No. of Shares	% held	No. of Shares	% held
Anand Arya	92,08,928	47.45	84,21,427	43.39
Aman Arya	14,00,000	7.21	14,00,000	7.21
Indu Arya	15,01,114	7.73	23,01,114	11.86
Cressida Traders Private Limited	-	-	10,00,600	5.16
Edelweiss Asset Reconstruction Company Limited	-	-	12,35,000	6.36
“3” Reserves & Surplus				
Capital Reserves:				
Balance as per last Balance Sheet	33,93,36,054		33,93,36,054	
Less : Adjusted against Debit balance of Profit & Loss A/c*	33,93,36,054	-	-	33,93,36,054
Preference Share Capital Redemption Reserve				
Balance as per last Balance Sheet	1,75,00,000		1,75,00,000	
Add : Transferred from Profit & Loss a/c	3,75,00,000		-	
		5,50,00,000		1,75,00,000
Securities Premium Reserve				
Balance as per last Balance Sheet	8,02,60,000		8,02,60,000	
Less : Adjusted against Debit balance of Profit & Loss A/c*	2,39,79,412	5,62,80,588	-	8,02,60,000
Debenture Redemption Reserve				
Balance as per last Balance Sheet	3,50,00,000		2,00,00,000	
Transferred from Profit & Loss a/c	2,00,00,000	5,50,00,000	1,50,00,000	3,50,00,000
Profit and Loss Account				
Balance as per last Balance Sheet	(36,32,54,069)		(40,30,57,760)	
Add : Adjusted against Capital Reserve as above*	33,93,36,054		-	
Add : Adjusted against Securities Premium Reserve as above*	2,39,79,412		-	
Add : Profit/(Loss) for the year	8,67,68,897		5,48,03,691	
Less : Transferred to Debenture Redemption Reserve	2,00,00,000		1,50,00,000	
Less : Transferred to Preference Share Redemption Reserve	3,75,00,000		-	
Less : Provisions for Dividends on Preference Shares and tax thereon.	4,50,227		-	
Less : Provisions for Dividends on Equity Shares and tax thereon.	1,23,92,494		-	
		1,64,87,573		(36,32,54,069)
		18,27,68,161		10,88,41,985

*Note : Company filed petition before Honorable Bombay High Court, Bombay for permission to utilise Capital Reserve and Securities Premium reserve to adjust against Debit balance of Profit & loss account and the same was approved. Accordingly effect has been given in the above Schedule.



	As At 31.03.2016 Rs.	As At 31.03.2015 Rs.
“4” Non-current Liabilities		
a) Long term borrowings		
Secured		
i) 17% (P.Y. 16%) Non Convertible Debentures	21,10,00,000	28,50,00,000
ii) Vehicle Loans	<u>36,57,063</u>	<u>29,26,348</u>
	<u>21,46,57,063</u>	<u>28,79,26,348</u>
b) Other Long term borrowings		
Unsecured		
From Others - Body Corporates	<u>13,64,97,911</u>	<u>13,40,45,213</u>
	<u>13,64,97,911</u>	<u>13,40,45,213</u>
“4.1” 430 - 17% (Previous Year - 16%) Secured Non-Convertible Debentures of Rs. 10 lacs each issued to Religare Finvest Limited 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 all the equity shares of its wholly owned subsidiary company M/s Bindal Synthetics Pvt.Ltd. (BSPL).		
iii) Mortgage of freehold land at Piplej, Ahmedabad owned by its subsidiary Company, BSPL and one of the personal property of the Promoters .		
iv) Corporate guarantee by BSPL and personal guarantee of Promotor Director Mr. Anand Arya.		
v) 17% NCDs are repayable in quarterly installments and to be repaid fully by 27.03.2018.		
vi) The outstanding balance as on 31.03.2016 is Rs 36.00 crore, and there is no overdue amount.		
“4.2” Vehicle Loans of Rs.36.57 lacs (Previous Year Rs.29.26 lakhs) are secured by first charge and hypothication of respective vehicles financed and are repayable in equal monthly installments over a remaining period of three years.		
“4.3” Maturity profile of the Secured Long Term Borrowings are as under:		
	Current Liability	Maturity Profile
	2016-17	2017-18
		2018-19
Non-Convertible Debentures	<u>149,000,000</u>	<u>211,000,000</u>
Vehicle Loans	<u>1,718,450</u>	<u>2,076,225</u>
		<u>1,580,838</u>
“5” Short term borrowings		
“A” Secured repayable on demand		
From Related Parties		-
From Others		-
Body Corporates	15,27,517	-
Others	<u>1,96,47,400</u>	-
		<u>2,11,74,917</u>
		<u>2,11,74,917</u>
(Secured against pledge of 17,00,000 equity shares of the Company held by its Promoter Director Mr. Anand Arya and his relative.)		
“B” Unsecured, repayable on demand		
Loans and Advances		
From Related Parties- Body Corporates		-
From Others		-
Body Corporates	8,60,56,391	6,37,03,248
Others	<u>5,63,31,536</u>	<u>3,20,86,677</u>
		<u>14,23,87,927</u>
		<u>14,23,87,927</u>
Total (A+B)		<u>16,35,62,844</u>
“6” Other Current Liabilities		
Current maturities of long term borrowings (Secured) (Refer Note No. 4.1 and 4.2 for Security given)	15,07,18,450	9,38,59,903
Other Payables*	<u>52,71,741</u>	<u>74,87,201</u>
	<u>15,59,90,191</u>	<u>10,13,47,104</u>
*Includes statutory dues and security deposits.		
“7” Short-term provisions		
For Dividend on Preference share and tax thereon	4,50,227	-
For Dividend on Equity share and tax thereon	1,23,92,494	-
For Income tax (net of advances)	<u>2,00,00,000</u>	<u>2,12,52,239</u>
	<u>3,28,42,721</u>	<u>2,12,52,239</u>



