

THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Board of Directors

Virendra Kumar Charoria
Tolaram Chachan
Manju Gupta

Chief Executive Officer

Vishal Jain

Chief Financial Officer

Pratiksha Agrawal

Company Secretary/ Compliance Officer

Neha Jain

Auditors

K.C Gupta & Associates

Registered Office

Hindustan Times House, 9th Floor
18-20, Kasturba Gandhi Marg
New Delhi-110001
Tel.: +91-11-6656 1206
Fax: +91-11-6656 1206
Email: secretarial.ht@rediffmail.com
Website: www.birlacotton.com

THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED
Regd Office:9th Floor, Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi 110 001
CIN: L95000DL1920PLC099621
Phone: 011-66561206

DIRECTOR'S REPORT

To,

The Members,

Your Directors have pleasure in presenting the Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

Standalone Financial summary (Amount in Lacs)–

Particulars	2015-2016	2014-2015
Total Income	404.78	320.58
Less: Expenses	227.62	37.95
Profit/(Loss) before Tax	177.16	282.63
Less: Tax Expense		
1) Current Tax	36.24	54.04
2) Deferred tax charge	(0.52)	(0.43)
Profit/(Loss) after Tax	141.44	229.02
Less: Transfer to Statutory Reserve	28.50	46.00
Balance brought forward from previous years	(3331.12)	(3,514.14)
Balance carried to Balance Sheet	(3218.18)	(3,331.12)

Dividend:

In order to conserve the resources of the Company, your Directors do not recommend any dividend for the year.

Company's working & State of Company's affair

The performance of the Company during the financial year was satisfactory. The Company during the year had transferred 28.50 Lacs to statutory reserve pursuant to section 45-IC of the Reserve Bank of India(Amendment) Act, 1997.

There was no change in the nature of the business in the preceding financial year.

There was no significant or material order was passed by the regulators or courts imparting the going concern status and company's operation in future.

There was an adequacy of Internal financial control system with reference to the financial Statements during the preceding financial year.

The Company has not issued equity shares with differential rights, sweat equity shares and employee stock options during the year.

Subsidiary Companies

The performance and financial position of each of the subsidiary companies are annexed to the financial statement in Form AOC-1.

During the year HT Interactive Media Properties Limited, Go4I.com(India) Private Limited, Birla Real Estate Limited and Go4I.com(Mauritius) Limited ceased to be the subsidiary of the Company.

Deposits

The Company has not accepted any deposits during the year and no deposits have been remained unpaid or unclaimed at the end of the year.

The Company has not defaulted in repayment of deposits or payment of interest thereon during the year.

Statutory Auditors

The members of the Company in their Annual General Meeting(AGM) held on September 30, 2014 appointed M/s. K.C. Gupta & Associates, Chartered Accountants, as Statutory Auditor of the Company to hold office, till the conclusion of the Annual General Meeting to be held in calendar year 2017, subject to ratification of their appointment at every Annual General Meeting to be held during the intervening period. In terms of the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, it is proposed to ratify the appointment of M/s. K.C. Gupta & Associates, Chartered Accountants, as Statutory Auditor of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in calendar year 2017. The Company has received a certificate from M/s. K.C. Gupta & Associates, Chartered Accountants to the effect that the ratification of their appointment as Statutory Auditor shall be in accordance with the provisions of Section 141 of the Companies Act, 2013.

Further, there are no qualifications, reservations or adverse remarks made by the Statutory Auditor in their report.

Disclosures under Companies Act, 2013

(I) Extract of Annual Return

The extract of the annual return in Form No. MGT – 9 is annexed as “Annexure- A”

(II) Conservation of energy, technology absorption and foreign exchange earnings and outgo:

A) Conservation of energy:

- (i) the steps taken or impact on conservation of energy;- The Company has started replacing traditional bulbs with LED lights.

- (ii) the steps taken by the company for utilising alternate sources of energy; **The Company is exploring the possibility of using the solar energy.**
- (iii) the capital investment on energy conservation equipments; The Company has not incurred any capital expenses on energy conservative equipment as same is not required considering the present business activities.

(B) Technology absorption

The Company has not obtained any technology, hence provisions are **Not Applicable**

(C) Foreign exchange earnings and Outgo

During the year neither there was any Foreign Exchange earned nor incurred any expenditure on foreign exchange.

(III) Particulars of Employees

In accordance with the provisions Section 197 (12) of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employees drawing remuneration in excess of amount prescribed in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Company is not paying any remuneration to its directors, hence provisions of section 197(12) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable. In accordance with the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of median remuneration paid to employees of the Company for the financial year ended March 31,2016 is set out as “Annexure-B”.

(IV) Directors and Key Managerial Personnel:

There were no changes in the directors during the year.

Ms. Neha Jain has been appointed as Key Managerial Personnel and designated as Company Secretary/ Compliance Officer with effect from 16th June, 2015 pursuant to section 203 of the Companies Act, 2013.

Shri. Virendra Kumar Charoria, Shri Tolaram Chachan and Smt, Manju Gupta, Independent Directors of the Company has given the declaration to the Company that they meet the criteria of Independence as provided in sub-section (6) of section 149 of the Companies Act, 2013 and regulation 25 of SEBI (Listing Obligation and Disclosure Requirements), 2015.

(V) Number of meetings of the Board of Directors

The Board of Director duly met 6 times respectively on 30th May 2015, 14th August 2015, 14th November 2015, 11th December, 2015, 13th February 2016 and 18th March 2016 during the financial year 2015-16.

(VI) Audit Committee

The Audit Committee of the Board presently comprises of, Shri. Tolaram Chachan, Shri. Virendra Kumar Charoria and Smt. Manju Gupta.

During the year, the Committee met five times respectively on 30th May 2015, , 14th August 2015, 14th November 2015, 13th February 2016 and 18th March 2016.

(VII) Particulars of loans, guarantees or investments under section 186

The Company during the year did not provide any loan, or guarantee or made investments under section 186 of Companies Act, 2013.

(VIII) Particulars of contracts or arrangements with related parties:

All related party transactions that were entered into during the year ended 31st March, 2016 were on arm's length basis and in the ordinary course of business. There was no materially significant related party transactions made by your Company during the year and hence no information is required to be provided under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014.

(IX) Formal Annual Evaluation

Pursuant to the provisions of Companies Act, 2013, and SEBI (Listing obligation and disclosure requirement) 2015, the formal annual evaluation has been carried out by the Board of its own performance and that of its Committees and individual directors through collective feedback.

The evaluation criteria for Independent Directors are as under:-

- Relevant Knowledge, Expertise and Experience.
- Devotion of time and attention to the Company's long term strategic issues.
- Addressing the most relevant issues for the Company
- Professional Conduct, Ethics and Integrity
- Understanding the Duties, Roles and Function as Independent Director.

Corporate Governance & Management Analysis Report

Pursuant to of the regulation 34 of (Listing Obligation and Disclosure Requirement) Regulation, 2015 the Company has complied with all mandatory requirements on Corporate Governance. The report on Corporate Governance and Management Discussion & Analysis Report forms part of the Annual Report as "Annexure-C" and "Annexure-D" respectively.

Details of establishment of vigil mechanism for directors and employees

Pursuant to regulation 34 of (Listing Obligation and Disclosure Requirement) 2015 the company has established a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct or ethics policy.

Further during the year, no case was reported under the vigil mechanism.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board presently comprises of Shri Virendra Kumar Charoria, Shri Tolaram Chachan and Smt Manju Gupta. During the year , the meeting of the committee held on 14th august, 2015.

Remuneration Policy

The Board on the recommendation of the Nomination and Remuneration Committee, framed a policy on appointment of Directors, Key Managerial Personnel and also fixed their Remuneration. The Nomination and remuneration Policy of the Company is set out as “Annexure-E”

Managerial Remuneration:

The Company do not pay any amount by way of remuneration to any of its Director hence the details of the ratio of the remuneration of each director to the median employee’s remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable on the Company. Further, the Company pays Remuneration to its KMP’s and the details are set under “Annexure-B”

Secretarial Audit Report:

Pursuant to Provision of section 204 of the Companies Act, 2013 and Rules made there under, the Board of Directors has appointed Shri.Arun Kumar Soni Company secretary–in–practice, as Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial year 2015-2016. The Secretarial Audit report is annexed as “ Annexure- F”.

Code of Conduct

The members of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2016. The annual report of the Company contains a certificate by the CEO in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, and Senior Management of the Company. The Certificate is enclosed as “ Annexure-G”

Auditors Certificate on Corporate Governance

As required by SEBI(Listing Obligation & Disclosure Requirement) regulation 2015, the auditors certificate on corporate governance is enclosed as “Annexure-H” to the Board Report. The auditors certificate for fiscal 2016 does not contain any qualification, reservation or adverse remark.

Corporate Social Responsibility

The CSR Committee of the Board presently comprises of Shri Virendra Kumar Chaoria, Shri. Tolaram Chachan and Smt Manju Gupta. The Company has performed the activity as prescribed under Schedule VII of the Companies Act, 2013. The Corporate Social Responsibility(CSR) activities are being undertaken through Shine Foundation as implementing agency for CSR activities of your /company. The disclosures pursuant to Rule9 of the Companies(Corporate Social Responsibility Policy) Rules, 2014 is annexed with the report as “ Annexure-I”. The provisions relating to CSR of the Companies Act 2013 is not applicable to the Company during

preceding financial year. During the year, the meeting of the committee held on 31st March, 2016.

Risk management policy

Your company has a robust risk management framework to identify, evaluate and mitigate risk. The risk is periodically reviewed by the management keeping in view the changing economic and business environment. The Audit Committee and Board of Directors are periodically apprised of key risks and mitigation measures.

Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) in the preparation of the annual accounts for the Financial year ended on March 31, 2016, the applicable accounting standards have been followed and there are no material departures;
- (b) such accounting policies have been selected and applied them consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the company as on March 31, 2016; and of the profit of the company for that period;
- (c) proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis; and
- (e) internal financial controls were in place and that such internal financial control were adequate operating effectively.
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

Acknowledgements

Your Directors place on record their deep appreciation for the committed services of Executives, staff and workers of your Company.

For and on behalf of the Board of Directors
For THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Place: New Delhi
Date: 12th August, 2016

V.K. Charoria
Director
DIN-00046895


Manju Gupta
Director
DIN- 00124974

“Annexure-A”

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I.REGISTRATION AND OTHER DETAILS:

- i) CIN:- L95000DL1920PLC099621
- ii) Registration Date: 10/03/1920
- iii) Name of the Company: The Birla Cotton Spinning & Weaving Mills Limited
- iv) Category / Sub-Category of the Company: Company Limited by Shares
- v) Address of the Registered office and contact details: Hindustan Times House, 9th Floor, 18-20, Kasturba Gandhi Marg, New Delhi-110001
- vi) Whether listed company Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : In House

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:-

Sl. No.	Name and Description of main products / services of the Company	NIC Code of the Product / Service	% of total turnover of the Company
1	Commission Income	-	14.95
2	Profit on sale of Investment	-	79.17

III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name and address of the Company	CIN/GLN	Holding / Subsidiary/Associate	% of shares held	Application Section
1	Earthstone Holding (Two) Limited	U67120UP2008PLC065196	Holding Company	56.12	2(46)
2	BCM Holding Limited	U65993DL2012PLC244287	Subsidiary Company	100	2(87)(ii)

b)Banks/FI	-	883	883	0.08	-	883	883	0.08	-
c)Central Gov.									
d)State gov.									
e)Venture Capital Funds									
f)Insurance Companies	-	41330	41330	3.62		41330	41330	3.62	-
g)FIIs	-	-	-	-	-	-	-	-	-
h)Foreign venture capital fund	-	-	-	-	-	-	-	-	-
i)other (specify)(Trust)	-	-	-	-	-	-	-	-	-
Sub Total(B)(1)	-	42213	42213	3.69		42213	42213	3.69	-
2.Non Institutions	-	-	-	-	-	-	-	-	-
a)Bodies Corp i)Indian II)'Overseas	-	228268	228268	19.95		228268	228268	19.95	-
b)Individual i)Individual shareholder holding nominal share capital upto Rs.1Lakh i)Individual shareholder holding nominal share capital in excess of Rs.1Lakh		54800	54800	4.79		54800	54800	4.79	-
c)Other s(Trust)		54974	54974	4.80		54974	54974	4.80	-
Sub Total(B)(2)	-	338042	338042	29.54		338042	338042	29.54	-
Total Public shareholding(B)=(B)(1)+(B)(2)	-	380255	380255	33.24		380255	380255	33.24	-
c. Share held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total(A+B+C)	-	1144129	1144129	100	-	1144129	1144129	100	-

