

BNR UDYOG LIMITED



**21st Annual Report
2014-2015**



TWENTYFIRST ANNUAL GENERAL MEETING

Day : Thursday Date : 03-09-2015 Time : 10-30 A.M.

Venue : Hotel Inner Circle, Raj Bhavan Road, Somajiguda, Hyderabad -500 082

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CORPORATE INFORMATION

1. **BOARD OF DIRECTORS:**
 - Mr. J. Vikramdev Rao - Non Executive & Independent Director (DIN: 00173556)
 - Mr. T. Bharadwaj - Non Executive & Independent Director (DIN: 00211834)
 - Dr. Priyadarshini Manvikar - Non Executive & Independent Director (DIN: 02268397)
 - Mr. Kamal Narayan Rathi - Managing Director (DIN: 00011549)
 - Mr. Sandeep Rathi - Executive Director cum CFO (DIN: 05261139)
2. **COMPANY SECRETARY** : Ms. Sonal Agarwal
3. **REGISTERED OFFICE** : 6-3-650, 218, 2nd floor, Maheshwari Chambers,
Somajiguda, Hyderabad – 500082, Telangana, India
Ph No. +91-40-23375791, 23375793
4. **AUDIT COMMITTEE :**
 - Mr. J. Vikramdev Rao - Chairman
 - Mr. T. Bharadwaj - Member
 - Dr. Priyadarshini Manvikar - Member
5. **NOMINATION & REMUNERATION COMMITTEE:**
 - Mr. T. Bharadwaj - Chairman
 - Mr. J. Vikramdev Rao - Member
 - Dr. Priyadarshini Manvikar - Member
6. **STAKEHOLDERS RELATIONSHIP COMMITTEE:**
 - Mr. J. Vikramdev Rao - Chairman
 - Mr. T. Bharadwaj - Member
 - Dr. Priyadarshini Manvikar - Member
 - Mr. Sandeep Rathi - Member
7. **RISK MANAGEMENT COMMITTEE:**
 - Mr. Kamal Narayan Rathi - Chairman
 - Mr. T. Bharadwaj - Member
 - Mr. Sandeep Rathi - Member
8. **INDEPENDENT DIRECTORS COMMITTEE:**
 - Mr. J. Vikramdev Rao
 - Mr. T. Bharadwaj
 - Dr. Priyadarshini Manvikar
9. **AUDITORS** : Laxminiwas & Jain, Chartered Accountants
Station Road, Nampally, Hyderabad - 500001.
10. **BANKERS** : HDFC Bank Ltd.
The A.P. Mahesh Co-op Urban Bank Ltd.
ICICI Bank Ltd.
State Bank of India
11. **REGISTRAR AND SHARE TRANSFER AGENT**
M/s. Kary Computer Share Pvt. Ltd.
Kary Selenium Tower B, Plot No. 31-32, Gachibowli,
Financial District, Nankramguda, Hyderabad-500 032
Tel : 040-67161500 Fax 040-23001153
12. **LISTED AT** : BSE Limited.
13. **DEMAT ISIN NUMBER IN NSDL & CDSL** : INE355C01016
14. **WEBSITE** : www.bnrul.com
15. **INVESTOR E-MAIL ID** : info@bnrul.com
16. **CORPORATE IDENTITY No.** : L67120AP1994PLC018841

NOTICE

Notice is hereby given that the 21st Annual General Meeting of the Shareholders of M/s. **BNR Udyog Limited** will be held on Thursday, the 3rd day of September, 2015 at 10-30 a.m. at Hotel Inner Circle, Rajbhavan Road, Somajiguda, Hyderabad - 500 082 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March 2015.
3. To appoint a director in place of Mr. Kamal Narayan Rathi (DIN: 00011549) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Laxminiwas & Jain, Chartered Accountants, Hyderabad as Statutory Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

5. RE-APPOINTMENT OF MR. KAMAL NARAYAN RATHI (DIN 00011549) AS MANAGING DIRECTOR:

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and any other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/ agency/board, if any and subject to the approval of the members of the Company, Mr. Kamal Narayan Rathi be and is hereby re-appointed as Managing Director of the Company for a period of five years with effect from January 18th, 2015 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice"

RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and hereby authorized to vary or increase the remuneration including Basic Salary, Commission, Perquisites, Allowances etc. within such prescribed limits.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.

6. AMENDMENT OF ARTICLES OF ASSOCIATION OF THE COMPANY

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

"RESOLVED THAT pursuant to provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the new draft Articles as contained in the Articles of Association



submitted be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) and the Company Secretary of the Company, be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

For and on behalf of the Board,

BNR Udyog Limited

sd/-

Kamal Narayan Rathi

Managing Director

DIN : 00011549

Place : Hyderabad

Date : 04-08-2015

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy, who shall not act as a proxy for any other person or shareholder. The appointment of a proxy shall be in the Form No. MGT.11 annexed herewith.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 28.08.2015 to 03.09.2015 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Share Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.

8. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid within a period of 30 days to those members whose name appear as:
 - a) Beneficial Owners as on 27.08.2015 on the lists of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited; and
 - b) Members in the Register of Members of the Company after giving effect to valid share transfer in the physical form lodged with the Company upto 27.08.2015.
 - c) The dividend on Equity Shares, if declared at the Annual General Meeting, shall be paid on or after 03.09.2015.
9. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
10. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Karvy Computershare Private Limited.)
11. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
12. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to **M/s. Karvy Computershare Private Limited.**, Share Transfer Agents of the Company for their doing the needful.
13. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
14. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission/transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
15. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/ RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
16. Electronic copy of the Annual Report for 2014-2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-2015 is being sent in the permitted mode.