**“8” Fixed Assets
Tangible Assets**

(Amt in Rs.)

Description of Assets	Gross Block			Depreciation					Net Carrying Value	
	As at 1.04.2015	Additions	Deletions	As at 31.03.2016	Up to 31.03.2015	For the Year	Adjustment (Del.)/Add.	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
Freehold Land	5,17,16,828	-	-	5,17,16,828	-	-	-	-	5,17,16,828	5,17,16,828
Office Premises	3,94,425	-	-	3,94,425	1,27,508	6,429	-	1,33,937	2,60,488	3,94,425
Factory Building	14,19,55,556	62,99,196	-	14,82,54,752	7,85,93,970	49,50,277	-	8,35,44,247	6,47,10,505	6,33,61,586
Residential Building	3,65,041	-	-	3,65,041	32,336	-	-	32,336	3,32,705	3,32,705
Plant & Machinaries	70,15,10,539	5,11,21,825	6,23,19,842	69,03,12,522	52,08,09,978	2,42,99,839	5,92,03,850	48,59,05,967	20,44,06,555	18,07,00,561
Electrical Installations	2,60,54,298	50,341	-	2,61,04,639	2,42,41,831	55,944	-	2,42,97,775	18,06,864	18,12,467
Furniture & Fixtures	47,61,558	1,33,955	-	48,95,513	32,10,262	1,82,687	-	33,92,949	15,02,564	15,51,296
Vehicles	1,57,91,987	-	18,85,309	1,39,06,678	65,82,127	14,06,188	16,12,836	63,75,479	75,31,199	92,09,860
Office Equipment	35,75,251	4,90,300	-	40,65,551	19,76,221	1,90,560	-	21,66,781	18,98,770	15,99,030
Computer	50,02,959	1,21,245	-	51,24,204	40,46,777	2,09,388	-	42,56,165	8,68,039	9,56,182
Total Tangible Assets	95,11,28,442	5,82,16,862	6,42,05,151	94,51,40,153	63,96,21,010	3,13,01,312	6,08,16,686	61,01,05,636	33,50,34,517	31,16,34,940
Previous Year	89,00,14,168	1,00,45,266	10,42,245	89,90,17,189	59,53,29,858	4,45,66,047	4,02,403	63,94,93,502	25,95,23,687	-
Capital work in progress	5,53,88,101	2,72,395	5,53,88,101	2,72,395	-	-	-	-	2,72,395	5,53,88,101

As At
31.03.2016
Rs.

As At
31.03.2015
Rs.

“9” Non-current Investments

A. Trade Investments (At Cost)

31,58,240 (Previous Year 31,58,240) Equity Shares
of Rs. 2/- each In Blue Blends Petrochemicals Ltd.