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	Earthstone Holding (Two) Limited	642,090	56.14	NIL	642,090	56.14	NIL	NIL
2	The Hindustan Times Limited	47584	4.16	NIL	47854	4.16	NIL	NIL
3	Earthstone Holding (One) Private Limited	74000	6.46	NIL	74000	6.46	NIL	NIL

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

S.No	Name	Shareholding at the Beginning(01/04/2015)		Date	Increase/ Decrease in shareholding	Reasons	Cumulative shareholding during the year (01.04.2015) to (31.03.2016)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.No	Name	Shareholding at the beginning(01.04.2015)/end of the year(31.03.2016)	Date	Increase/ Decrease in shareholding	Reasons	Cumulative shareholding during the year (01.04.2015) to (31.03.2016)
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		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	THE PUNJAB PRODUCE & TRADING Co. LIMITED	88000	8.84	-	-	-	88000	8.84
2	CALCUTTA MEDICAL INSTITUTE	49666	4.99	-	-	-	49666	4.99
3	SHEKHAVATI INVESTMENT & TRADERS LIMITED	46600	4.68	-	-	-	46600	4.68
4	LIFE INSURANCE CORPORATION OF INDIA	31830	3.19	-	-	-	31830	3.19
5	JAIPUR FINANCE & DAIRY PRODUCTS PRIVATE LIMITED	23332	2.34	-	-	-	23332	2.34
6	AMER INVESTMENTS (DELHI) LIMITED	21000	2.11	-	-	-	21000	2.11
7	CENTRAL INDIA INDUSTRIES LIMITED	18882	1.89	-	-	-	18882	1.89
8	INDUSTRY HOUSE LIMITED	10000	1.00	-	-	-	10000	1.00
9	NATIONAL INSURANCE Co. LIMITED	8500	0.85	-	-	-	8500	0.85
10	MRS. MEENAKSHI MOHTA & ANURAG MOHTA	6066	0.609	-	-	-	6066	0.609

(v) Shareholding of Directors and Key Managerial Personnel:

S.No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Director and Key Managerial Person				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase /Decrease in	NIL	NIL	NIL	NIL

	shareholding during the year specifying the reason for increase/Decrease				
	At the end of the year(or on date of separation, if separated during the year)	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

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

Indebtedness on the beginning of the Financial year 2014-2015	Secured Loan Excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i)Principal amount ii) Interest due but not paid iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total(i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year 2014-2015 • Addition • Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year 2014-2015 i)Principal Amount ii)Interest due but not paid iii) interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
1	Gross Salary (a)Salary as per provisions contained in section 17(1) of Income-tax Act,1961	NIL	NIL	NIL

	(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	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission -as % of profit -others, specify	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NI
6	Total(A)	NIL	NIL	NIL
Ceiling as per Act		17.69 Lacs (being 10% of the Net Profit of the Company for the financial year 2015-16)		

**The Company do not have any Managing Director/ Whole Time Director/and or Manager.*

B. Remuneration to other directors:

Particular of Director	Name of the Director				Total Amount
	Chairman		Independent Directors		
Fee for attending Board/Committee Meetings	NIL	NIL	NIL	NIL	NIL
Commission	NIL	NIL	NIL	NIL	NIL
Total B	NIL	NIL	NIL	NIL	NIL
Total Managerial remuneration	NIL	NIL	NIL	NIL	NIL
Overall ceiling as per Act	19.46 Lacs (being 11% of the Net Profit of the Company for the financial year 2015-16)				

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S.No	Particulars of Remuneration	Amount(in Lacs) per annum	Amount(in Lacs) per annum	Amount(in Lacs) per annum
1	Gross Salary	Mr. Vishal Jain (Chief Executive Officer)	Ms. Pratiksha Agrawal (Chief Financial Officer)	Ms. Neha Jain (Company Secretary)
	(a)Salary as per Provisions contained section 17(1) of the Income Tax Act,1961	6.12	1.56	1.14
	(b) Value of Perquisites u/s 17(2) Income Tax Act,1961	NIL	NIL	NIL

2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission • As % of Profit • Others, specify	NIL	NIL	NIL
5	Others, Please Specify	NIL	NIL	NIL
	Total	6.12	1.56	1.14

VII. Penalties/Punishment/Compounding of Offences.

Type	Section of the companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made if any(give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors
For THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Place: New Delhi
Date: 12th August, 2016

V.K. Charonia
Director
DIN-00046895

Manju Gupta
Director
DIN- 00124974

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

1. Ratio of remuneration of each Director to the Median remuneration of the employees of the Company for the financial year ended March 31, 2016: Company is not paying any Remuneration to its Directors.

Name of the Director and KMP	Remuneration (Amt in lacs)	% increase in Remuneration in the F.Y. 2015-2016	Ratio to median remuneration	Comparison of the Remuneration of the KMP against the performance of the Company
Mr. V.K. Charoria	NIL	NIL	NIL	-
Mr. Tolaram Chachan	NIL	NIL	NIL	-
Mrs. Manju Gupta	NIL	NIL	NIL	-
Mr. Vishal Jain	6.12	10.07%	N.A	Profit before Tax decreased by 37.31% and Profit After Tax decreased by 38.24%
Ms. Neha Jain*	1.14	-	N.A	
Ms. Pratiksha Agrawal**	1.56	-	N.A	

* Ms. Neha Jain was appointed as Company Secretary/ Compliance Officer with effect from 16th June, 2016.

** Ms. Pratiksha Agrawal has been appointed on the last date of the financial year and hence there is no such comparison from last year's remuneration.

2. The ratio of the remuneration of each director to the median remuneration of the employee of the Company is not applicable as none of the directors of the company are paid any remuneration.
3. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company. Total remuneration of Key Managerial Personnel increased by 58.63% as compared to Financial Year 2014-2015, whereas the Profit before Tax decreased by 37.31% as compared to Financial Year 2014-2015, increase in remuneration of KMP considering the rate of inflation, and performance of KMP.
4. There were 16 permanent employees on the rolls of the Company.
5. There was 9.9% decrease in the median remuneration paid to the employees as compared to the financial year 2014-15.
6. There is neither any variations in the market capitalization of the Company nor any increase or decrease in the price earnings ratio, as the price is not quoted in the prevailing market.
7. Remuneration of each Key Managerial Personnel during the Financial year is given under (1) above and the performance of the Company during the said financial year is given under (6)
8. The Remuneration paid is as per the Company's policy

REPORT ON CORPORATE GOVERNANCE

The Management of The Birla Cotton Spinning & Weaving Mills Limited has always believed that Corporate Governance is the process which will be useful for direction and managing the affairs of the Company with the ultimate objective of realizing long term shareholder value whilst taking into account the interest of other stakeholders.

1. BOARD OF DIRECTORS

A) Composition of the Board

The Composition of the Board during the year-ended 31.03.2016 is as follows:

1	Shri. V.K.Charoria	Non-executive director	Independent
2	Shri. T.R.Chachan	Non-executive director	Independent
3	Smt. Manju Gupta	Non-executive director	Independent

The Non Executive Directors do not hold any shares/convertible instruments of the Company.

B) BOARD MEETINGS & ATTENDANCE AT BOARD MEETINGS

During the financial year ended 31st March 2016, six Board meetings were held on 30th May, 2015, 14th August 2015, 14th November 2015, 11th December 2015, 13th February 2016, 18th March, 2016.

Attendance record of the directors at the above Board Meetings and at previous Annual General Meetings (AGM) & Extra-ordinary General Meeting along with the number of other positions held by them in other companies, are as follows:

<i>Name of the Director</i>	<i>No. Of Board meetings attended during FY 15-16</i>	<i>Attendance at the last AGM held on 29.09.2015 and EGM held on 14.01.2016</i>	<i>Committee positions held in other companies</i>	
			<i>Chairman</i>	<i>Member</i>
Shri. V.K.Charoria	6	Yes, Yes	4	3
Shri. T.R.Chachan	1	No, No	-	4
Smt. Manju Gupta	5	No, No	-	2

2. AUDIT COMMITTEE

During the year ended March 31, 2016 five meetings of Audit Committee were held. The said meetings were held on 30th May 2015, 14th August 2015, 14th November 2015 , 13th February 2016 and 18th March, 2016.

The composition of Audit Committee and attendance of Directors at the above meetings is as follows:

Name of the Director	Position in the Committee	Number of meetings attended
Shri. V.K.Charoria	Chairman	5
Shri. T.R.Chachan	Member	1
Smt. Manju Gupta	Member	5

3. STAKEHOLDERS GRIEVANCE COMMITTEE:

a) The composition of Stakeholders Grievance Committee is as follows:

Name of the Director	Position in the Committee
Shri. V.K.Charoria	Chairman
Shri. T.R.Chachan	Member
Smt. Manju Gupta	Member

- b) Name and designation of Compliance Officer: Ms. Neha Jain, Company Secretary/ Compliance Officer.
c) No Complaints were received from shareholders during the financial year 2015-16.

4. NOMINATION AND REMUNERATION COMMITTEE

The Meeting of Nomination & Remuneration Committee was held during the year dated 14th August, 2016.

The composition of Nomination and Remuneration Committee is as follows:

Name of the Director	Position in the Committee
Shri. V.K.Charoria	Chairman
Shri. T.R.Chachan	Member
Smt. Manju Gupta	Member

5. GENERAL BODY MEETINGS

Details of date, time and venue of the last three Annual General Meetings are as under:

Date & Time	30 th September 2013 at 10.00 A.M.	30 th September 2014 at 10.00 A.M.	29 th September 2015 at 10.00 A.M.
Venue	Hindustan Times House, 9th Floor, 18-20,K.G.Marg, New Delhi-110001	Hindustan Times House, 9th Floor, 18-20,K.G.Marg, New Delhi-110001	Hindustan Times House, 9th Floor, 18-20,K.G.Marg, New Delhi-110001
Special resolution passed	No Special resolution passed	Special resolution was passed: 6. Under section 180 of Companies Act, 2013	No Special resolution passed

No special resolution was passed through postal ballot in last three preceding financial year

6. DISCLOSURES

- a) During the year ended on 31st March 2016, there were no materially significant transactions with related parties viz. promoters and their relatives or the management that may have potential conflict with the interest of the Company at large.
- b) During the last three years there were no strictures or penalties imposed by either Securities and Exchange Board of India (SEBI) or the Stock Exchanges or any Statutory Authority for non-compliance of any matter related to the capital market.
- c) The Company has established a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior actual or suspected, fraud or violation of the company's code of conduct or ethics policy. Further, no case was reported under the vigil mechanism during the year ended march 2016..

7. MEANS OF COMMUNICATION

The notices, quarterly and annual financial results etc. of the Company are published in Mint (English) and Rashtrya Sahara (Hindi) and are also available on Company's website: www.birlacotton.com.

8. GENERAL SHAREHOLDER INFORMATION

120th Annual General Meeting

Day, date and time –Friday, 30th September 2016 at 9.30 A.M

Venue – Hindustan Times House, 9th Floor, 18-20,K.G.Marg,
New Delhi-110001.

a) Financial Year

1st April of each year to 31st March of next year.

b) Share Transfer System

All requests for transfer of shares in physical form are processed and the duly transferred share certificates are returned to the transferee within the time limit prescribed by law in the said behalf, subject to the share transfer documents being valid and complete in all respects.

As required under regulation 40(9) of (Listing Obligation & Disclosure Requirements) Regulations 2015 of Stock Exchanges, the Company obtains a certificate on half-yearly basis from a Company Secretary-in-practice, regarding share transfer formalities, copy of which is filed with the Stock Exchange.

c) Registrars & Share Transfer Agents

Company has in house facilities at its Registered office for transfer of shares.

d) Distribution of shareholding as on 31st March 2016:

Category		No. of shares held	Percentage of shareholding %
(A)	Shareholding of Promoters and Promoter's Group	763874	66.76
(B)	Public Shareholding:		
(a)	Financial Institutions/Banks	883	0.07
(b)	Bodies Corporate	228268	19.95
(c)	Individuals	54800	4.79
(d)	Insurance Company	41330	3.62
(d)	Others	54974	4.80
	Total Public Shareholding	380255	33.24
	TOTAL (A)+(B)	1144129	100.00

e) Dematerialization of Shares:

The Company is in process for dematerialization of its equity shares.

f) Dividend

No dividend has been recommended for the financial year ended 31st March 2016.