17. Members may also note that the Notice of the 21st Annual General Meeting and the Annual Report for 2014-2015 will also be available on the Company's website www.bnrul.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@bnrul.com.
18. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 27.08.2015 are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at 9.00 a.m. on Saturday, 29th day of August 2015 and will end at 5.00 p.m. on Wednesday, 2nd day of September, 2015. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through 'Insta Poll'. The Company has appointed Mr. S. Sarveswar Reddy, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

Procedure for remote e-voting

- I. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:
- (a) In case of Members receiving an e-mail from Karvy:
- (i) Launch an internet browser and open <https://evoting.karvy.com>
 - (ii) Enter the login credentials (i.e. User ID and password). The Event No.+Folio No. or DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your vote.
 - (iii) After entering the above details click on - Login.
 - (iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.
 - (v) On successful login, the system will prompt you to select the E-Voting Event
 - (vi) Select the EVENT of BNR Udyog Limited and click on - Submit .
 - (vii) Now you are ready for e-voting as 'Cast Vote' page opens.
 - (viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
 - (ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.
 - (x) Once you have voted on the resolution, you will not be allowed to modify your vote.

- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at info@bnrul.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
- (b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip
- (i) INITIAL PASSWORD IS PROVIDED, AS FOLLOWS, AT THE BOTTOM OF THE ATTENDANCE SLIP.
- | | | |
|-------------------------|---------|----------|
| EVEN | | |
| (E-Voting Event Number) | USER ID | PASSWORD |
- (ii) Please follow all steps from Sr. No. (i) to Sr. No. (xi) above, to cast vote.
- II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.
- III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.
- IV. The voting rights shall be as per the number of equity share held by the Member(s) as on 27th August, 2015. Members are eligible to cast vote electronically only if they are holding shares as on that date.
- V. The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 p.m. on the date preceding the date of AGM. Accordingly, the voting period shall commence at Saturday, 29th August 2015 and will end at 5.00 p.m. on Wednesday, 2nd September, 2015. The e-voting module shall be disabled by Karvy at 5.00 p.m. on the same day.
- VI. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- VII. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
- VIII. Members who have acquired shares after the despatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
- a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD <space> Event number+Folio No. or DP ID Client ID to 9212993399
- Example for NSDL : MYEPWD <SPACE> IN12345612345678
- Example for CDSL : MYEPWD <SPACE> 1402345612345678
- Example for Physical : MYEPWD <SPACE> XXX1234567
- b. If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call Karvy's toll free number 1-800-3454-001
- d. Member may send an e-mail request to evoting@karvy.com

- IX. The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by M/s Karvy Computershare Private Limited
19. In terms of Companies Act, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, in the year 2014-15, the Company would be transferring the unclaimed or unpaid Final Dividend for the year 2007-2008 to the IEPF on or before 30th Oct, 2015. Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF
20. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 27.08.2015.
21. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
22. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

For and on behalf of the Board,
BNR Udyog Limited

sd/-

Kamal Narayan Rathi
Managing Director
DIN : 00011549

Place : Hyderabad
Date : 04-08-2015

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

ITEM NO.5

The Board of Directors at their meeting held on 12.02.2015 have, subject to the approval of the Shareholders, re-appointed Mr. Kamal Narayan Rathi (DIN 00011549) as Managing Director of the Company with effect from 18.01.2015 for a period of 5 years on the remuneration, terms and conditions recommended by the nomination and remuneration committee as set out herein. Taking into consideration the duties and responsibilities shouldered on the Managing Director, the prevailing managerial remuneration in industry and on the recommendation of the nomination and remuneration committee, the Board at their meeting held on 12.02.2015 approved the remuneration, terms and conditions of the re-appointment of Mr. Kamal Narayan Rathi (DIN: 00011549), subject

to approval of the shareholders on remuneration including minimum remuneration and on terms and conditions given hereunder:

- a) Remuneration: Rs. 75,000/- per month (Rupees Seventy Five Thousand only)
- b) Medical Re-imbursement – Medical expenses incurred by the Managing Director for self and family including dependent parents subject to a ceiling of one month's salary per year or three month's in block of three years to be reimbursed.
- c) Leave Travel Concession for self & family once in a year as per the rules of the Company.
- d) Club fees – Fees of club to a maximum of two clubs will be allowed.
- e) Personal Accident – For an amount to cover within the annual insurance premium which does not exceed Rs. 5,000/-
- f) Provident fund – Company's Provident Fund shall be 12% of the salary. It will not be taken as a perquisite.
- g) Gratuity – Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- h) Car – Free use of Company's car with driver for Company's business. This will not be considered as a perquisite.
- i) Telephone at Residence – Free use of telephone at residence for official purpose. This will not be considered as a perquisite.
- j) Leave – On full pay and allowance as per rules of the Company but more than one month's leave for every eleven month's along with to be allowed. Leave not availed would be allowed to be encashed.
- k) Entertainment Expenses – The appointee shall be entitled to reimbursement of entertainment expenses actually and properly incurred for the business of the Company.

Adequate Profits

Where in any Financial Year, during the tenure of Mr. Kamal Narayan Rathi, the Company has adequate profits; the Company shall pay to Mr. Kamal Narayan Rathi, remuneration by way of Basic Salary, Commission, Perquisites and Allowance exceeding the amount approved by the Central Government and Which shall not exceed the limits prescribed from time to time under sections 196, 197, 203 read with Schedule V to the Companies Act 2013 for the time being in force.

Having regard to the knowledge, experience of Mr. Kamal Narayan Rathi (DIN: 00011549) and considering the recommendations of Nomination & Remuneration committee, the Board accorded its approval at the meeting held on 12th February, 2015 subject to the approval of shareholders of the Company, for revision of the salary payable to Mr. Kamal Narayan Rathi (DIN: 00011549), with in the maximum limit of managerial remuneration (without the approval of the Central Government) as prescribed under Section 197 read with Schedule V to the Companies Act, 2013 till the expiry of his respective tenure. The Nomination & Remuneration committee had approved the remuneration payable to Mr. Kamal Narayan Rathi (DIN: 00011549) by passing the necessary resolution in its meeting held on 12th February, 2015 in terms of Schedule V to the Companies Act, 2013.