63,32,275 63,32,275

In Preference Shares of Associate Company-

Unquoted, fully paid up

0.01% 9,50,000 (Previous Year 9,50,000) Cumulative Non Convertible Redeemable
Preference Shares of Rs.100/- each of Premier Synthetics Limited

9,50,00,000 9,50,00,000

In Equity Shares of Associate Companies

Unquoted, fully paid up

76,000 (Previous Year 76,000) Equity Shares
of Rs. 10/- each in Blue Blends Leasing Pvt. Ltd.

77,900 77,900

Total Trade Investment (A)

10,14,10,175 10,14,10,175

B. Unquoted, fully paid up

200 (Previous Year 200) The Bharat Co. Op. Bank (Mumbai) Ltd.
of Rs. 10/- each

2,000 2,000

Total Other Investment (B)

2,000 2,000

Total Non-current Investment (A to B)

10,14,12,175 10,14,12,175

Aggregate amount of Quoted Investments

63,32,275 63,32,275

Market value of Quoted Investment (Not Traded)

63,32,275 63,32,275

Aggregate amount of Unquoted Investment

9,50,79,900 9,50,79,900



	As At 31.03.2016 Rs.	As At 31.03.2015 Rs.
“10” Long -Term Loans and Advances		
Business Security deposits with Related Parties	8,25,00,000	7,50,00,000
	<u>8,25,00,000</u>	<u>7,50,00,000</u>
11" Current Investment		
A. Other Investments (At Cost)		
In Equity Shares of Other Companies		
Unquoted, fully paid up		
Nil (Previous Year 9,40,000) Darwin Platform Capital Ltd. of Rs. 10/- each	-	94,27,000
Total Other Investments	<u>-</u>	<u>94,27,000</u>
“12” Inventories		
Raw- Materials	7,02,27,242	6,44,73,607
Work - in - progress	7,01,91,003	9,82,28,374
Finished Goods (At lower of cost and net realisable value)	13,73,86,810	11,87,37,840
Stores & Spare parts	65,24,678	1,07,55,360
Packing Material	7,66,262	8,74,882
Dyes,Chemicals & Lubricants	50,39,768	88,63,839
	<u>29,01,35,763</u>	<u>30,19,33,902</u>
“13” Trade Receivables		
(Unsecured and considered good)		
Over Six months	1,39,82,763	1,45,22,028
Others	41,14,73,096	42,23,58,730
	<u>42,54,55,859</u>	<u>43,68,80,758</u>
“14” Cash and Cash Equivalents		
Balances with Bank		
In Current Accounts	11,20,852	1,64,60,615
In Fixed Deposit Accounts	35,49,615	31,60,795
In Escrow Accounts	7,71,07,737	-
Cash on hand	3,94,789	2,98,909
	<u>8,21,72,993</u>	<u>1,99,20,319</u>
Fixed Deposits with Banks include Deposits of Rs.29.90 lakhs (Prev. Yr. Rs. 26.42 Lacs) are pledged as security.		
“15” Short-Term Loans and Advances		
(Unsecured, considered good)		
Loans and Advances to Related Parties	11,74,18,737	8,16,732
Balances/Claims with Revenue Authorities (Net of Provisions)	4,81,08,942	2,54,70,122
Deposits	81,49,770	86,82,078
Others*	9,05,80,804	45,05,284
	<u>26,42,58,253</u>	<u>3,94,74,216</u>

*Includes primarily advances to suppliers and advances to staff.