9. Status of Dematerialization as on March 31, 2016:

Particulars	No. of equity Shares	% to total equity share capital
National Securities Depository Limited	Nil	Nil
Central Depository Services (India)	Nil	Nil
Total Dematerialized	Nil	Nil
Physical	144129	100.00
Grand Total	144129	100.00

10. Listing on Stock Exchange

The equity shares of the Company is listed on The Calcutta Stock Exchange Association Limited.

As per SEBI's note which is available in public domain has de recognized Delhi Stock Exchange Limited, with effect from 19th November, 2014 where the equity shares of the Company were listed.

11. Scrip Code

:

The Calcutta stock exchange Limited stock exchange Scrip Code '12196'

12. Plant Location

: N.A

13. Market Price Data: Average monthly High and Low price:

There is no trading of any scrip during the year ended 31st March 2016 on the Stock Exchange , where Company equity shares are listed.

14. Address for correspondence:

9th Floor, Hindustan Times House,
18-20, Kasturba Gandhi Marg,
New Delhi-110001

THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Operating Results & Financial Performance: -

The Birla Cotton Spinning & Weaving Mills Limited is a registered NBFC. The mainstay of Company's operations continued to be investments in various companies, under which steady dividend income flows into the Company coupled with constant commission income. The company's total income for the year is Rs.404.78 lakhs as compared to Rs. 320.58 lakhs in the previous year. During the year under review Profit before tax amounts to 177.16 lakhs as compared to 282.63 lakhs in the previous year.

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2. Industry Trends and Business Analysis:

The NBFC sector in India has become mature with reduced dependence on the acceptance of public deposits as part of overall funding.

3. Opportunities and Threats:

With the globalization and electronic age, Indian stock market has changed over the past decade. The developments of high-tech and transparent markets with an increasingly wide geographic footprint have increased the number of trading avenues offering diverse pools of liquidity.

Capital Markets around the globe have been going through somewhat uncertain times due to European Sovereign Debt crises. The international global crisis has lesser impact on our financial markets. Therefore, the Indian growth story is intact in spite of all these odds over the long term.

4. Future Prospects and Outlook:

The Company's present business operations are that of an investment company, future of which is largely depends upon financial and capital markets. Your Company has investments in financially sound companies. Company will continue to earn good dividend income. The management is optimistic about the future outlook of the Company.

The NBFC's industry witnessed testing times with global economic slowdown and weakening profitability and tightening of financial conditions from foreign and non-bank sources. The Company has demonstrated its ability to withstand the challenges

posed by the current environment and has emerged as a strong player in registering growth and profitability.

5. Risks and concerns:

The Company like any other Company is exposed to specific risks that are particular to its business and the environment within which it operates. The company is exposed to the market risk, which inter alia includes economic/business cycle, interest rate volatility, and credit risk.

While the Indian economy has shown sustained growth over the years The Company is confident of managing these risks by maintaining a conservative financial profile, and by following prudent business and risk management practices.

6. Internal control system and their adequacy:

The Company has proper and adequate system of internal controls to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition of assets and that the transactions are properly recorded.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

Besides, the Audit Committee reviews the internal controls at periodic intervals.

7. Human Resources:

The company has adequate human resources, which commensurate with the current volume of activity.

8. Cautionary Statement:

Statements in this 'Management's Discussion and Analysis' describing the company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include interest rates and changes in the Government regulations, tax regimes, economic developments and other factors such as litigation etc.

REMUNERATION COMMITTEE AND POLICY

1. Introduction

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of the Company is required to ensure that shareholders remain informed and confident in the management of the Company. To harmonize the aspiration of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and Rules made thereunder and Listing agreement amended from time to time.

The policy shall act as a guideline for determining, inter-alia, qualification, positive attributes and independence of a Director, appointment and removal of the Directors, Key Managerial Personnel and matters relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

2. **Terms of reference**

The terms of reference of the Remuneration Committee, inter alia, consists of reviewing the overall compensation policy, service agreements, performance incentive of the Director's & KMP. The recommendations of the Remuneration Committee are considered and approved by the Board of Directors, subject to the approval of the shareholders, where necessary. The Company Secretary is the Secretary to the Committee.

3. **Constitution**

As at 31 March, 2016, the Remuneration Committee comprised of three (3) Directors, with Shri V.K Charoria and Shri Tolaram Chahchan and Smt. Manju Gupta are Independent Directors and Shri V.K Charoria is the Chairman of the Remuneration Committee

During the year, 1 (one) meeting of the Remuneration Committee was held on 14th August, 2015.

The details of composition of the Remuneration Committee along with attendance of the Committee Members at the meetings held during the year, is as detailed herein:

Smt Manju Gupta	Non Executive – Independent Director	1
Shri Virendra Kumar Charoria	Non Executive – Independent Director	1
Shri Tolaram Chahchan	Non Executive – Independent Director	1

4. **Remuneration payable to Executive Directors**
The Company do not have any Executive Director on the Board.
5. **Remuneration payable to Non-Executive Directors**
The Company is not paying any remuneration to its Non- Executive Directors.
6. **Remuneration payable to Key Managerial Personnel(KMP's):-**

Your Board had approved the appointment of Ms. Neha Jain as Company Secretary of the Company with effect from 16th June, 2015.

The remuneration paid to **Key Managerial Personnel** is subject to the limits laid down under Sections 197 read with Schedule V of the Companies Act, 2013. Their remuneration is recommended by the Remuneration Committee based on factors such as the Company's performance of the **Key Managerial Personnel**.

7. The details of the remuneration paid to **Key Managerial Personnel** of the Company during the year ended 31 March, 2016 is as under:

[Amount In Lacs per annum]

Particulars	Chief Executive Officer	Chief Financial Officer	Company Secretary
Salary & Allowances	6.12	1.56	1.44
Perquisites	NIL	NIL	NIL
Provident Fund Contribution	NIL	NIL	NIL
Total	6.12	1.56	1.44

Amendments to the Policy:

This policy is framed under the Companies Act, and rules made there under. The policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to the change in regulation or as may be felt appropriate by the committee. Any changes or modification in the policy as recommended by the committee would be given for approval of the Board of Directors.

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,
The Members,
The Birla Cotton Spinning & Weaving Mills Limited
9th Floor, Hindustan Times House
18-20, Kasturba Gandhi Marg
New Delhi - 110001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Birla Cotton Spinning & Weaving Mills 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on March 31, 2016 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 report that

1. The Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation, about the compliance of laws, rules and regulation and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.

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.

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 March 31, 2015 according to the provisions of:

- (i) 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) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;*
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009*;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;*
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008*;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding compliance of the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009*; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998*;

** Not applicable because the Company did not carry out the activities covered by the regulations/guidelines during the audit period*

- vi) The Company has identified the following laws as specifically applicable to the Company:

1. Rules, Regulations and Guidelines issued by Reserve Bank of India as are applicable to non-deposit taking Non-Banking Financial Companies

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India(are in force with effect from 01st July, 2015)
- (ii) The Listing Agreements (as applicable upto November 30, 2015)entered into by the Company with Delhi Stock Exchange and Calcutta Stock Exchange
- (iii) Securities Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015(as applicable from 01st December, 2015)

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that

- (i) Company is in process to enter into agreement with a depository for dematerialization of securities & appointment of Registrar & Transfer Agent.
- (j) Company is yet to entered into Listing Agreement with Stock Exchange as provided in SEBI(LODR) Regulations, 2015

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through and based on the information given by the Company, I report that there were no instances of any dissenting members' views being recorded or captured as part of the minutes.

I further report that there are reasonable 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.

I further report that during the audit period the Company has approved following:

1. to sell/dispose of its investment in Equity Shares in its wholly owned subsidiary companies pursuant to the provisions of Clause 49(V)(F) of the Listing Agreement and pursuant to the provisions of Clause 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : New Delhi
Date: August 12, 2016

Sd/-
Arun Kumar Soni
ACS No. 5441
CP No.: 1726

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees and Non-Executive Directors, Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2016, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer , Company Secretary/ Compliance Officer as on 31st March, 2016.

Sd/-
Vishal Jain
Chief Executive Officer

Place: New Delhi

Date: 12th August, 2016

Annexure-H

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

**The Members,
The Birla Cotton Spinning & Weaving Mills Limited,
New Delhi**

I have examined the compliance of conditions of Corporate Governance by **The Birla Cotton Spinning & Weaving Mills Limited**, for the period ended on 31st March, 2016, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') effective from 1st December 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied, in all material respect with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the period 01st December, 2015 to 31st March, 2016.

I 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.

Sd/-
Arun Kumar Soni
Company Secretary-in-Practice
CP No. 1726

Place: New Delhi
Date: 12th August, 2016

ANNEXURE –I to Board’s Report

Annual Report on Corporate Social Responsibility for financial year 2015-16

- (1) A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes.

The Company strives to achieve excellence when it comes to undertaking business in a socially, ethically and environmentally responsible manner. The formulation of Corporate Social Responsibility (CSR) Policy is one such step forward in that direction. The Policy outlines the Company’s philosophy as a responsible corporate citizen and also lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community, in and around area of operations of the Company and other parts of the country. The policy applies to all CSR projects or programs undertaken by the Company in India, in relation to one or more activities outlined in Schedule VII of the Companies Act, 2013.

The Composition of the CSR Committee:- The CSR Committee of directors comprises of Shri Virendra Kumar Charoria, Shri Tolaram Chachan and Smt. Manju Gupta.

- (2) Average net profit of the company for last three financial years: Rs. 209.41 Lacs
(3) Prescribed CSR Expenditure (two per cent. Of the amount as in item 2 above): 4.19Lacs
(4) Details of CSR spent during the financial year.
(a) Total amount spent for the financial year;:- 2crores
(b) Amount unspent, if any;: Nil
(c) Manner in which the amount spent during the financial year is detailed below

(Amount in Rs. Lacs)

S.No	Particulars	
(1)	CSR project or activity identified	*
(2)	Sector in which the project is covered	*
(3)	Projects or programme (1)Local area or other (2) Specify the state and district where projects or programs was undertaken	*
(4)	Amount outlay (budget project or programme wise)	*
(5)	Amount spent on the project or programme Sub Heads; (1) Direct expenditure on project or programmes Overheads	*
(6)	Cumulative expenditure up to the reporting period	*
(7)	Amount Spent direct or through implementing agency.	Shine Foundation

*The Company has contributed towards the corpus of Shine Foundation as a CSR Expenditure.

5. Details of implementing agency: The CSR activity is carried through Shine Foundation and have track record of doing CSR activities more than three years.

6. The responsibility statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is given below:

*The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company


Virendra Kumar Chaturia
Chairman of CSR Committee


Manju Gupta
Member of the CSR Committee

K.C. GUPTA & ASSOCIATES
Chartered Accountants

J-21, Ganga Ram Vatika
Tilak Nagar, New Delhi
Phone-25411614, 32000775

Independent Auditors' Report

To the Members of

THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED**, which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss for the year then ended, and Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2016; and
- (b) In the case of the Statement of profit and loss, of the profit for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, and the statement of Profit and Loss and the cash flow statement dealt with by this report are in agreement with the books of accounts.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2016, 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 the 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".

Place: New Delhi

Date: 30.05.2016

For K.C Gupta & Associates
Chartered Accountants

FRN:021164N

C.A Kailash Gupta
(Partner)

Membership No: 083547



Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (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) The Company is a Non Banking Financial Company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service 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 became payable.

 - (b) According to the information and explanations given to us, there are no material dues of duty of customs, income tax, sales tax, duty of excise, service tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public



offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiii) According to the information and explanations give 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.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

Place: New Delhi

Date: 30.05.2016

For K.C Gupta & Associates
Chartered Accountants
FRN:021164N

C.A Kailash Gupta
(Partner)
Membership No: 083547



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 **THE BIRLA COTTON SPINNING & WEAVING MILLS 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 applicable to an audit of Internal Financial Controls and, 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.