It is therefore, proposed that the remuneration as mentioned in the resolution to Mr. Kamal Narayan Rathi (DIN: 00011549) as prescribed under Section 197 read with Schedule V to the Companies Act, 2013, be approved by the shareholders of the company at the forth coming Annual General Meeting, in modification to the earlier resolutions passed by the shareholders of the Company in this regard.

Hence, the Board recommends the resolution for your approval.

Except Mr. Kamal Narayan Rathi and Mr. Sandeep Rathi, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

ITEM NO. 6:

The Articles of Association of the Company ("Articles") as currently in force was adopted pursuant to the provisions under the Companies Act, 1956. The Companies Act, 1956 has been superseded by the Companies Act, 2013. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association is hence to be amended to align the extant Articles with the provisions of the Companies Act, 2013 and rules there under.

Salient aspects of the proposed amended Articles:

Under the proposed amended Articles, salient aspects of sections of Table-F of Schedule I to the Companies Act, 2013 which sets out the model Articles of Association for a Company limited by shares have been adopted. As mentioned in the previous para, changes that are required to be carried out pursuant to the Companies Act, 2013 and rules there under coming into force have been duly carried out.

The resolution as set out in item no. 6 has been recommended by the Board of Directors for approval of the Members by special resolution.

The proposed new draft of Articles of Association is also available for inspection by the Members at the Registered Office of the Company on any working day excluding public holidays and Sunday from the date here up to September 3rd, 2015.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 6 of the Notice.

For and on behalf of the Board,
BNR Udyog Limited

sd/-

Kamal Narayan Rathi
Managing Director
DIN : 00011549

Place : Hyderabad
Date : 04-08-2015

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting before you the 21st Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2015 has been as under:

Particulars	Amount (Rs. in Lakhs)	
	2014-15	2013-14
Total Income	280.30	361.36
Total Expenditure	243.77	280.71
Profit before Tax	36.53	80.65
Provision for Taxation	(1.47)	26.05
Profit after Tax	38.00	54.60
Transfer to General Reserve	1.00	2.00
Profit available for appropriation	37.00	52.60
Provision for Proposed Equity Dividend	36.10	35.10
Balance Carried to Balance Sheet	0.90	17.50

During the year under review, the Company has recorded an income of Rs. 280.30 Lakhs and profit of Rs. 38.00 Lakhs as against the income of Rs. 361.36 Lakhs and profit of Rs. 54.60 Lakhs in the previous financial year ending 31-3-2014.

The Board is of the view that the future of the Industry is bright and expect liberal Govt. Policies.

2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March 2015 and the date of Board's Report.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report, there was no change in the nature of Business.

4. DIVIDEND:

Your Directors are pleased to recommend a Dividend of Re. 1/- per share on the Paid up Equity Share Capital of the Company in respect of the financial year 2014-15. The total outgo on account of dividend, inclusive of dividend tax stands at Rs. 36.10 lakhs, for which necessary provision has been made in the accounts.

5. BOARD MEETINGS:

The Board of Directors met 5 times respectively on 12.05.2014, 26.05.2014, 30.07.2014, 14.11.2014 and 12.02.2015 during this financial year.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, in accordance with the provisions of section 152 of the Companies Act, 2013, Mr.Kamal Narayan Rathi retires by rotation and being eligible offers himself for re-appointment. Further Mr. Sandeep Rathi was appointed as Chief Financial Officer (CFO) of

the company with effect from 01.04.2014 and Mr. Kamal Narayan Rathi was re-appointed as a Managing director with effect from 18.01.2015.

Details of re-appointment /appointment of the director/CFO :

Name of the Director	Mr. Kamal Narayan Rathi	Mr. Sandeep Rathi
Date of Birth	18/01/1957	08/04/1980
Date of Appointment/Re-appointment	18.01.2015	01.04.2014
Qualifications	B.Com.	MBA
No. of Shares held in the Company	17,37,634	1,35,774
Directorships held in other companies (excluding private limited and foreign companies)	Nil	Nil
Positions held in mandatory committees of other companies	Nil	Nil

6. POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 **"Director"** means a director appointed to the Board of a Company.

2.2 **"Nomination and Remuneration Committee"** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Equity Listing Agreement.

2.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;

- shall Endeavour to attend all Board Meetings and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 Criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines of the companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

3.3 other directorships/ committee memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The Nomination & Remuneration Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. **Terms and Reference:**

In this policy the following terms shall have the following meanings:

2.1 **“Director”** means a directors appointed to the Board of the company.

2.2 **“key managerial personnel”** means

- (i) The Chief Executive Officer or the Managing Director or the Manager;
- (ii) The Company Secretary;
- (iii) The Whole-Time Director;
- (iv) The Chief Finance Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 **“Nomination and Remuneration committee”** means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and clause 49 of the Equity Listing Agreement.

3. **Policy:**

3.1 Remuneration to Executive Director and key managerial personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the HRNR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 **Remuneration to Non – Executive Directors**

3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders and as per the provisions of Companies Act, 2013.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof.

3.3. **Remuneration to other employees**

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

7. **DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received necessary declaration from each Independent Director of the Company

under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6). **(Annexure II)**

8. COMPOSITION OF AUDIT COMMITTEE:

I. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 177 of the Companies Act, 2013.

II. The terms of reference of the Audit Committee include a review of the following:

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
 - Reviewing with management the annual financial statements before submission to the Board, focusing on:
 1. Any changes in accounting policies and practices;
 2. Qualification in draft audit report;
 3. Significant adjustments arising out of audit;
 4. The going concern concept;
 5. Compliance with accounting standards;
 6. Compliance with stock exchange and legal requirements concerning financial statements and
 7. Any related party transactions
 - Reviewing the company's financial and risk management's policies.
 - Disclosure of contingent liabilities.
 - Reviewing with management, external and internal auditors, the adequacy of internal control systems.
 - Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow-up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - Reviewing compliances as regards the Company's Whistle Blower Policy.
- III.** The previous Annual General Meeting of the Company was held on 03.09.2014 and Chairman of the Audit Committee, attended previous AGM.
- IV.** The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Clause 49 (II) (A) of the Listing Agreement relating to the composition of the Audit Committee. During the financial year 2014-2015, (5) five meetings of the Audit Committee were held on the 12.05.2014, 26.05.2014, 30.07.2014, 14.11.2014 and 12.02.2015.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. J. Vikramdev Rao	Chairman	NED (I)	5	3
Mr. T. Bharadwaj	Member	NED (I)	5	5
Dr. Priyadarshini. M	Member	NED (I)	5	5