	2015-16 Rs.	2014-15 Rs.
“16” Revenue from Operations		
a) Sale of Products (Net of Returns)	1,78,39,01,143	1,74,12,35,425
b) Sale of Services	24,829	-
c) Other Operating Revenues	1,76,05,698	2,08,83,790
	<u>1,80,15,31,670</u>	<u>1,76,21,19,215</u>
“16”.1 Particulars of Sale of Products		
a) Fabrics	1,72,46,19,295	1,62,28,02,982
b) Yarns/ Cotton Yarn	5,92,41,848	11,83,97,855
c) Garments	-	34,588
d) Godown Sales	40,000	-
	<u>1,78,39,01,143</u>	<u>1,74,12,35,425</u>
“17” Other Income		
Dividend	276	-
Sundry Balances Written Back	7,37,710	1,20,095
Rent Received	1,26,500	66,000
Miscellaneous Income	21,61,611	12,35,965
	<u>30,26,097</u>	<u>14,22,060</u>
“18” Cost of Materials consumed (100% Indigenous)		
Stock at Commencement	6,44,73,607	7,53,92,278
Add : Purchases (Net)	94,02,99,519	94,62,05,761
Less : Stock at close	7,02,27,242	6,44,73,607
	<u>93,45,45,884</u>	<u>95,71,24,432</u>
“18”.1 Particulars of materials consumed		
Cotton & Cotton Yarn	80,52,90,159	95,49,92,153
Grey Cloth	12,92,55,725	21,32,279
	<u>93,45,45,884</u>	<u>95,71,24,432</u>
“19” Changes in Inventories of Finished goods, Stock in progress and Stock-in-trade		
Opening Stock		
Finished Goods	11,87,37,840	11,28,77,777
Semi Finished Goods	9,82,28,374	7,88,41,048
	<u>21,69,66,214</u>	19,17,18,825
Closing Stock		
Finished Goods	13,73,86,810	11,87,37,840
Semi Finished Goods	7,01,91,003	9,82,28,374
	<u>20,75,77,813</u>	21,69,66,214
	<u>93,88,401</u>	<u>(2,52,47,389)</u>
“20” Employees benefits Expenses		
Salaries, Wages & Bonus	5,22,65,100	4,83,38,384
Contribution to Provident Fund & Other Funds	45,15,245	37,24,741
Employees Welfare & Other Amenities	35,06,168	33,79,254
Gratuity	10,85,782	10,50,727
	<u>6,13,72,295</u>	<u>5,64,93,106</u>



	2015-16 Rs.	2014-15 Rs.
“21” Finance Cost		
(a) Interest on loan	9,21,93,395	7,99,56,864
(b) Other Interest	<u>1,85,67,250</u>	<u>1,27,98,105</u>
	<u>11,07,60,645</u>	<u>9,27,54,969</u>
Less : Interest received	<u>22,81,812</u>	<u>19,18,766</u>
	<u>10,84,78,833</u>	<u>9,08,36,203</u>
	<u>10,84,78,833</u>	<u>9,08,36,203</u>
“22” Depreciation and Amortization Expenses		
Depreciation and amortization	<u>3,13,01,312</u>	<u>4,45,72,476</u>
“23” Other Expenses		
Manufacturing Expenses		
Dyes & Chemicals	12,52,21,145	11,39,87,634
Stores & Spares	2,41,48,293	1,91,83,019
Testing Expenses	3,89,840	5,07,857
Labour & Job Charges	24,20,18,432	25,88,34,438
Power & Fuel Charges	10,03,90,388	11,42,77,620
Repairs to Buildings	6,09,745	14,10,452
Repairs to Plant & Machinery	<u>47,78,832</u>	<u>43,01,291</u>
	<u>49,75,56,675</u>	51,25,02,311
Sales & Distribution Expenses		
Packing Materials	1,05,53,515	1,09,77,033
Sales Promotion & Advertisement Expenses	7,30,879	11,84,921
Brokerage, Commission & Discount	22,46,419	30,99,909
Freight & Forwarding Charges	<u>23,49,896</u>	<u>20,20,602</u>
	<u>1,58,80,709</u>	1,72,82,465
Establishment Expenses		
Rent	14,45,448	17,89,014
Rates & Taxes	31,18,103	40,82,312
Insurance Charges	11,05,649	10,25,275
Postage & Telephone	23,77,495	22,89,792
Other Repairs	2,96,284	3,73,896
Printing & Stationery	12,83,082	13,83,254
Travelling Expenses	45,29,628	37,81,312
Conveyance Expenses	15,97,818	15,05,955
Sundry Expenses	33,49,684	29,10,912
Legal & Professional Charges	18,91,349	37,85,616
Loan Processing Expenses	2,86,193	1,47,113
Loss on Sale of Investment	36,10,566	-
Bank Charges	2,87,802	4,20,908
Security Charges	11,74,881	11,20,993
Sundry Advances/Deposits W/off	59,159	1,90,782
Membership & Subscription	3,56,196	4,35,145
Stock Exchange Charges	5,40,000	13,04,937
Debenture Issue Expenses	-	19,07,137
Fixed Assets Discarded	-	1,43,957
Auditors' Remuneration	<u>4,37,850</u>	<u>2,11,236</u>
	<u>2,77,47,187</u>	<u>2,88,09,546</u>
	<u>54,11,84,571</u>	<u>55,85,94,322</u>