Place: New Delhi

Date: 30.05.2016

For K.C Gupta & Associates
Chartered Accountants
FRN: 21164N



C.A. Kishan Gupta
(Partner)

Membership No: 083547

Meaning of Internal Financial Controls over Financial Reporting

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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.

Place: New Delhi

Date: 30.05.2016

For K.C Gupta & Associates
Chartered Accountants
FRN: 21164N



C.A. Kashish Gupta
(Partner)

Membership No: 083547

Balance Sheet as at 31st March, 2016

(Amount in Lacs)

Particulars	Note No.	As At March 31, 2016	As At March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	114.42	114.42
(b) Reserves and surplus	3	3,813.91	3,672.50
(c) Money Received against Convertible Warrants	4		
		<u>3,928.36</u>	<u>3,786.92</u>
Non current liabilities			
Long Term Provision	5	<u>4.22</u>	<u>3.54</u>
Current liabilities			
(a) Other Current Liabilities	6	7.59	7.66
(b) Short Term Provision	7	<u>4.16</u>	<u>9.27</u>
		<u>11.75</u>	<u>16.93</u>
TOTAL		<u>3,944.33</u>	<u>3,807.39</u>
ASSETS			
Non-current assets			
(a) Fixed assets- Tangible Assets	8	208.54	212.47
(b) Non-current investments	9	335.00	340.00
(c) Deferred tax assets (net)	10	3.33	2.81
(d) Long-term loans and advances	11	<u>6.30</u>	<u>6.30</u>
		<u>553.17</u>	<u>561.58</u>
Current assets			
(a) Current investments	12	4.71	4.71
(b) Trade receivables	13	55.25	21.00
(c) Cash and Bank Balances	14	3,325.75	3,216.33
(d) Short Term Loans and advances	15	5.43	3.75
(e) Other current assets	16	<u>0.02</u>	<u>0.02</u>
		<u>3,391.16</u>	<u>3,245.81</u>
TOTAL		<u>3,944.33</u>	<u>3,807.39</u>

Notes on Financial Statement

1 to 28

As per our attached Report of even date

For K.C. Gupta & Associates
(Firm Registration No. 021164N)
Chartered Accountants

Per Kallash Gupta
(Prop.)
Membership No. 98358
New Delhi
30th May, 2016

For and on behalf of Board of Directors

Virendra Kumar Charoria
(Director)
DIN 00046895

Vishal Jain
(Chief Executive Officer)

Neha Jain
(Company Secretary)

Manju Gupta
(Director)
DIN 00124974

Pratiksha Agarwal
(Chief Financial Officer)

THE BIRLA COTTON SPINNING & WEAVING MILLS LTD.

Statement of Profit & Loss for the Year Ended 31st March, 2016

Particulars	Note No.	(Amount in Lacs)	
		for the year 2015-16	for the year 2014-15
Income :			
Revenue from operations	17	279.75	195.55
Other income	18	125.03	125.03
Total Revenue		404.78	320.58
Expenses:			
Employee benefits expense		8.89	5.56
Rent Paid		1.45	1.43
Depreciation	8	3.93	3.93
Contribution for CSR Activities		200.00	
Donation		-	14.00
Other expenses	19	13.35	13.03
Total expenses		227.62	37.95
Profit before Tax		177.16	282.63
Tax Expense:			
(1) Current tax	20	36.24	54.04
(2) Deferred tax		(0.52)	(0.43)
		35.72	53.61
Profit/(Loss) for the period		141.44	229.02
Earnings per equity share (in Rs.):			
(1) Basic		12.36	20.02
(2) Diluted		12.36	21.01

Notes on Financial Statement

1 to 28

As per our attached Report of even date

For K.C. Gupta & Associates
(Firm Registration No. 021164N)
Chartered Accountants

Per Kalesh Gupta
(Prop.)
Membership No. -083547
New Delhi
30th May, 2016

CHD
Accts.
D/M

For and on behalf of Board of Directors

Virendra Kumar Charoria
(Director)
DIN 00046895

Manju Gupta
(Director)
DIN 00124974

Vishal Jain
(Chief Executive Officer)

Pratiksha Agarwal
(Chief Financial Officer)

Neha Chinn
(Company secretary)

THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH' 2016

(Amount in Lacs)

PARTICULARS	for the year 2015-16	for the year 2014-15
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Exceptional Items and Tax as per Statement of Profit and Loss	177.16	282.63
Adjustment for:		
Depreciation	3.93	3.93
Interest paid to Income Tax Department	2.23	1.60
Interest Income	(1.76)	(0.25)
Dividend Income	(0.22)	(0.15)
Profit on sale of Investment	(221.48)	(142.74)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(40.14)	145.02
Adjustment for:		
Trade & other receivables	(35.93)	11.21
Trade & other payables	0.61	1.30
Cash Generated from Operations	(75.46)	157.53
Direct Taxes Paid (Net)	(43.58)	(48.58)
Net Cash from Operating Activities	(119.04)	108.95
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	1.76	0.25
Dividend Received	0.22	0.15
Profit on sale of Investment	221.48	142.74
Purchase of Investment	-	(256.29)
Sale of Investment	5.00	97.90
Net Cash from investing activities	228.46	(15.25)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of Equity Shares Warrants	-	1,206.00
Net Cash from Financing activities	-	1,206.00
NET INCREASE IN CASH AND CASH EQUIVALENTS	109.42	1,299.70
Cash and cash equivalents as at (Opening)	3,216.33	1,916.63
Cash and cash equivalents as at (Closing)	3,325.75	3,216.33

For K.C. GUPTA & ASSOCIATES
(Firm Registration No. 021164N)
Chartered Accountants

Per Kailash Gupta
(Prop.)
Membership No. -083542
New Delhi
30th May, 2016



Virendra Kumar Chaforja
(Director)
DIN 00040895
Vishal Jain
(Chief Executive Officer)

Neha Jain
(Company secretary)

For and on behalf of Board of Directors

Manju Gupta
(Director)
DIN 00124974
Pratiksha Agarwal
(Chief Financial Officer)

THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Notes on Financial Statements for the Year Ended 31st March 2016

Note 1: Summary of significant Accounting Policies

1. Nature of operations

The Birla Cotton Spinning & Weaving Mills Limited is a Public Limited Company Registered in India and incorporated under the provision of Companies Act, 1913. Its Shares are listed on Delhi Stock Exchange & Calcutta Stock exchange. The Company is registered as Non Banking Finance Company with Reserve Bank of India and its primary business comprises of investment in Securities and finance to parties and also earning commission income on trading in fiber.

2. Statement of Significant Accounting Policies

(i) Basis of Preparations

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(ii) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any change in the accounting estimates is adjusted prospectively in the current and future periods.

(iii) Fixed Assets

Fixed assets are stated at cost including interest on borrowing for acquisition less accumulated depreciation.

(iv) Depreciation

Depreciation on all other Fixed Assets is provided to the extent of depreciable amount on the straight-line method (SLM) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(v) Inventories

Stocks of finished goods are valued at lower of cost or market rate.

(vi) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(a) Dividend

Dividend income is accounted on receipt basis when right to receipt is established.

(b) Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest and related income on investment made in the units of fixed maturity plans of Mutual funds is recognized to the extent of reasonable certainty and on maturity.



THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Notes on Financial Statements for the Year Ended 31st March 2016

(vii) **Investment**

Investments of Shares and Securities have been carried over in accordance with Accounting Standard "Accounting for Investments". Long Term Investments are stated at cost and partly at revalued amount as per revaluation during in the year 1988-89. Decline in the market value of any quoted investments if considered to be permanent in nature is provided for. Current Investments are stated at lower of cost or net realizable value.

(viii) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(ix) **Taxes on Income**

Provision for current tax is determined on the income for the year chargeable to tax as per the provisions of Income Tax Act, 1961.

Provision for deferred tax is recognized on timing differences arising between the taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods using the tax rates and law enacted or substantively enacted as on the Balance Sheet Date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Other Deferred tax assets are recognized, if there is reasonable certainty that there will be sufficient future taxable income available to realize such assets.

(x) **Retirement Benefits**

Liability on account of leaves standing to the credit of employees as at the year end as ascertained on the basis of last drawn salary of the respective employees is provided for in the accounts. Liability for gratuity is accounted for on payment basis.

(xi) **Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amounts of an asset exceed its recoverable amount. The recoverable amount is the greater of the asset net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

(xii) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. Contingent liability is disclosed for (a) possible obligation which will be confirmed only by future events not wholly within the control of the company or (b) present obligations arising from past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognized nor disclosed in the financial statement.



(Amount in lacs)

2. SHARE CAPITAL	Particulars	As at March 31,	
		2016	2015
2.1	Authorised 17,50,000 (Previous year 17,50,000) equity shares of Rs. 10/- each 25,000 (Previous year 25,000) preference shares of Rs. 100/- each	175.00 25.00 200.00	175.00 25.00 200.00
2.2	Issued, Subscribed and Paid up 11,44,180 (Previous Year 11,44,180) equity shares of Rs. 10 each fully paid	114.42	114.42

2.3 Reconciliation of number of shares

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	Amount in Lacs	No. of shares	Amount in Lacs
Equity shares				
Opening Balance	1,144,180	114.42	995,180	99.52
Changes during the year	-	-	149,000	14.90
Closing Balance	1,144,180	114.42	1,144,180	114.42

2.4 Rights, Preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a par share value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2.5 Details of shareholders holding more than 5%

Name of the shareholders	March 31, 2016		March 31, 2015	
	No of shares	% holding of share capital	No of shares	% holding of share capital
Earthstone Holding (Two) Ltd.	642,090	56.12	642,090	56.12
Earthstone Holding (one) Private Ltd.	74,000	6.47	74,000	6.47
The Punjab Produce & Trading Co. Ltd.	88,000	7.69	88,000	7.69



		(Amount in lacs)	
3 RESERVES AND SURPLUS		As at March 31, 2016	As at March 31, 2015
Particulars			
3.1	Capital Reserve As per last Balance Sheet	180.72	120.72
	Add: Forfeiture of Application money on convertible warrants lapsed during the Previous year	-	60.00
		180.72	180.72
3.2	Capital Reserve (Revaluation of Investments) As per last Balance Sheet	0.10	0.10
3.3	Capital Redemption Reserve As per last Balance Sheet	25.00	25.00
3.4	Statutory Reserves As per last Balance Sheet	1,184.00	1,138.00
	Add: Transfer from Statement of Profit & Loss	28.50	46.00
		1,212.50	1,184.00
	(In accordance with Section 45-IC of the Reserve Bank of India (Amendment) Act 1997, twenty percent of the profit after taxation has been transferred to Statutory Reserves)		
3.5	Share Premium Account As per Last Balance Sheet	4,105.90	2,332.40
	Received during the year Nil (Previous year on 103000 equity shares) @ Rs. 1190 per share	-	1,773.10
		4,105.90	4,105.50
3.6	General Reserve As per last Balance Sheet	1,508.30	1,538.90
3.7	Statement of Profit & Loss As per last Balance Sheet	(3,331.12)	(3,514.14)
	Profit for the year	141.94	229.02
		(3,189.68)	(3,285.12)
	Less: Appropriations	28.50	46.00
	Transfer to Statutory Reserve	(3,218.18)	(3,331.12)
	Surplus carried to Balance Sheet		
		3,813.94	3,672.50
	Total		

		(Amount in lacs)	
4 Money Received against Convertible Warrants		As at March 31, 2016	As at March 31, 2015
Particulars			
	Opening Balance		642.00
	Nil (Previous year on 154000 convertible warrants of Rs. 1200 each, Rs. 300 paid per warrant and 15000 convertible warrants of Rs. 1200 each)		
	Received during the year		1,706.00
	Nil (Previous year on 134000 convertible Warrants of Rs. 1200 each, Rs. 900 paid per warrant)		1,845.00
	Forfeiture of Application Money		60.00
	Nil (Application money on 20000 convertible warrants of Rs. 300 each lapsed and forfeited during the previous year)		1,788.00
	Less: Warrant Converted into equity shares		1,788.00
	Nil (Previous year 149000 convertible Warrants @ Rs. 1200 each)		
	Total		



5 **LONG TERM PROVISIONS** (Amount in lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for employees benefits- Leave Encashment	4.22	3.54

6 **OTHER CURRENT LIABILITIES** (Amount in lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Others payables (statutory dues etc)	7.59	7.66

7 **SHORT TERM PROVISION** (Amount in lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision of Income Tax (Net)	4.16	9.27

THE BIRLA COTTON SPINNING & WEAVING MILLS LTD.