IV. NOMINATION & REMUNERATION COMMITTEE

The details of composition of the Committee are given below:

Name	Designation	Category	No. of meetings held	No. of meetings attended
Mr. T. Bharadwaj	Chairman	NED (I)	4	4
Mr. J. Vikramdev Rao	Member	NED (I)	4	3
Dr. Priyadarshini. M	Member	NED (I)	4	4

NED (I): Non-Executive Independent Director

Terms of reference:

The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Executive Director of the Company and while approving:

- To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

Remuneration Policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

The details of remuneration paid to the Executive and Non Executive Directors for the financial year 2014-2015 are given below:

Name of the Director	Designation	Salary (Amt. in Rs)
Mr. Kamal Narayan Rathi	Managing Director	7,92,464
Mr. Sandeep Rathi	Executive Director Cum CFO	5,04,752

None of the Director is drawing any Commission, Perquisites, Retirement benefits etc

V. STAKEHOLDERS RELATIONSHIP COMMITTEE

A.) Composition, meetings and the attendance during the year:

The Details of composition of the Committee are given below:

Name of the Director	Designation	Category
Mr. T. Bharadwaj	Chairman	NED (I)
Mr. J. Vikramdev Rao	Member	NED (I)
Dr. Priyadarshini. M	Member	NED (I)
Mr. Sandeep Rathi	Member	ED(P)

NED (I) : Non Executive Independent Director

ED : Executive Director

B.) Powers:

The Committee has been delegated with the following powers:

- to redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non-receipt of balance sheet, non-receipt of declared dividend etc.
- to approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Consolidate and sub-division of share certificates etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgement in the case of shares held in physical form.

The Board has designated Mrs. Sonal Agarwal C.S., as the Compliance Officer.

The Company has designated an exclusive e-mail ID called investor@bnrul.com for redressal of shareholders' complaints/grievances.

9. VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company.

10. DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts on a going concern basis; and

(e) The Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

12. UN PAID / UN CLAIMED DIVIDEND:

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor education and Protection Fund established by the Central Government. Accordingly, the Members are hereby informed that the 7 years period for payment of the dividend pertaining to financial year 2007-2008 will expire on 24th September, 2015 and thereafter the amount standing to the credit in the said account will be transferred to the "Investor Education and Protection Fund" of the Central Government

13. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report (FORMAT IN ANNEXURE I)

14. AUDITORS:

M/s Laxminiwas & Jain, Chartered Accountants, Hyderabad retire at the ensuing Annual General Meeting and is eligible for re-appointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has received a written consent from the auditors to their re-appointment and a certificate to the effect that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the rules framed there under and that they have satisfied the criteria provided in Section 141 of the Companies Act, 2013.

The Board recommends the re-appointment M/s Laxminiwas & Jain, Chartered Accountants, as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting.

15. INTERNAL AUDIT:

M/s. P P K G & Co. Chartered Accountants, Hyderabad are the Internal Auditors of the Company.

16. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practising Company Secretaries is annexed to this Report as annexure.

The Board in its meeting held on 28.05.2015 recommended the re-appointment of M/s. S. S. Reddy & Associates, Practising Company Secretaries as Secretarial Auditors for financial year 2015-16.

QUALIFICATIONS IN AUDIT REPORTS:

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2015 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the robust capital market in the coming years.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.217 (1) (e) of the Companies Act 1956 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: Rs.1,17,22,393/-

Foreign Exchange Outgo: NIL

18. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

Your Company has not accepted any deposits falling within the meaning of Section 73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review.

19. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

20. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment. The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company have duly complied with the provision of Section 186 of the Companies Act, 2013 and it has taken

SECURED LOANS	:	NIL
UNSECURED LOANS	:	NIL
CURRENT/NON-CURRENT INVESTMENTS	:	2,15,44,524
GUARANTEES	:	NIL
SECURITIES EXTENDED	:	NIL

22. INSURANCE:

The properties and assets of your Company are adequately insured

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given Loans, Guarantees or made any investments during the year under review.

24. RISK MANAGEMENT POLICY:

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well structured risk management process.

25. CORPORATE SOCIAL RESPONSIBILITY POLICY:

Since your Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

26. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were in arms' length basis and were in the ordinary course of business.

As required under clause 49(viii) (A) (2) of the listing agreement, the Company has disclosed the Policy on dealing with related party transactions at website of the Company at www.bnrl.com

27. FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 26.03.2015 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 2 (two) non-independent directors namely: i.) Mr. Kamal Narayan Rathi – Managing Director

ii.) Mr. Sandeep Rathi –Executive Director cum CFO. The meeting recognized the significant contribution made by Mr. Kamal Narayan Rathi and Mr. Sandeep Rathi, non-independent directors in the shaping up of the company and putting the company on accelerated growth path. They devoted more time and attention to bring up the company to the present level.

The meeting also reviewed and evaluated the performance of the Board as a whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

28. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to the Company.

29. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014, a remuneration of Rs. 75,000/- p.m is being paid to Mr. Kamal Narayan Rathi, Managing Director of the Company.

30. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to Bombay Stock Exchange Limited where the Company's Shares are listed.

31. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Since the paid up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance is Not Applicable.

32. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY

The Company is not a NBFC, Housing Company etc., and hence Industry based disclosures is not required.

33. SECRETARIAL STANDARDS

EVENT BASED DISCLOSURES

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share:

NA

- | | |
|-------------------------------------------------------------------------------------------|----|
| 2. Issue of shares with differential rights: | NA |
| 3. Issue of shares under employee's stock option scheme: | NA |
| 4. Disclosure on purchase by company or giving of loans by it for purchase of its shares: | NA |
| 5. Buy back shares: | NA |
| 6. Disclosure about revision: | NA |
| 7. Preferential Allotment of Shares: | NA |

34. DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The followinr is the summary of Sexual Harrasment complaints received and disposed during the calander year.