	2015-16 Rs.		2014-15 Rs.	
“23”.1 Value of Stores Spares , Dyes & Chemicals consumed				
Stores & Spares	Rs	% of	Rs	% of
	Consumption		Consumption	
Indegenious	2,37,36,219	98.29	1,84,29,567	96.07
Imported	4,12,074	1.71	7,53,452	3.93
	2,41,48,293	100.00	1,91,83,019	100.00
Dyes & Chemicals				
Indegenious	7,75,45,178	61.93	6,13,71,428	53.84
Imported	4,76,75,967	38.07	5,26,16,206	46.16
	12,52,21,145	100.00	11,39,87,634	100.00
“23”.2 Value of Imports on CIF Basic :				
Stores & Spares	3,31,078		5,08,246	
Dyes & Chemicals	3,82,72,785		4,84,29,412	
Capital Goods			-	
	3,86,03,863		4,89,37,658	
“23”.3 Payments to Auditors				
Statutory Audit fees	3,31,350		1,41,236	
Tax Audit fees	56,500		40,000	
Taxation Matters	50,000		30,000	
	4,37,850		2,11,236	
“23”.4 Expenditure in Foreign currency				
Travelling Expenses	19,88,824		17,60,605	
“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	8,67,68,897		5,22,82,337	
2. Net Profit/(Loss) for the year after Exceptional Items as per Statement of Profit and Loss attributable to Equity Shareholders	8,67,68,897		5,48,03,691	
3. Number of Equity Shares	1,94,08,988		1,94,08,988	
4. Weighted Average number of equity shares used as denominator for calculating Basic EPS	1,94,08,988		1,94,08,988	
5. Weighted Average number of equity shares used as denominator for calculating Diluted EPS	1,94,08,988		1,94,08,988	



6. Earning per Share before Exceptional Items		
a) Basic	4.47	2.69
b) Diluted	4.47	2.69
7. Earning per Share after Exceptional Items		
a) Basic	4.47	2.82
b) Diluted	4.47	2.82
8. Face Value per equity share (in Rs)	10.00	10.00
“25” Earning in Foreign Exchange	Nil	Nil

“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. Janardan Joshi

Mr. Shabbir Tambawala

Mr. Kalathoor Parthasarathy

Ms. Rukmani Iyer

Mr. Kushalraj Sonigda

Associates

Premier Synthetics Limited

Blue Blends Leasing Private Limited

Agarwal Synthetics

Silvassa Span Yarn Industries

Blue Blends Petrochemicals Limited

Cressida Traders Private Limited

Entwine Mobisoft Technologies Private Limited

Nature of Transaction	<u>Key Managerial Persons</u>	<u>Associates</u>	<u>Subsidiaries</u>	<u>Total</u>
Job Charges Paid	-	1,479.46		1,479.46
	-	1,436.30		1,436.30
Rent Paid	-	2.40		2.40
	-	2.40		2.40
Purchases of Goods	-	2,703.97		2,703.97
	-	1,645.46		1,645.46
Sale of Finished Goods	-	2,832.95		2,832.95
	-	1,841.45		1,841.45



Purchases of Machinery	-	-	-
	-	492.00	492.00
Interest Paid	-	35.24	35.24
	-	46.09	46.09
Remuneration	29.56	-	29.56
	28.71	-	28.71
Sitting fees	0.10	-	0.10
	0.09	-	0.09
Loans and advances Re- Paid (Net)		-	-
	-	-	-
Loans and advances Receipts (Net)	-	943.42	943.42
	-	42.02	42.02
Loans and advances Given	-	-	-
	-	-	-
Deposit Given	-	75.00	75.00
	-	-	-
Balances as at 31st March ,2016			
Advances to Suppliers	-	986.94	986.94
	-	(8.86)	(8.86)
Loans & Advances Receivable	-	7.80	7.80
	-	8.17	8.17
Loans & Advances Payable	-	-	-
	-	38.02	38.02
Deposits Given	-	825.00	825.00
	-	750.00	750.00