Notes to Financial Statements for the year ended 31st March, 2016

8 Fixed Assets

(Amount in Lacs)

Description of Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As at 01.04.2015	As at Additions/ (Deductions) during the year	As at 01.04.2015	Provided during the year	As at 31.03.2016	As at 31.03.2015
Tangible Assets:						
Freehold Land (Conversion fees)	177.55	-	-	-	177.55	177.55
Building	47.20	-	23.47	0.72	23.01	23.73
Plant & Equipment	5.07	-	4.82	-	0.25	0.25
Vehicle	24.36	-	13.53	3.21	7.62	10.83
Office Equipment	2.24	-	2.13	-	0.11	0.11
Total	256.42	-	43.95	3.93	208.54	212.47
Previous year	256.42	-	40.02	3.93	212.47	-



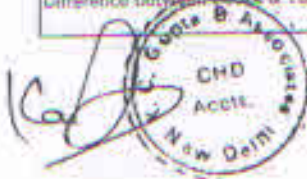
9 NON CURRENT INVESTMENTS					
Particulars	Face Value	No. of shares	As at March 31, 2016	No. of shares	As at March 31, 2015
QUOTED					
In fully paid up Equity Shares					
In Others:-					
Tungabhadra Industries Ltd. (Amount written off in earlier year)	10	1082	-	1082	-
UNQUOTED					
In fully paid up Equity Shares					
In Subsidiaries Company:-					
Birla Real Estate Ltd.	10	-	-	50000	5.00
BCM Holding Ltd.	10	50000	5.00	50000	5.00
			5.00		10.00
In Others:-					
Hind Cycles Limited (Amount written off during the earlier year)	100	440	-	440	-
Mokenies Limited (Amount written off during the earlier year)	100	26	-	26	-
Atmi Bharat Printers Limited (In Liquidation, amount written off in earlier year)	100	200	-	200	-
Pramanand Commercial Pvt. Ltd. (Received as Bonus in an earlier year)	10	9750	-	9750	-
In Fully paid up Preference Shares					
0.01% Non Cumulative Redeemable Preference Shares of Goldemery Investment & Trading Co. Ltd.	100	100000	100.00	100,000	100.00
9% Non Participating, Non Cumulative & Non convertible Redeemable Preference Shares of Pramanand Commercial Private Ltd.	100	230,000	230.00	230,000	230.00
Total Net Preference Shares			330.00		330.00
Total Non Current Investments			335.00		340.00
Aggregate value of quoted Non Current Investment			335.00		340.00
Aggregate value of unquoted Non Current Investment					

10 DEFERRED TAX

Deferred Tax Assets (Net) of Rs. 0.35 lacs arising on account of temporary difference for the current year have been adjusted in the Profit & Loss account.

Calculation of deferred tax assets as on 31st March 2016 and 31st March, 2015 is as given below:-

	As at March 31, 2016	As at March 31, 2015
(Amount in Lacs)		
Deferred Tax Assets		
(i) Provision for Interest	2.34	2.34
(ii) Provision for doubtful loans	0.64	0.64
	2.98	2.98
Difference between Book & Tax depreciation	0.35	(0.17)
Deferred Tax Assets (Net)	3.33	2.81



11. LONG TERM LOANS AND ADVANCES

(Amount in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
(a) Unsecured Considered Good Security Deposits	6.30	6.30
(b) Unsecured Considered doubtful Other Loans and advances	9.64	9.64
Less: Provision for doubtful loans and advances	(9.64)	(9.64)
	6.30	6.30

12. CURRENT INVESTMENTS

(Amount in Lacs)

Particulars	Face Value	No. of shares	As at March 31, 2016	No. of shares	As at March 31, 2015
QUOTED:-					
In fully paid up equity shares					
In Others					
Vikas Ecotech Ltd. (Formerly known as Vikas Globalone Ltd.) (Received as Bonus at the ratio 2 : 3 in earlier year)	1	442350		442350	
Seamec Ltd.	10	4,825	4.71	4825	4.71
			4.71		4.71
TOTAL CURRENT INVESTMENTS			4.71		4.71
Aggregate value of quoted Current Investment			4.71		4.71
Market value of quoted Current Investments			71.73		31.82

13. TRADE RECEIVABLES

(Amount in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Over six months	23.09	
Others	32.16	21.00
	55.25	21.00

14. CASH AND BANK BALANCES

(Amount in Lacs)

Particulars	Face Value	No. of Units	As at March 31, 2016	No. of Units	As at March 31, 2015
Balances with Bank:-					
(i) In Current Accounts			9.36		104.07
(ii) Other Bank Balances			2.94		2.87
			12.30		107.84
Cash in hand			0.01		0.05
Short Term Liquid Investment					
HDFC Liquid Fund- Growth	1000	70576.457	1,827.91	7057645.716	1,827.91
Reliance Liquid Fund-Treasury Plan- Growth	1000	35769.190	1,175.30	32559.305	1,065.30
Birla Sunlife Cash Manager Fund- Growth	100	77504.495	250.23	67100.069	215.23
Birla Sunlife Cash Manager Fund- Growth	100	11018.006	40.00		
Sundaram Money Fund- Growth	10	65064.560	20.00		
			3,313.44		3,108.44
Total			3,325.75		3,216.33

15. SHORT TERM LOANS AND ADVANCES

(Amount in lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Advance Paid to Subsidiary Companies	4.16	3.16
Others	1.27	0.59
Total	5.43	3.75

16. OTHER CURRENT ASSETS

(Amount in lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Interest Receivable	0.02	0.02
Total	0.02	0.02



17 **REVENUE FROM OPERATION**

Particulars	(Amount in Lacs)	
	for the year 2015-16	for the year 2014-15
Dividend from Current Investments		
Interest Income	0.22	0.15
Commission Income	1.76	0.25
Profit on Sale of Investments	41.84	41.01
Housekeeping Services Income (Net)	221.48	142.74
Total	14.45	8.40
	279.75	195.55

18 **OTHER INCOME**

Particulars	(Amount in Lacs)	
	for the year 2015-16	for the year 2014-15
Rent Received		
Total	125.03	125.03
	125.03	125.03

19 **OTHER EXPENSES**

Particulars	(Amount in Lacs)	
	for the year 2015-16	for the year 2014-15
Insurance		
Rates & Taxes	0.68	0.76
Legal & Professional Charges	0.30	0.30
Auditor Remuneration:		
As Auditors	1.14	0.77
For Tax Audit	0.12	
For Other Matters	0.04	
Miscellaneous Expenses	0.24	
Total	0.40	0.48
	10.83	10.72
	13.35	13.03

20 **CURRENT TAX**

Particulars	(Amount in Lacs)	
	for the year 2015-16	for the year 2014-15
Current Tax for the year		
Excess Provision of Income Tax relating to earlier year	39.00	58.00
Minimum Alternate Tax charge/(credit)	(0.38)	(3.96)
Total	(2.38)	
	36.24	54.04




THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Notes on Financial Statements for the Year Ended 31st March 2016

- 21 Related party Disclosure
Information relating to related party transaction as per Accounting Standard – 18 issued by the Institute of Chartered Accountants of India is given below-

A. Name of related Party

Holding Company

Earthstone Holding (Two) Limited

Subsidiary Companies

BCM Holding Limited

Earthstone Investment & Finance Limited

Fellow Subsidiaries

The Hindustan Times Limited

Earthstone Holding Overseas Private Limited

Key Management Personnel

Vishal Jain (Chief Executive Officer)

Pratiksha Agrawal (Chief Financial Officer)

Neha Jain (Company Secretary)

B. Transaction during the year

(Amount in Lacs)

	2015-16	2014-15
- <u>With Holding company –</u>		
<u>Money Received against convertible Warrants</u>		
<u>Earthstone Holding(Two) Limited</u>		
Nil (Previous year 60,000 warrants @ Rs.900/-per warrant)	-	540.00
<u>Warrants Converted into Equity Shares</u>		
Nil (Previous year 75,000 Equity		
Shares issued to Earthstone Holding (Two) Limited		
on conversion of 75000 convertible Warrants)	-	900.00
- <u>With Subsidiary companies –</u>		
<u>Advance Given</u>		
BCM Holding Ltd.	1.00	-
<u>Advance Paid/ (Refund Received)</u>		
Earthstone Investment & Finance Ltd.	-	(4.87)
- <u>With Fellow Subsidiary companies –</u>		
<u>Rent Paid</u>		
The Hindustan Times Ltd.	1.31	1.31
<u>Receipt of Housekeeping Services Income</u>		
The Hindustan Times Ltd.	7.20	6.00
- <u>With Key Management Personnel –</u>		
<u>Remuneration paid to Key managerial personnel</u>		
Vishal Jain	6.12	5.56
Pratiksha Agrawal	1.56	-
Neha Jain	1.14	-




THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Notes on Financial Statements for the Year Ended 31st March 2016

B. Balance outstanding at the end of the year	2015-16	(Amount in Lacs) 2014-15
- With Subsidiary Company:-		
<u>Investment in Equity Shares</u>		
BCM Holding Ltd.	5.00	5.00
Birla Real Estate Ltd.	-	5.00
 <u>Advance paid</u>		
BCM Holding Ltd.	4.16	3.16

22. Segment Reporting

Business Segment: Based on the activities and contribution towards the revenue of the Company, the Company has classified its operations into three business segments namely investment & Financing, Operations and others.

Investment & Financing: The Company is registered as Non-Banking Finance Company with Reserve Bank of India and its primary business comprises of investment in securities and finance to parties.

Operations: Commission income on Trading in fibre is operational activity of the Company and contributes a significant portion towards its revenue.

Others: Renting & Housekeeping Activities

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

PARTICULARS	(Rs. In Lacs)	
	2015-16	2014-15
1. Segment Revenue (Net Sale/ Income From)		
a) Segment – Investment and Financing	223	144
b) Segment – Operations	42	44
c) Segment – Others	140	133
d) Unallocated	-	-
Total	405	321
2. Segment Result		
Profit before interest and Tax for each segment		
a) Segment – Investment and Financing	202	125
b) Segment – Operations	42	44
c) Segment – Others	134	128
	378	297
Less: (i) Interest	-	-
(ii) Other Un-allocable expenditure net off Un-allocable income	201	14
Total Profit Before Tax	177	283
3 Capital Employed		
(Segment Assets-Segment Liabilities)		
a) Segment – Investment and Financing	340	345
b) Segment – Operations	55	21
c) Segment – Others	201	201
Total	596	567
Add: Un-allocable Capital employed	3332	3220
Total	3928	3787




THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Notes on Financial Statements for the Year Ended 31st March 2016

23. **Contribution for CSR Activities**
 During the year Rs. 2 crore has been contributed to the corpus of Shine Foundation for undertaking CSR activities

24. **Earning Per Share**

	Year ended 31st March, 2016	Year ended 31st March, 2015
A Profit after tax as per the Profit and Loss Account (in Lacs.)	141.44	229.02
B Weighted average number of equity shares of Rs. 10 each outstanding during the year	11,44,180	10,89,887
C Earning per share (in Rs.)		
Basic	12.36	20.02
Diluted	12.36	21.01

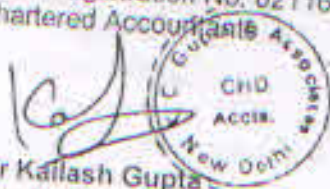
25. **Micro, Small and Medium Enterprises**
 "The company during the year has not entered into transactions with the vendors registered under the Micro, Small and Medium Enterprises Development Act, 2006. Therefore there is no need of disclosures under Section 22 of the said Act".