No. of Complaints received	Nil
No. of Complaints disposed off	Nil

35. SUBSIDIARY COMPANY:

The Company does not have any Subsidiary at the end of the Financial year.

DECLARATION BY DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT:

The Shareholders,

I, Kamal Narayan Rathi, Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board,
BNR Udyog Limited

Place : Hyderabad
Date : 04-08-2015

sd/-
Kamal Narayan Rathi
Managing Director
DIN : 00011549

sd/-
T. Bhardwaj
Director
DIN : 00211834

**MGT 9**

Annexure-I

**Extract of Annual Return
as on the Financial Year 31.03.2015****[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:-	L67120AP1994PLC018841
ii. Registration Date	29-11-1994
iii. Name of the Company	BNR Udyog Limited
iv. Category / Sub-Category of the Company	Company limited by shares/ Non-Government Company
v. Address of the Registered office and contact details	6-3-650, 218, 2nd flr, Maheshwari Chambers, Somajiguda Hyderabad - 500082
vi. Whether listed company Yes / No	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Karvy Computer Share Pvt. Ltd. Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032

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	NIC Code of the Product / service	% to total turnover of the company
1.	Investment	—	14.98
2.	Business Support Service	—	43.05
3.	Medical Transcription/IT/ITES	—	41.97

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Since the company BNR Udyog Limited sold its Subsidiary Company M/s BNR Pashamylaram Enterprises Private Limited hence no information is required to be given.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individual/HUF	1886785	5000	1891785	63.06	2136733	4900	2141633	71.39	+8.33
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total									
(A) (1) :-	1886785	5000	1891785	63.06	2136733	4900	2141633	71.39	+8.33
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) AnyOther....	0	0	0	0	0	0	0	0	0
Sub-total									
(A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1886785	5000	1891785	63.06	2136733	4900	2141633	71.39	+8.33
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non Institutions									
a) Bodies Corp.									
i) Indian	192838	14100	206938	6.90	215876	13900	229776	7.66	+0.76
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	322729	199216	521945	17.40	332770	175316	508086	16.94	-0.46
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	332532	46500	379032	12.63	114370	0	114370	3.81	-8.82
c) Others (specify)									
1. Non Resident Indians	200	0	200	0.01	6000	0	6000	0.20	+0.19
2. Clearing Members	100	0	100	0.00	135	0	135	0.00	-
Sub-total(B)(2)									
Total Public Shareholding(B) = (B)(1)+(B)(2)	848399	259816	1108215	36.94	669151	189216	858367	28.61	-8.33
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2735184	264816	3000000	100	2805884	194116	3000000	100	0
(ii) Shareholding of Promoters									
1. Kamal Narayan Rathi	1513934	3600	1517534	50.58	1734034	3600	1737634	57.92	+7.34
2. Mayura Rathi	146673	Nil	146673	4.89	150873	Nil	150873	5.03	+0.14
3. Sandeep Rathi	134974	800	135774	4.53	134974	800	135774	4.53	Nil
4. Kamal Narayan Rathi HUF	63300	Nil	63300	2.11	63300	Nil	63300	2.11	Nil
5. Sunita Devi Rathi	28004	500	28504	0.95	53552	500	54052	1.80	+0.85

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Kamal Narayan Rathi				
	At the beginning of the year	1517534	50.58	1737634	57.92
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g.allotment /transfer /bonus/ sweatequity etc):	28.07.2014 Gift			
	At the End of the year			1737634	57.92
2.	Mayura Rathi				
	At the beginning of the year	146673	4.89	150873	5.03
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment /transfer /bonus/ sweatequity etc):	04.04.2014 Sold 10.11.2014 Purchase			
	At the End of the year			150873	5.03
3.	Sunita Devi Rathi				
	At the beginning of the year	28504	0.95	54052	1.81
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment /transfer /bonus/ sweatequity etc):	30.01.2014 29.10.2014 03.11.2014 07.11.2014 Purchases			
	At the End of the year			54052	1.81

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	VSL Securities Pvt. Ltd.,	114419	3.81	113083	3.77
2.	Basanti Devi Rathi	81000	2.70	81000	2.70
3.	Peeti Securities Limited	65300	2.18	65300	2.18
4.	Nand Kishore Agarwal	18000	0.60	9946	0.33
5.	Manam S	14000	0.47	0	0
6.	Sunita Rathi	13432	0.45	3500	0.12
7.	Suresh Kotturi	9719	0.32	9719	0.32
8.	Ramila Pravin Shah	9245	0.31	0	0
9.	Rukmani Gautam	7819	0.26	8931	0.30
10.	Kotak Builders & Dev.	6700	0.22	6700	0.22
11.	Sangeetha			33370	1.11
12.	S Raveendra Nath			10000	0.33
13.	Standard Chartered Sec			9955	0.33

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Kamal Narayan Rathi				
	At the beginning of the year	1517534	50.58	1737634	57.92
	Date wise Increase / Decrease in Promoters Share holding during theyear specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	28.07.2014 Gift			
	At the End of the year			1737634	57.92
2.	Sandeep Rathi				
	At the beginning of the year	135774	4.53	135774	4.53
	Date wise Increase / Decrease in Promoters Share holding during theyear specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc):				
	At the End of the year			135774	4.53

VI. INDEBTEDNESS

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

Indebtedness at the beginning of the financial year	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount				
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—
Change in Indebtedness during the financial year				
Addition				
Reduction	—	—	—	—
Net Change	—	—	—	—
Indebtedness at the end of the financial year				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount Rs.
		Kamal Narayan Rathi Managing Director	Sandeep Rathi Exec.Dir /CFO	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	7,92,464	5,04,752	12,97,216
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission- as % of profit- Others, specify...	—	—	—
5.	Others, please specify	—	—	—
6.	Total (A)	7,92,464	5,04,752	12,97,216
7.	Ceiling as per the Act			