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. 1395.50 Lacs (2015 - Rs. 1436.30 Lacs)
Silvassa Span Yarn Industries Rs. 83.96 Lacs (2015-Rs. Nil)
2. **Rent Paid includes** : Bindal Synthetics Pvt.Ltd. Rs. 0.78 Lacs (2015- Rs. 0.78 Lacs)
Agarwal Synthetics Rs. 1.20 Lacs (2015 - Rs. 1.20 Lacs)
Indu Anand Arya Rs. 1.20 Lacs (2015 - Rs. 1.20 Lacs)
3. **Purchases of Goods includes** : Silvassa Span Yarn Industries Rs. 2521.35 Lacs (2015 - Rs.1645.46 Lacs)
Agarwal Synthetics Rs. 182.62 Lacs (2015 - Rs. Nil)



4. **Sale of Finished Goods includes** : Silvassa Span Yarn Industries Rs.2832.95 Lacs(2015 - Rs.1841.45 Lacs)
5. **Purchases of Machinery includes** : Premier Synthetics Ltd. Rs.Nil (2015 - Rs. 492.00 Lacs)
6. **Interest Paid includes** : Silvassa Span Yarn Industries Rs. 35.24 Lacs (2015 - Rs.46.09)
7. **Remuneration includes** : Anand Arya Rs. 24.00 Lacs (2015 - Rs. 24.00 Lacs)
Rukmani Iyer Rs. 2.04 Lacs (2015 - Rs. 2.05 Lacs)
Archana Dubey Rs. 1.74 Lacs (2015 - Rs. 3.22 Lacs)
Kushalraj Sonigda Rs. 1.78 Lacs (2015 - Rs. Nil)
- 8 a) **Loans and advances Re- Paid (Net)** Agarwal Synthetics Rs.29.16 Lacs (2015 - Receipts Rs. 29.16 Lacs)
Premier Synthetics Ltd. Rs.8.86 Lacs (2015 - Rs. Nil)
- b) **Loans & Advances Receipts Includes :** Cressida Traders Pvt. Ltd. Rs.Nil (2015 - Rs.4.00 Lacs)
Blue Blends Leasing Pvt. Ltd. Rs. 0.37 Lacs (2015 - Rs. Nil)
- c) **Loans & Advances Payments Includes : NIL**
9. **Deposit Given Includes** : Silvassa Span Yarn Industries Rs. 75 Lacs (2015 - Rs. Nil)

10. Loans and Advances Balances:		Rs. in Lacs
Received:	31.03.2016	31.03.2015
Agarwal Synthetics	-	29.16
Given :		
Blue Blends Leasing Pvt. Ltd.	7.80	8.17
Advances to Suppliers :		
Premier Synthetics Ltd.	986.94	-
Deposits with -		
Premier Synthetics Ltd.	700.00	700.00
Silvassa Span Yarn Industries	75.00	-
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. 24.47 lakhs (Previous Year Rs.24.47 lakhs)
- ii) Claims against the Company /disputed liabilities not acknowledged as debts as under :
 - a) Disputed Sales Tax demands in respect of financial years 2007-08 and 2008-09 under Gujarat Value Added Tax Act, 2003 Rs. 11.69 lakhs (Previous Year Rs. 11.69 lakhs) Amount deposited under protest by the Company against disputed Sales Tax demands.- Rs.11.69 lakh (Previous Year Rs.11.69 lakhs).
 - b) Disputed Central Excise Duty in respect financial years 2001-02 and 2002-03- Rs.5.25 lakhs (Previous Year Rs. 5.25 lakh) Amount deposited under protest by the Company against disputed Central Excise Duty - Rs. 5.25 lakh (Previous Year Rs. 5.25 lakh)
 - c) Other Parties’ claims against Company-Rs. 4.61 lakh (Previous Year Rs.4.61Lakh)
- iii) Cumulative Dividends on Preference Shares - Rs. Nil (Previous Year Rs. 0.69 lakh) .