26. Other additional information as required under part II of schedule III of Companies Act, 2013 is not applicable

27. Previous year figures have been re-grouped/re-arranged where ever found necessary.

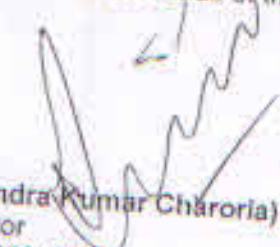
As per our Report of even date

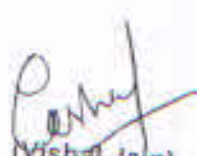
For K.C Gupta & Associates
 (Firm Registration No. 021164N)
 Chartered Accountants



Per Kallash Gupta
 Proprietor
 Membership No.-083547
 New Delhi
 May 30, 2016

For and on behalf of the Board of Directors


 (Virendra Kumar Charoria) (Manju Gupta)
 Director Director
 DIN- 00046895 DIN- 00124974


 (Vishal Jain)
 Chief Executive Officer


 (Pratiksha Agarwal)
 Chief financial Officer


 (Neha Jain)
 Company Secretary

The Birla Cotton Spinning & Weaving Mills Ltd.

28. Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding Companies) Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in Lacs)

Particulars		
Liabilities side :		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid	Amount out-standing	Amount overdue
(a) Debentures Secured	NIL	NIL
Unsecured (other than falling within the meaning of public deposits)	NIL	NIL
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate loans and borrowing	NIL	NIL
(e) Commercial Paper	NIL	NIL
(f) Other Loans (specify nature)	NIL	NIL
Assets side :		
	Amount outstanding	
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	NIL	
(b) Unsecured	NIL	
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	NIL	
(b) Operating lease	NIL	
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	NIL	
(b) Repossessed Assets	NIL	
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	NIL	
(b) Loans other than (a) above	NIL	



Break-up of Investments :

Current Investments :

1. <u>Quoted</u>	4.71
(i) Shares (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (Please specify)	Nil

2. Unquoted

(i) Shares (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (Please specify)	Nil

Long Term Investments :

1. Quoted

(i) Shares (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (Please specify)	Nil

2. Unquoted

(i) Shares (a) Equity	5.00
(b) Preference	330.00
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (Please specify)	Nil

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Amount net of provisions		Total
	Secured	Unsecured	
1. Related Parties	NIL	NIL	NIL
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the Same Group	NIL	NIL	NIL
(c) Other related Parties	NIL	NIL	NIL
2. Other than Related Parties	NIL	NIL	NIL
Total	NIL	NIL	NIL




Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	1.40	5.00
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	401.73	334.71
Total	403.13	339.71

(7) Other Information		
Particulars		Amount
(i)	Gross Non- performing Assets	
	(a) Related parties	NIL
	(b) Other than related parties	NIL
(ii)	Net Non Performing Assets	
	(a) Related parties	NIL
	(b) Other than related parties	NIL
(iii)	Assets acquired in satisfaction of debt.	NIL

As per our report of even date attached


For K.C. GUPTA & ASSOCIATES
Chartered Accountants
(Firm Registration No. 021167)


Per Kailash Gupta
(Prop.)
Membership No. -083547
New Delhi
30th May, 2016



For and on behalf of Board of Directors


Virendra Kumar Charoria
(Director)
DIN 00046895


Manju Gupta
(Director)
DIN 00124974


Vishal Jain
(Chief Executive Officer)


Pratiksha Agarwal
(Chief Financial Officer)


Neha Jain
(Company secretary)

Independent Auditors' Report on Consolidated Financial Statements

To the Members of

THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Report on the Consolidated Financial Statements

- 1 We have audited the accompanying consolidated financial statements of **THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED** (herein after referred to as "the holding company"), its subsidiaries (the holding company and its subsidiaries together referred to as "the group"), comprising of the consolidated Balance Sheet as at 31 March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

- 2 The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") 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 Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

- 3 Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the



provisions of the Act and the Rules made thereunder.

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 misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

5. 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 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

6. The accompanying consolidated financial statements include total assets of Rs. 7,186.07 lacs as at March 31, 2016, and total revenues and net cash inflows of Rs. 175.69 lacs and Rs. 1425.22 lacs respectively for the year on that date, in respect of certain subsidiaries, which have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.
7. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.



9. Report on Other Legal and Regulatory Requirements

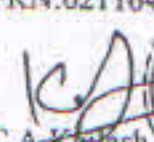
As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act. ■
- (f) With respect to the 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 the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There were no pending litigations which would impact the consolidated financial position of the group
 - ii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

Place: New Delhi

Date: May 30, 2016

For K.C Gupta & Associates
Chartered Accountants
FRN:021164N


C.A. Karish Gupta
(Partner)



Membership No: 083547

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 statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of **THE BIRLA COTTON SPINNING & WEAVING MILLS 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") issued by ICAI 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 ICAI.

Place: New Delhi

Date: May 30, 2016

For K.C Gupta & Associates
Chartered Accountants
FRN:021164N

C.A Kailash Gupta
(Partner)



Membership No: 083547

Particulars	Note No.	As At March 31, 2016	As At March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	114.42	114.42
(b) Reserves and surplus	3	10,985.51	10,571.92
(c) Money Received against Convertible Warrants	4	-	-
		<u>11,099.93</u>	<u>10,686.34</u>
Non current liabilities			
(a) Long Term Borrowings	5	-	118.46
(b) Other Non Current Liabilities	6	-	1.31
(c) Long Term Provision	7	4.22	5.23
		<u>4.22</u>	<u>125.00</u>
Current liabilities			
(a) Short Term Borrowings	8	-	6.73
(b) Other Current Liabilities	9	7.93	12.29
(c) Short Term Provision	10	4.16	16.28
		<u>12.09</u>	<u>35.30</u>
TOTAL		<u>11,116.24</u>	<u>10,846.64</u>
ASSETS			
Non-current assets			
(a) Fixed assets- Tangible Assets	11	208.55	228.46
(b) Non-current investments	12	4,677.25	4,775.13
(c) Deferred tax assets (net)	13	3.33	2.81
(d) Long-term loans and advances	14	6.30	6.30
		<u>4,895.43</u>	<u>5,012.70</u>
Current assets			
(a) Current investments	15	309.71	1,353.49
(b) Trade receivables	16	55.25	21.00
(c) Cash and Bank Balances	17	5,856.93	4,448.74
(d) Short Term Loans and advances	18	1.80	9.14
(e) Other current assets	19	2.12	1.57
		<u>6,220.81</u>	<u>5,833.94</u>
TOTAL		<u>11,116.24</u>	<u>10,846.64</u>

Notes on Financial Statement

1 to 32

As per our attached Report of even date

For K.C. Gupta & Associates
(Firm Registration No. 021164N)
Chartered Accountants

Per Kallash Gupta
(Prop.)
Membership No. - 835474
New Delhi
30th May, 2016



For and on behalf of Board of Directors

Virendra Kumar Charoria
(Director)
DIN 00046895

Manju Gupta
(Director)
DIN 00124974

Vishal Jain
(Chief Executive Officer)

Pratiksha Agarwal
(Chief Financial Officer)

Neha Jain
(Company Secretary)

Consolidated Statement of Profit & Loss for the Year Ended 31st March, 2016

Particulars	Note No.	(Amount in Lacs)	
		for the year 2015-16	for the year 2014-15
Income :			
Revenue from operations	20	233.96	1,116.33
Other income	21	125.03	250.60
Total Revenue		358.99	1,366.93
Expenses:			
Employee benefits expense		8.89	26.38
Rent Paid		1.45	1.43
Depreciation	8	3.93	4.19
Contribution for CST Activities		200.00	-
Donation		-	20.75
Loss on sale of Investment (Net)		1.38	-
Other expenses	22	16.14	18.03
Total expenses		231.79	70.78
Profit before Tax		127.20	1,296.15
Tax Expense:			
(1) Current tax	23	30.14	86.81
(2) Deferred tax		(0.52)	(0.43)
		29.62	86.38
Profit/(Loss) for the period		97.58	1,209.77
Earnings per equity share (in Rs.)			
(1) Basic		8.53	105.73
(2) Diluted		8.53	111.00

Notes on Financial Statement

1 to 32

As per our attached Report of even date

For K.C. Gupta & Associates
(Firm Registration No. 021164N)
Chartered Accountants

Per Kailash Gupta
(Prop.)
Membership No.-83597
New Delhi
30th May, 2016



For and on behalf of Board of Directors

Virendra Kumar Charoria
(Director)
DIN 00046895

Vishal Jain
(Chief Executive Officer)

Neha Jain
(Company Secretary)

Manju Gupta
(Director)
DIN 00124974

Pratiksha Agarwal
(Chief Financial Officer)

THE BIRLA COTTON SPINNING AND WEAVING MILLS LTD.

Notes to the consolidated on Financial Statements for the Year Ended 31st March 2016

1: Significant Accounting Policies

1. Nature Of Operations

The Birla Cotton Spinning & Weaving Mills Group comprises of The Birla Cotton Spinning & Weaving Mills Limited and its subsidiaries (hereinafter referred to the Group).

The Group is engaged in the business of investment in Securities and finance to parties and also earning commission income on trading in fiber.

2. Basis of preparation

The Consolidated financial statements (CFS) of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Group has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

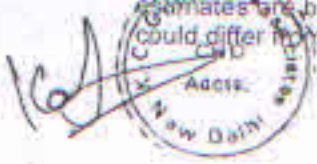
In the preparation of these Consolidated Financial Statements, investment in Subsidiaries have been accounted for in accordance with Accounting Standards (AS) 21, Consolidated Financial Statements, Accounting Standards (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27. The Consolidated Financial Statements have been prepared on the following basis:

- (i) Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra-group transactions and also unrealised profits or losses, except where cost cannot be recovered if any.
- (ii) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the rate prevailing at the end of the year. All assets and liabilities are converted at rates prevailing at the end of the year.
- (iii) The difference of the cost to the Company of its investment in subsidiaries over its proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- (iv) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.
- (v) Investment in entities in which the Group has significant influence but not the controlling interest, are reported according to the equity method i.e. the investment is initially recorded in at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the Company's share of net assets of the associates. The consolidated statement of profit and loss includes the Company's share of the result of the operations of the associate.
- (vi) As far as possible, the CFS have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.
- (vii) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of profit & loss as the profit or loss on disposal of investment in subsidiary.

2.1 Summary of Significant Accounting Policies

(a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.



THE BIRLA COTTON SPINNING AND WEAVING MILLS LTD.

Notes to the consolidated on Financial Statements for the Year Ended 31st March 2016

(b) Fixed Assets

Fixed Assets are stated at Cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

(c) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of asset over its remaining useful life.

(d) Depreciation

Depreciation on all other Fixed Assets is provided to the extent of depreciable amount on the straight-line methods (SLM) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(e) Investments

Investments of Shares and Securities have been carried over in accordance with Accounting Standard "Accounting for investments". Dividends are accounted for on receipt basis. Long Term Investments are stated at cost. Decline in the market value of any quoted investments if considered to be permanent in nature is provided for. Current Investments are stated at lower of cost or net realizable value.

(f) Inventories

Stocks of finished goods are valued at lower of cost or market rate.

(g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Dividend

Revenue is recognized when the shareholder's right to receive payment is established by the balance sheet date.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest and related income on investment made in the units of fixed maturity plans of mutual funds is recognized to the extent of reasonable certainty and on maturity.

Rent and Service charges from properties

Revenue is recognized based upon the terms of contract with the tenants for the period the property has been let out.

(h) Retirement benefits

Liability on account of leaves standing to the credit of employees as at the year end as ascertained on the basis of last drawn salary of the respective employees is provided for in the accounts. Liability for gratuity is accounted for on payment basis.

(i) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. Contingent liability is disclosed for (a) possible obligation which will be confirmed only by future events not wholly within the control of the company or (b) present obligations arising from past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognized nor disclosed in the financial statement.



THE BIRLA COTTON SPINNING AND WEAVING MILLS LTD.

Notes to the consolidated on Financial Statements for the Year Ended 31st March 2016

(j) Income Tax

Provision for current tax is determined on the income for the year chargeable to tax as per the provisions of Income Tax Act, 1961.

Provision for deferred tax is recognized on timing differences arising between the taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods using the tax rates and law enacted or substantively enacted as on the Balance Sheet Date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Other Deferred tax assets are recognized, if there is reasonable certainty that there will be sufficient future taxable income available to realize such assets.