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Director			Total
		Mr. J. Vikram Dev Rao	Mr. T. Bharadwaj	Dr. M. Priyadarshini	Amount Rs.
	Independent / Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	11,240	18,235	18,235	47,710
	Total (1)	11,240	18,235	18,235	47,710
	4. Other Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	—	—	—	—
	Total (2)	—	—	—	—
	Total Managerial Remuneration Total (B)=(1+2)	11,240	18,235	18,235	47,710
	Overall Ceiling as per the Act				

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary Ms.Sonal Agarwal	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	1,20,000	—	1,20,000
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission- as % of profit-others, specify...	—	—	—	—
5.	Others, pleaseSpecify	—	—	—	—
6.	Total	—	1,20,000	—	1,20,000

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	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
B. DIRECTORS					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
M/s BNR Udyog Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
- (ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours faithfully,

Date : 28.05.2015
Place: Hyderabad

J. Vikramdev Rao
(Independent Director)
DIN : 00173556

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
M/s BNR Udyog Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
- (ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Yours faithfully,

T. Bharadwaj
(Independent Director)
DIN : 00211834

Date : 28.05.2015
Place : Hyderabad

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
M/s BNR Udyog Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that upto the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall keep prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

- (i) the statutory audit firm or the internal audit firm that is associated with the Company and
- (ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material suppliers, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Date : 28.05.2015
Place : Hyderabad

Yours faithfully,
M. Priyadarshini
(Independent Director)
DIN : 02268397

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY:

(i) designation of the employee;	----
(ii) remuneration received;	----
(iii) nature of employment, whether contractual or otherwise;	----
(iv) qualifications and experience of the employee;	----
(v) date of commencement of employment;	----
(vi) the age of such employee;	----
(vii) the last employment held by such employee before joining the company;	----
(viii) the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	----
(ix) whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	----
The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;	----
The employee, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;	----
The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.	----

FORM MR-3
SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To
The Members of
M/s. BNR Udyog Limited

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

Based on our 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, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2014 and ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. BNR Udyog Limited ("The Company") for the financial year ended on 31st March, 2015, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12th September, 2013 and sections and Rules notified and came in to effect from 1st April, 2014;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
 - v. The Securities and Exchange Board of India Act, 1992 ('SEBI Act')
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year under report except disclosures in terms of SEBI Takeover Regulations & Insider Trading Regulations.
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - iv. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- v. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - vii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
3. We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 1956 and
 - ii. The Listing Agreements entered into by the Company with BSE Limited;
4. During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations;

OBSERVATIONS:

- (a) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that
- (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under were not attracted to the Company during Financial year under report.
 - (ii) External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - (iii) Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
 - (iv) Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
 - (v) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
- (b) We further report that:
- (i) the Company is regular in deducting and paying TDS under the Income Tax Act
 - (ii) the Company has paid EPF and ESI to the respective authorities.
 - (iii) the Company also has collected service tax on behalf of the client and paid to the respective authorities.
 - (iv) We further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and the records in pursuance thereof on test check basis, the Company has complied with the Information Technology Act and rules made there under as applicable specifically to the Company.

For S.S. Reddy & Associates

Place : Hyderabad
Date : 28.05.2015

S.Sarveswara Reddy
Practicing Company Secretaries
C.P.No: 7478

To
The Members of
M/s. BNR Udyog Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and Other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Hyderabad
Date : 28.05.2015

For S.S. Reddy & Associates

S.Sarveswara Reddy
Practicing Company Secretaries
C.P.No: 7478

INDEPENDENT AUDITORS' REPORT

To
The Members of
M/s. BNR UDYOG LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of BNR UDYOG LIMITED ("the Company"), which comprises the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b) In our opinion, proper Books of Accounts, as required by law, have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit & Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the Books of Account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement complying 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 written representations received from the Directors, as on March 31, 2015, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015, from being appointed as a Director in the terms of section 164(2) of the Act.
 - f) With respect to the other matters to be included in Auditors Report in accordance with Rule 11 of Companies (Audit and Auditors), 2014, in our opinion and to the best of our information and according to the explanations given to us.
 - (i) The Company has disclosed the impact of pending litigation on its financial position in its financial statements.
 - (ii) In our opinion and as per information and explanations provides to us, the company has not entered into any long term contracts including derivatives contracts requiring provisions under applicable laws or accounting standards, for material foreseeable losses and
 - (iii) There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For LAXMINIWAS & JAIN,
Chartered Accountants
Firm Registration No. 001859S

sd/-
B. RAMESH KUMAR
Partner
Membership No. 200304

Place : Hyderabad
Date : 28.05.2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

M/s. BNR UDYOG LIMITED

[Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date]

1. a.) According to the information and explanations furnished to us, the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b.) According to the information and explanations furnished to us, all the assets have been physically verified by the Management during the year through a regular programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
2. a.) According to the information and explanations furnished to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
b.) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c.) According to the information and explanations furnished to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. According to the information and explanations given to us, the company has not granted any loans secured or Unsecured to Companies, firms or other Parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchases of property, shares, and other securities and fixed assets and with regard to sale of property, shares and other securities and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. According to the information and explanations given to us, The Company has not accepted any deposits in terms of Directives issued by the Reserve Bank of India and provision of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. The maintenance of cost records under section 148(1) of the Companies Act, 2013 has not been prescribed by the Central government for the products of the company.
7. a.) According to the information and explanations given to us and the records of the company examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, Value Added tax, cess and any other material statutory dues applicable to it and we have been informed that there are no arrears of outstanding statutory dues as at the last day of the financial year under audit 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 dues of Income Tax, Sales tax, Wealth tax, Service tax, Custom Duty , Excise duty, Value Added tax and cess which are not deposited on account of dispute.

c.) In our opinion and according to information and explanations given to us amounts required to be transferred to investor education and protection fund in accordance with relevant provision of Companies Act, 1956(1 of 1956) and Rules made there under have been transferred to such fund within time.