“29” Board of Directors approved the Annual Accounts on May 30th, 2016. In terms of the Special Resolution passed at the Annual General Meeting held on July 29th, 2015, Company filed petition before the Honorable High Court, Bombay to adjust the Debit balance of Profit & Loss Account against Capital Reserve and Securities Premium Reserve and the same has been allowed. Accordingly necessary effect has been given in the Schedule “Reserves and Surplus”. As per approval of the shareholders, Stock Exchanges and the Honourable High Court, effect of the above order was to be given in the Annual Accounts for the Financial Year 2015-16. As this order was received subsequent to the approval of the Annual Accounts by the Board of Directors on May 30th, 2016 so, the effect has been given by making the necessary amendments and re-groupings in the Schedule of "Reserves and Surplus". There has been no change in the net effect in the Reserves and Surplus, Profit & Loss Account, Assets & Liabilities of the Company in the accounts approved on May 30th, 2016. The amended Accounts were approved by Board of Directors along with the Directors Report and Auditors Report thereon at the meeting held on August 11th, 2016.

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

As per our report of even date

For & on behalf of the Board

For P.C. Surana & Co.

Chartered Accountants

(Registration No 110631W)

P. C. Surana

Partner

M. No. 017136

Place : Mumbai.

Dated : 11th August, 2016

Anand Arya
Chairman & Managing Director
DIN No. 00084995

Shabbir Tambawalla
Director
DIN No. 00087366

Nirmal Sirohiya
Chief Financial Officer

Kushalraj Sonigda
Company Secretary



BLUE BLENDS (INDIA) LIMITED

CIN: L17120MH1981PLC023900

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

Tel.: 022-2208 8736

Fax: 022-2208 0470

Website: www.blueblends.com

Email: blueblends.ho@gmail.com

E-Voting FORM

(Pursuant to Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014)

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	User ID	Password / PIN
160826053	Demat Shareholders: CDSL 16 digit beneficiary ID NSDL: 8 Character DP ID followed by 8 digits Client ID Physical Shareholders: Folio No. registered with company	As per the instructions given below

This Communication forms an integral part of the Notice dated August 11th, 2016 convening the Thirty Fifth Annual General Meeting scheduled to be held on Tuesday, September 27th, 2016 at 11.30 AM. Please read the instructions before exercising the vote.

The Notice of the Annual General Meeting and this Communication are also available on the website of the Company at www.blueblends.com



BLUE BLENDS (INDIA) LIMITED

CIN: L17120MH1981PLC023900

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

Tel.: 022-2208 8736 Fax: 022-2208 0470

Website: www.blueblends.com

Email: blueblends.ho@gmail.com

PROXY FORM

Name of the Members:
Registered Address:
Email Id:
Folio No./Client Id:
DP Id:

I/We being the member(s) of _____ Equity Shares of the above named company, hereby appoint

- Name: _____
Address: _____
Email Id: _____
Signature: _____ or failing him
- Name: _____
Address: _____
Email Id: _____
Signature: _____ or failing him
- Name: _____
Address: _____
Email Id: _____
Signature: _____ or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on Tuesday, the 27th day of September, 2016 at 11.30 A.M. at **Tarabai Hall, Shiv Prasad, 97-Marine Drive, Marine Lines West, Mumbai 400 002** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No	Resolutions
	Ordinary Business
1	To consider and adopt the Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31st, 2016.
2	To declare Dividend on Preference Shares and Equity Shares.
3	To appoint a Director in place of Ms. Rukmani Iyer who retires by rotation and being eligible offers himself for re-appointment.
4	To appoint M/s. P. C. Surana & Co., Chartered Accountants, Mumbai, as the Auditors of the Company
	Special Business
5	Appointment of Mr. Janardan Joshi as an Independent Director of the company
6	Approval of Cost Auditor's appointment
7	To Approve the material related party transactions for payment of job charges.
8	To Approve the material related party transactions for availing of part of the premises on lease.
9	To Approve the material related party transactions for purchase of goods.
10	To Approve the material related party transactions for sale of goods.

Signed this _____ day of _____ 2016.

Notes:

- 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.
- The form should be signed across the stamp as per the specimen signature registered with the company.
- A Proxy need not be a member.

Revenue
Stamp
One Rupee



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BLUE BLENDS (INDIA) LIMITED

CIN: L17120MH1981PLC023900

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

Tel.:022-2208 8736 Fax: 022-2208 0470

Website: www.blueblends.com Email: blueblends.ho@gmail.com

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 Tuesday, the 27th day of September,

2016 at 11.30 A.M. at **Tarabai Hall, Shiv Prasad, 97-Marine Drive, Marine Lines West, Mumbai 400 002**

Member's / Proxy's Signature

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

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