(k) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.2. (A) The Subsidiary Companies which are included in the consolidation and the Parent Company holding therein are as under:

Name of Subsidiary Companies	Country of Incorporation	Percentage of Ownership as at March 31, 2016
BCM holding limited	India	100.00
Earlstone Investment & Finance Limited (Refer Note below)	India	100.00

Footnotes:

The Company is subsidiary of The Birla Cotton Spinning & Weaving Mills Ltd. through its wholly owned subsidiary BCM Holdings Limited



SHARE CAPITAL

Particulars	(Amount in Lacs)	
	As at March 31, 2016	As at March 31, 2015
2.1 Authorized 17,50,000 (Previous year 17,50,000) equity shares of Rs. 10 each 25,000 (Previous year 25,000) preference shares of Rs. 100 each	175.00	175.00
2.2 Issued, Subscribed and Paid up	200.00	200.00
11,44,180 (Previous Year 11,44,180) equity shares of Rs. 10 each fully paid	114.42	114.42

2.3 Reconciliation of number of shares

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	Amount in Lacs	No. of shares	Amount in Lacs
Equity shares				
Opening Balance				
Changes during the year	1,144,180	114.42	995,180	99.52
Closing Balance	1,144,180	114.42	1,144,180	114.42

2.4 Rights, Preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a par share value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ordinary Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2.5 Details of shareholders holding more than 5%

Name of the shareholders	March 31, 2016		March 31, 2015	
	No. of shares	% holding of share capital	No. of shares	% holding of share capital
Cardistop Holding (Tws) Ltd.	642,090	56.12	642,090	56.12
Cardistop Holding (one) Private Ltd.	74,000	6.47	74,000	6.47
The Punjab Produce & Trading Co. Ltd.	88,000	7.69	88,000	7.69

RESERVES AND SURPLUS

Particulars	(Amount in Lacs)	
	As at March 31, 2016	As at March 31, 2015
3.1 Capital Reserve		
As per last Balance Sheet	229.06	137.22
Add: Forfeiture of Application money on convertible warrants lapses during the Previous year	-	60.00
Add: Capital Reserve for the subsidiaries acquired during the previous year	-	7.94
Add: capital Reserve on consolidation	(0.01)	23.50
Less: Capital Reserve of subsidiary companies closed during the year	(48.34)	-
	180.71	229.06
3.2 Capital Reserve (Revaluation of Investments)		
As per last Balance Sheet	0.10	0.10
3.3 Capital Redemption Reserve		
As per last Balance Sheet	25.00	25.00
3.4 Statutory Reserves		
As per last Balance Sheet		
Add: Transfer from Statement of Profit & Loss	1,184.00	1,138.00
	28.50	46.00
(In accordance with Section 45-1C of the Reserve Bank of India (Amendment) Act 1957, twenty percent of the profit after taxation has been transferred to Statutory Reserves)	1,212.50	1,184.00



Consolidated Financial Statements for the year ended 31st March, 2016

Share Premium Account As per last Balance Sheet Received during the year Nil (Previous year on 100000 equity shares @ Rs. 1100 per share)		4,105.50	2,332.40
			1,773.10
3.6 General Reserve As per last Balance Sheet		4,105.50	4,105.50
		1,508.30	1,508.30
3.7 Statement of Profit & Loss As per last Balance Sheet			
Add: Loss for the subsidiary companies closed during the year		3,519.96	2,356.89
		364.36	
Less: Loss for the subsidiaries acquired during the previous year		3,884.32	2,356.89
Profit for the year		3,804.32	0.20
		97.58	2,356.19
Less: Appropriation		3,931.90	1,209.72
Transfer to Statutory Reserve			3,565.96
Surplus carried to Balance Sheet		28.10	46.00
		3,951.40	3,519.96
Total		10,985.51	10,571.92

4 Money Received Against Convertible Warrants

Particulars	(Amount in lacs)	
	As at March 31, 2016	As at March 31, 2015
Opening Balance		
Nil (Previous year on 15000 convertible warrants of Rs. 1200 each, Rs. 300 paid per warrant and 15000 convertible warrants of Rs. 1200 each)		642.00
Received during the year		
Nil (Previous year on 134000 convertible Warrants of Rs. 1200 each, Rs. 900 paid per warrant)		1,206.00
Forfeiture of Application Money		1,848.00
Nil (Application money on 20000 convertible warrants of Rs. 300 each lapsed and forfeited during the previous year)		60.00
Less: Warrant Converted into equity shares		1,788.00
Nil (Previous year 149000 convertible Warrants @ Rs. 1200 each)		
Total		1,788.00

5 LONG TERM BORROWINGS

Particulars	(Amount in lacs)	
	As at March 31, 2016	As at March 31, 2015
Loan for subsidiary acquired during the Previous year		
Total		118.46
		118.46

6 OTHER NON CURRENT LIABILITIES

Particulars	(Amount in lacs)	
	As at March 31, 2016	As at March 31, 2015
Others payable		
Total		1.51

7 LONG TERM PROVISIONS

Particulars	(Amount in lacs)	
	As at March 31, 2016	As at March 31, 2015
Provisions for employees benefits: Leave Encumbrance	4.22	5.22

8 SHORT TERM BORROWINGS

Particulars	(Amount in lacs)	
	As at March 31, 2016	As at March 31, 2015
Loan for subsidiary acquired during the Previous year		
Total		6.73
		6.73

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THE BIRLA COTTON SPINNING & WEAVING MILLS LTD.

Notes to consolidated Financial Statements for the year ended 31st March, 2016

11 Fixed Assets

(Amount in Lacs)

Description of Assets	GROSS BLOCK		DEPRECIATION			NET BLOCK	
	As at on 01.04.2015	Additions/ (deductions) during the year	As at on 01.04.2015	Provided during the year	Deductions/ Adjustments during the year	As at 31.03.2016	As at 31.03.2015
Tangible Assets:							
Freehold Land (Conversion fees)	177.55	-		-	-	177.55	177.55
Building	75.73	(28.53)	36.27	0.72	(12.80)	23.01	39.46
Plant & Equipment	8.32	(3.25)	7.82	-	(3.00)	0.25	0.50
Vehicle	24.36	-	13.52	3.21	-	7.63	10.84
Office Equipment	2.24	-	2.13	-	-	0.11	0.11
Total	288.20	(31.78)	59.74	3.93	(15.80)	208.55	228.46
Previous year	288.20	-	55.55	4.19	-	228.46	



OTHER CURRENT LIABILITIES		(Amount in Lacs)	
Particulars	As at March 31, 2015		As at March 31, 2016
Others payables (Statutory dues etc)		7.93	13.20

16. SHORT TERM PROVISION		(Amount in Lacs)	
Particulars	As at March 31, 2015		As at March 31, 2016
Provision of Income Tax (Dm)		4.38	16.28

12. NON CURRENT INVESTMENTS		(Amount in Lacs)			
Particulars	Face Value	No. of shares/ Units	As at March 31, 2015	No. of shares/ Units	As at March 31, 2016
QUOTED					
In fully paid up Equity Shares:-					
In Others:-					
Tundahada Industries Ltd.	10	1082	-	1082	-
(Amount written off in earlier year)					
Teesico Infrastructure & Holdings Ltd.	1	10070	1.43	10070	1.43
Chambal Fertilisers & Chemicals Limited	10	8474515	1,528.68	8474515	1,528.68
Duke Concreto Limited	10	392200	39.22	392200	39.22
Teesico Raf & Engineering Ltd.	1	10070	2.02	10070	2.02
HT Media Ltd.	2	-	-	22600	27.44
			1,571.35		1,598.79
In Tax Free Bonds:-					
Secured, Tax Free, Non-convertible Non-cumulative Redeemable 8.10% Housing and Urban Development Corporation Ltd., 2012 Tax Free Series B (Option 1) Bonds	1000	9000	90.00	9000	90.00
Secured, Tax Free, non-convertible Redeemable 8.20% National Highways Authority of India, 2012 Tax Free Tranche 1 (Series 1(A)) bonds	1000	2472	24.72	2472	24.72
Secured, Tax Free, non-convertible, Redeemable 7.14% National Highways Authority of India, 2016 Tax Free Tranche 1 (Series 1(A)) bonds	1000	2571	25.71	-	-
Secured, Tax Free, non-convertible, Redeemable 7.11% Power Finance Corporation Ltd., 2015 Tax Free series 1(A) bonds	1000	436	4.36	-	-
			144.79		114.72
In Units of Mutual Fund					
HDFC FMP 384D March 2014(1) Series 29- Growth	10	-	-	1000000	100.00
Sri Sankha Mutual Fund FMP SR XO (3990) Regular Growth	10	600000	600.00	600000	600.00
Sri Sankha Mutual Fund FMP SR KP (4050) Regular Growth	10	300000	300.00	300000	300.00
Sri Sankha Mutual Fund FMP SR KT (3800) Regular Growth	10	100000	100.00	100000	100.00
Sri Sankha Mutual Fund FMP SR KH (4060) Regular Growth	10	100000	100.00	100000	100.00
HDFC Mutual Fund FMP 4000 Mar 2014(1) Sr 29 Regular Growth	10	600000	600.00	600000	600.00
Rodanco Mutual Fund Fixed Horizon FD 30V SR 30 Growth	10	400000	400.00	400000	400.00
Reserve Invesco Mutual Fund FMP SR 23 A Regular Growth	10	200000	200.00	200000	200.00
LIC Nomine Mutual Fund FMP Series 82 Regular Plan Growth	10	100000	100.00	100000	100.00
			2,400.00		2,500.00
UNQUOTED					
In fully paid up Equity Shares					
In Others:-					
Hind Cycles Limited	100	440	-	440	-
(Amount written off during the earlier year)					
Hckenzies Limited	100	26	-	26	-
(Amount written off during the earlier year)					
Ashi Bharat Printers Limited	100	200	-	200	-
(In Liquidation, amount written off in earlier year)					
Eastern Economist Limited	100	372	0.37	372	0.37
The Hindustan Times Limited	10	532800	114.59	532800	114.59
Paxton Estate Management Services Limited	10	9000	0.91	9000	0.91
Goldberry Investment & Trading Co.Limited	10	84000	8.43	84000	8.43
Framanand Commercial Pvt. Ltd.	10	58,500	0.60	58500	0.60
Metal Fivest Pvt. Limited	10	250000	21.37	250000	21.37
WPC Financial Services Pvt. Limited	10	252700	20.28	252700	20.28
Daily Marketing & Services Private Ltd.	100	-	-	507	0.51
			166.95		167.00



To consolidated Financial Statements for the year ended 31st March, 2016

In Fully paid up Preference Shares					
in Others:					
10% Non-Convertible redeemable preference shares of Fortstone Holding (Pvt) Ltd.	1000000	2	58.76	-	-
10% Non-Convertible redeemable preference shares of Coalstone Estate Management Services Private Ltd.	10	50000	1.80	-	-
10% Non-Convertible redeemable preference shares of Fortstone Holding (Pvt) Ltd.	10	-	-	250000	64.50
0.01% Non-Cumulative Redeemable Preference Shares of Goldwery Investment & Trading Co. Ltd.	100	100000	100.00	100000	100.00
9% Non-Participating, Non-Cumulative & Non-convertible Redeemable Preference Shares of Pramirast Commercial Private Ltd.	100	230000	230.00	230000	230.00
Total Preference Shares			394.56		394.50
Total Non Current Investments			4,677.25		4,775.13
Aggregate value of quoted Non Current investment			4,116.14		4,213.51
Market value of quoted Non Current investments			7,645.73		8,637.57
Aggregate value of unquoted Non Current investment			561.11		561.62

13 DEFERRED TAX

Deferred Tax Assets (net) of Rs. 0.35 lacs arising on account of temporary difference for the current year have been adjusted in the Profit & Loss account

Calculation of deferred tax assets as on 31st March 2016 and 31st March, 2015 is as given below:-

	(Amount in lacs)	
	As at March 31, 2016	As at March 31, 2015
Deferred Tax Assets		
(i) Provision for Interest	2.34	2.34
(ii) Provision for doubtful assets	0.64	0.64
	2.98	2.98
Difference between books & Tax depreciation	0.35	(0.17)
Deferred Tax Assets (Net)	3.33	2.81



14 LONG TERM LOANS AND ADVANCES

(Amount in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
(a) Unsecured Considered Good Security Deposits	6.30	6.30
(b) Unsecured Considered doubtful Other loans and advances	9.64	9.64
Less: Provision for doubtful loans and advances	(9.64)	(9.64)
	6.30	6.30