8. In our opinion, the company has no accumulated losses as at 31.03.2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year
9. According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, bank and debenture holders as at balance sheet date.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
11. According to information and explanations given to us, no term loan were Obtained during the year under audit.
12. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For LAXMINIWAS & JAIN,
Chartered Accountants
Firm Registration No. 001859S

sd/-

B. RAMESH KUMAR
Partner
Membership No. 200304

Place : Hyderabad
Date : 28.05.2015

BALANCE SHEET AS AT 31st March, 2015

(Value in Rs.)

PARTICULARS	Note	As at 31-03-2015	As at 31-03-2014
<u>EQUITY AND LIABILITIES</u>			
Shareholders' funds			
Share Capital	2.1	3,00,00,000	3,00,00,000
Reserves and Surplus	2.2	2,48,98,465	2,74,29,719
		5,48,98,465	5,74,29,719
Non-current liabilities			
Long-term borrowings	2.3	—	1,42,082
Deferred tax liabilities (net)	2.4	36,54,689	56,25,545
		36,54,689	57,67,627
Current liabilities			
Short-term borrowings	2.5	—	—
Trade payables	2.6	3,06,527	57,79,337
Other current liabilities	2.7	20,07,637	22,96,102
Short-term provisions	2.8	36,10,730	35,09,850
		59,24,894	1,15,85,289
TOTAL		6,44,78,048	7,47,82,635
<u>ASSETS</u>			
Non-current assets			
Fixed assets	2.9		
Tangible assets		63,87,600	1,91,18,540
Intangible Assets		—	—
Capital work-in-progress		—	—
Non-current Investments	2.10	2,15,44,524	1,43,05,419
Long term loans and advances	2.11	95,727	86,727
Other non-current assets	2.12	75,71,250	1,54,64,380
		3,55,99,101	4,89,75,066
Current assets			
Current investments	2.13	—	—
Inventories	2.14	73,32,876	73,32,876
Trade receivables	2.15	1,01,23,355	1,07,94,110
Cash and cash equivalents	2.16	92,33,463	37,86,475
Short-term loans and advances	2.17	19,99,988	21,36,399
Other current assets	2.18	1,89,265	17,57,709
		2,88,78,947	2,58,07,569
TOTAL		6,44,78,048	7,47,82,635

Significant accounting policies and notes on accounts 1 & 2

The notes referred to above form an integral part of the accounts

As per our report of even date attached.

For **LAXMINIWAS & JAIN**, Chartered Accountants,

Firm Registration No. 001859S

sd/-

B. RAMESH KUMAR

Partner M.No. 200304

Place : Hyderabad

Date : 28.05.2015

sd/-

SONALAGARWAL

Company Secretary

M. No. 29790

For and on behalf of the Board

sd/-

KAMAL NARAYAN RATHI

Managing Director DIN : 00011549

sd/-

SANDEEP RATHI

ED cum CFO

DIN : 05261139

sd/-

T. BHARADWAJ

Director

DIN : 00211834

Statement of Profit and Loss for the year ended 31st March, 2015

PARTICULARS	Note	As at 31-03-2015	Value in Rs. As at 31-03-2014
Revenue			
I Revenue from operations			
Revenue from operations	2.19	2,34,01,078	3,06,40,802
Other Operating revenue		<u>32,71,449</u>	<u>40,28,595</u>
Total Revenue from Operations	2.19	2,66,72,527	3,46,69,397
II Other Income	2.20	<u>12,60,148</u>	<u>14,66,775</u>
III Total Revenue (I+II)		<u>2,79,32,675</u>	<u>3,61,36,172</u>
IV Expenses:			
Changes in Inventories	2.21	—	—
Employee benefits expenses	2.22	1,10,74,597	1,79,42,532
Finance costs	2.23	67,082	7,00,494
Depreciation and amortization expense	2.9	59,60,288	25,88,568
Other expenses	2.24	<u>72,75,585</u>	<u>68,39,905</u>
Total Expenses		<u>2,43,77,552</u>	<u>2,80,71,499</u>
V Profit before Exceptional items and Tax (III-IV)		35,55,123	80,64,673
VI Exceptional Items	2.25	<u>98,070</u>	—
VII Profit Before Tax (V-VI)		<u>36,53,193</u>	<u>80,64,673</u>
VIII Tax Expenses:			
(a) Current tax	2.26	20,45,552	15,25,000
(b) Deferred tax Add / (Less)	2.26	(19,70,856)	9,43,736
(c) Adjustment for earlier year	2.26	<u>(2,21,750)</u>	<u>1,36,136</u>
Total Tax Expenses		<u>(1,47,054)</u>	<u>26,04,872</u>
IX Profit for the period (VII)		36,53,193	80,64,673
X Profit for the period after Tax (IX-VIII)		38,00,247	54,59,801
XI Earnings per equity share:			
(a) Basic		1.27	1.82
(b) Diluted		1.27	1.82

The notes referred to above form an integral part of the accounts

As per our report of even date attached.

For and on behalf of the Board

For **LAXMINIWAS & JAIN**, Chartered Accountants,

Firm Registration No. 001859S

sd/-

KAMAL NARAYAN RATHI

Managing Director DIN : 00011549

sd/-

B. RAMESH KUMAR

Partner M.No. 200304

Place : Hyderabad

Date : 28.05.2015

sd/-

SONALAGARWAL

Company Secretary

M. No. 29790

sd/-

SANDEEP RATHI

ED cum CFO

DIN : 05261139

sd/-

T. BHARADWAJ

Director

DIN : 00211834

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs' 000)