15 CURRENT INVESTMENTS:-

(Amount in Lacs)

Particulars	Face Value	No. of Shares/Units	As at March 31, 2016	No. of Shares/Units	As at March 31, 2015
QUOTED:-					
In fully paid up equity shares					
In others					
The Federal Bank Ltd.	2	-	-	88500	23.78
Vikas Scotch Ltd. (formerly known as Vikas Globalare Ltd.) (Received as Bonus at the ratio 2 : 3)	1	442350	-	442350	-
Sarnac Ltd.	10	4825	4.71	4825	4.71
			4.71		28.49
In Units of Mutual Funds					
Axis Mutual Fund FMP SR 50- 391 D- Regular Growth	10	-	-	400000	400.00
ICICI Nomura Mutual Fund FMP Series 75 Regular Plan Growth	10	-	-	4000000	400.00
Birla Sunlife Mutual Fund Fixed Term Plan Series PE Growth	10	-	-	1000000	100.00
ICICI Prudential Mutual Fund FMP SR 63-3 Year PL K	10	-	-	1250000	125.00
ICICI Mutual Fund FMP SR IV 543D (Feb 2014) F Reg Growth	10	3000000	300.00	3000000	300.00
Total			304.71		1,353.49
TOTAL CURRENT INVESTMENTS			304.71		1,353.49
(i) Aggregate value of quoted Current Investment			304.71		1,353.49
(ii) Market value of quoted Current Investments			354.48		1,644.29

16 TRADE RECEIVABLES

(Amount in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Over six months	23.09	-
Others	22.16	21.00
	55.25	21.00

17 CASH AND BANK BALANCES

(Amount in Lacs)

Particulars	Face Value	No. of Units	As at March 31, 2016	As at March 31, 2015
Balances with Bank:-				
(i) In Current Accounts			25.76	121.83
(ii) Other Bank Balances			2.94	2.87
			28.70	124.70
Cash in hand			0.02	0.11
Short Term Liquid Investment				
HDFC Liquid Fund- Growth	1000	70576.457	1,827.91	1,827.01
Reliance Liquid Fund- Treasury Plan- Growth	1000	35769.190	1,175.30	1,078.68
Birla Sunlife Cash Manager Fund- Growth	100	96668.740	318.85	332.23
Sundaram Money Fund	10	65064.560	20.00	-
ICICI Pioneer Liquid Fund- Plan A Growth	1000	10208.591	158.35	73.94
ICICI Prudential Savings Fund - Regular Plan - Growth	100	511500.823	1,042.80	842.81
Union RBC Liquid Fund- Growth	1000	-	-	160.00
ICICI Nomura MF Liquid Fund- Growth	1000	-	-	8.34
OHFL- Paragika Low Duration Fund - Growth	10	1051687.855	200.00	-
OHFL- Premier Dynamic Bond Fund - Growth	1000	14518.504	200.00	-
Reliance Liquid Fund Cash Plan	1000	6641.379	150.00	-
Sundaram money Fund	10	406237.204	125.00	-
Taurus Liquid Fund - Existing Plan - Super Intl Growth	1000	34074.405	545.00	-
Religare Invesco Medium Term Bond Fund - Growth (MCF-GP)	1000	4344.618	65.00	-
Total			5,856.93	4,448.74

(Signature)


to consolidated financial statements for the year ended 31st March, 2016

18. **SHORT TERM LOANS AND ADVANCES**

(Amount in lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Advance Income Tax	0.53	1.52
Others	1.27	1.00
Total	1.80	2.52

19. **OTHER CURRENT ASSETS**

(Amount in lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Invoice Receivable	2.12	1.57
Total	2.12	1.57



Notes to consolidated Financial Statements for the year ended 31st March, 2016

20. **REVENUE FROM OPERATION**

Particulars	(Amount in Lacs)	
	for the year 2015 16	for the year 2014-15
Dividend Income:		
Dividend from Non Current Investments	165.43	858.50
Dividend from Current Investments	0.22	1.92
	165.65	860.42
Interest Income	12.02	9.37
Commission Income	41.84	44.01
Profit on Sale of Investments	-	166.52
Housekeeping Services Income	14.45	35.73
Total	233.96	1,116.33

21. **OTHER INCOME**

Particulars	(Amount in Lacs)	
	for the year 2015 16	for the year 2014-15
Provision for diminution investment written back	-	0.50
Liability for expenses written back	-	0.07
Rent Received	125.03	250.03
Total	125.03	250.60

22. **OTHER EXPENSES**

Particulars	(Amount in Lacs)	
	for the year 2015 16	for the year 2014-15
Insurance		1.09
Rates & Taxes	0.68	0.38
Legal & Professional Charges	0.30	2.37
Auditor Remuneration:	1.35	
As Auditors		
For Tax Audit	0.40	
For Other Matters	0.10	
Miscellaneous Expenses	0.24	1.82
	0.74	12.37
Total	13.07	18.03
	16.14	

23. **CURRENT TAX**

Particulars	(Amount in Lacs)	
	for the year 2015 16	for the year 2014-15
Current Tax for the year		90.77
Excess Provision of Income Tax relating to earlier year	39.00	(3.96)
Minimum Alternate Tax charge/(credit)	(6.48)	
Total	(2.38)	86.81
	30.14	



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THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

Notes on Consolidated Financial Statements for the Year Ended 31st March 2016

24 Related party Disclosure
Information relating to related party transaction as per Accounting Standard – 18 issued by the Institute of Chartered Accountants of India is given below-

A. Name of related Party

Holding Company

Earthstone Holding (Two) Limited

Fellow Subsidiaries

The Hindustan Times Limited

Earthstone Holding Overseas Private Limited

Key Management Personnel

Vishal Jain (Chief Executive Officer)

Pratiksha Agrawal (Chief Financial Officer)

Neha Jain (Company Secretary/compliance Officer)

B. Transaction during the year

	(Amount in Lacs)	
	2015-16	2014-15
- With Holding company -		
<u>Money Received against convertible Warrants</u>		
<u>Earthstone Holding(Two) Limited</u>		
Nil (Previous year 60,000 warrants @ Rs.900/-per warrant)	-	540.00
<u>Warrants Converted into Equity Shares</u>		
Nil (Previous year 75,000 Equity Shares issued to Earthstone Holding (Two) Limited on conversion of 75000 convertible Warrants)	-	900.00
- With Fellow Subsidiary companies -		
<u>Rent Paid</u>		
The Hindustan Times Ltd.	1.31	1.31
<u>Dividend Received</u>		
The Hindustan Times Ltd	5.33	5.33
<u>Receipt of Housekeeping Services Income</u>		
The Hindustan Times Ltd.	7.20	6.00
- With Key Management Personnel -		
<u>Remuneration paid to Key managerial personnel</u>		
Vishal Jain	6.12	5.56
Pratiksha Agrawal	1.56	-
Neha Jain	1.14	-

C. Balance outstanding at the end of the year

	(Amount in Lacs)	
	2015-16	2014-15
- With Fellow Subsidiary Companies:-		
<u>Investment in Equity Shares</u>		
The Hindustan Times Ltd.	114.59	114.59

A handwritten signature is written over a circular stamp. The stamp contains the text 'THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED' around the perimeter and 'CHD' in the center.

THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

25. Segment Reporting

Business Segment: Based on the activities and contribution towards the revenue of the Group, the Group has classified its operations into three business segments namely investments & financing, Operations and others.

Investment & Financing: The Company is registered as Non-Banking Finance Company with Reserve Bank of India and its primary business comprises of investment in securities and finance to parties.

Operations: Commission income on Trading in fibre is operational activities of the Company and contributes a significant portion towards its revenue.

Others : Renting and Housekeeping activities

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

PARTICULARS	(Rs. in Lacs)	
	2015-16	2014-15
1. Segment Revenue		
a) Segment – Investment and Financing	177	1189
b) Segment – Operations	42	44
c) Segment – Others	140	134
d) Unallocated	-	-
Net Income from operations	359	1367
2. Segment Result		
Profit before Interest and Tax from each segment		
a) Segment – Investment and Financing	152	1148
b) Segment – Operations	42	44
c) Segment – Others	134	129
	328	1321
Less: (i) Interest	-	-
(ii) Other Un-allocable expenditure net off	201	25
Un-allocable income	-	-
Total Profit Before Tax	127	1296
3. Capital Employed		
(Segment Assets-Segment Liabilities)		
a) Segment – Investment and Financing	4982	6129
b) Segment – Operations	55	21
c) Segment – Others	201	201
Total	5238	6351
Add: Un-allocable Capital employed	5862	4335
Total	11100	10686

26. Contribution for CSR Activities

During the year Rs. 2 crore has been contributed to the corpus of Shine Foundation for undertaking CSR activities.



THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED

27. Earning Per Share

	Year ended 31st March, 2016	Year ended 31st March, 2015
A Profit after tax as per the Profit and Loss Account (in Lacs.)	97.58	1209.77
B Weighted average number of equity shares of Rs.10 each outstanding during the year	11,44,180	10,89,887
C Earning per share (in Rs.) –		
Basic	8.53	105.73
Diluted	8.53	111.00

28. Micro, Small and Medium Enterprises

"The Group during the year has not entered into transactions with the vendors registered under the Micro, Small and Medium Enterprises Development Act, 2006. Therefore there is no need of disclosures under Section 22 of the said Act".

29. Impairment of assets

AS-28 Impairment of Assets issued by the Institute of Chartered Accountants of India is not applicable to the Group as there are no such assets which comes under the definition of impairable assets.

30. Subsidiary Companies

During the year Birla Real Estate Ltd, HT Interactive Media Properties Limited, go4i.com (Mauritius) Ltd. and Go4i.com (India) Private Ltd. ceased to be the subsidiary of the Company. Hence Financial Statements of Birla Real Estate Ltd., HT Interactive Media Properties Ltd, Go4i.com (Mauritius) Ltd. and Go4i.com (India) Private Ltd. have not been consolidated.

31. Previous year's figures have been regrouped/rearranged wherever considered necessary.

32. Other additional information as required under part II of schedule III of Companies Act, 2013 is not applicable.

As per our Report of even date

For K.C Gupta & Associates
(Firm Registration No. 021164N)
Chartered Accountants



Per Kailash Gupta
Proprietor
Membership No. -83547
New Delhi
May 30, 2016




For and on behalf of the Board of Directors


(Virendra Kumar Charoria) (Manju Gupta)
Director Director
DIN- 00046895 DIN- 00124974


(Vishal Jain)
Chief Executive Officer


(Pratiksha Agarwal)
Chief financial officer


(Neha Jain)
Company Secretary

ANNEXURE A

IMPORTANT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013

PART "A" : SUBSIDIARIES AS ON MARCH 31st, 2016

(Except information for number of shares - Amount in Lacs)

Sr. No	1	2
Name of the Subsidiary Company	BCM Holding Limited	Earthstone Investment & Finance Limited (Refer note a)
Reporting Currency	INR	INR
Reporting Period	31st March, 2016	31st March, 2016
a) Capital	5.00	5.00
b) Reserves	(3.60)	7175.17
c) Total Assets	5.58	7180.39
d) Total Liabilities	4.27	0.23
e) Investment	5.01	4047.24
f) Turnover	0.00	175.69
g) Profit / (Loss) before Taxation	(0.48)	(49.48)
h) Provision for Tax Expenses/benefits	0.00	(6.10)
i) Profit / (Loss) after Taxation	(0.48)	(43.39)
k) Proposed Dividend	0.00	0.00
No. of Equity Shares in the subsidiary company held by The Birla Cotton Spinning & Weaving Mills Limited and its nominee at the above date	50,000	50,000
	Equity share of Rs 10/-each	Equity share of Rs 10/-each
Extent of Holding	100.00%	100.00%

a) The Company is subsidiary of The Birla Cotton Spinning & Weaving Mills Limited through its wholly owned subsidiary BCM

PART "B" : ASSOCIATES AND JOINT VENTURES AS ON MARCH 31st, 2016

NIL

For and on behalf of Board of Directors

Virendra Kumar Chatteria
(Director)
DIN 00046885

Vishal Jain
(Chief Executive Officer)

Neha Jain
(Company Secretary)

Manoj Gupta
(Director)
DIN 00124974

Pratiksha Agarwal
(Chief Financial Officer)

Place: New Delhi
Date: 30th May, 2016