PARTICULARS	2014-2015	2013-2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax and extraordinary items	3,555	8,065
Depreciation	5,960	2,589
Financial Charges	67	700
Operating profit before working capital changes	9,582	11,354
Adjustments for: Trade and other receivables	671	5,490
Inventories	—	—
Current Assets	1,568	(655)
Loans and advances	136	349
Current Liabilities & Provision/Trade payables	(5,761)	(979)
Tax	(1,823)	(2,654)
Cash generated from operations	4,373	12,904
Cash flow before extraordinary items	4,373	12,904
NET CASH FLOW FROM OPERATING ACTIVITIES	4,373	12,904
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Increase in long term loans and advances	(9)	—
Increase in Fixed Deposit	7,893	47
Purchase of Fixed Assets	(1301)	(813)
Sale of Fixed Asset	5,449	22
Investments (Shares) / Other Investments	(7,239)	1,321
NET CASH FLOW FROM INVESTING ACTIVITIES	4,793	577
C. CASH FLOW FROM FINANCING ACTIVITIES		
Secured Loans repaid	(142)	(6,103)
Dividend / Tax on Dividend paid	(3,510)	(3,510)
Financial Charges	(67)	(700)
NET CASH USED IN FINANCING ACTIVITIES	(3,719)	(10,313)
Cash flow during the Year (A+B+C)	5,447	3,168
Add: Cash and Cash equivalent as at 01-04-2014	3,786	618
Cash and Cash equivalent as at 31-03-2015	9,233	3786

As per our report of even date attached.

For and on behalf of the Board

For **LAXMINIWAS & JAIN**, Chartered Accountants,
Firm Registration No. 001859S

sd/-

KAMAL NARAYAN RATHI

Managing Director DIN : 00011549

sd/-

sd/-

B. RAMESH KUMAR
Partner M.No. 200304
Place : Hyderabad
Date : 28.05.2015

sd/-

SONAL AGARWAL
Company Secretary
M. No. 29790

sd/-

SANDEEP RATHI
ED cum CFO
DIN : 05261139

T. BHARADWAJ
Director
DIN : 00211834

Notes to financial statements for the year ended 31st March, 2015

As at	As at
31-03-2015	31-03-2014
(Rupees)	(Rupees)

Note 2.1 SHARE CAPITAL

Authorised Capital : 50,00,000 (Previous Year 50,00,000) Equity Shares of Rs.10/- each	5,00,00,000	5,00,00,000
Issued, Subscribed & Paid up 30,00,000 (Previous Year 30,00,000) Equity Shares of Rs.10/- each.	<u>3,00,00,000</u>	<u>3,00,00,000</u>
TOTAL	3,00,00,000	3,00,00,000

Notes :

Particulars	2014-15		2013-14	
	No. of Shares	Value (Rs.)	No. of Shares	Value (Rs.)
Issued, subscribed and paid-up capital	30,00,000	3,00,00,000	30,00,000	3,00,00,000
At the beginning of the period	30,00,000	3,00,00,000	30,00,000	3,00,00,000
At the closing of the period	30,00,000	3,00,00,000	30,00,000	3,00,00,000

Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Name of the Shareholder	As at 31 st March 2015		As at 31 st March 2014	
	%	No. of Shares	%	No. of Shares
Kamal Narayan Rathi	57.92	17,37,634	50.46	15,13,934
Mayura Rathi	5.03	1,50,873	4.89	1,46,673
Basanti Devi Rathi	—	—	10.04	3,01,200

Notes to financial statements for the year ended 31st March 2015

Note 2.2 Reserves and Surplus	As at 31-03-2015 (Rupees)	As at 31-03-2014 (Rupees)
General Reserve		
Opening balance of General Reserve	1,05,50,000	1,03,50,000
Add: Transferred from P&L Account during the year	1,00,000	2,00,000
	1,06,50,000	1,05,50,000
Surplus in the Statement of Profit and Loss		
Opening balance	1,68,79,719	1,51,29,768
Add : Profit for the period	38,00,247	54,59,801
Less : Proposed Dividend (inclusive of tax)	36,10,730	35,09,850
Less: Transferred to General Reserve during the year	1,00,000	2,00,000
Less: Depreciation in respect of Assets whose useful life is over	27,20,771	—
Net Surplus in the Statement of Profit and Loss	1,42,48,465	1,68,79,719
TOTAL	2,48,98,465	2,74,29,719

Note 2.3
Long-term borrowings

A. Secured Loans		
i) Vehicle Loan from Axis Bank	—	1,42,082
SUB TOTAL A	—	1,42,082
B. Unsecured loans	—	—
SUB TOTAL B	—	—
TOTAL (A+B)	—	1,42,082

Note: 2.4
Deferred Tax Liabilities (Net)

Opening balance	56,25,545	46,81,809
Provision for the year	(19,70,856)	9,43,736
Closing Balance	36,54,689	56,25,545

Note: 2.5

Short-term borrowings	—	—
------------------------------	---	---

Notes to financial statements for the year ended 31st March 2015

Note: 2.6 Trade payables	As at 31-03-2015 (Rupees)	As at 31-03-2014 (Rupees)
Trade payables	3,06,527	57,79,337
Total	3,06,527	57,79,337

Note: Out of the said amount NIL amount pertains to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The information has been given in respect of such vendors to the extent they could be identified as Micro and Small Enterprises on the basis of information available with the Company on records.

Note: 2.7
Other current liabilities

Other Liabilities	13,03,024	14,22,911
Unclaimed Dividend	5,62,531	5,23,669
Vehicle loan instalments due less than 12 months	1,42,082	3,49,522
Total	20,07,637	22,96,102

Note: 2.8
Short-term provisions

Provision for taxation (Net of Advance Tax/TDS)	—	—
Proposed Dividend (Incl. Tax)	36,10,730	35,09,850
Total	36,10,730	35,09,850

Note 2.9
Fixed Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As at 1-4-2014 Rs.	Addition (Deletion) for the year Rs.	As at 31-3-2015 Rs.	Upto 1-4-2014 Rs.	Addition for the year Rs.	Sale Adj./ Transfer to reserve Fund Rs.	Upto 31-3-2015 Rs.	As at 31-3-2015 Rs.	As at 31-3-2014 Rs.
Tangible									
1. Land	45,31,100	(45,31,100)	---	----	----	---	----	----	45,31,100
2. Building	11,21,954	----	11,21,954	6,19,737	33,483	---	6,53,220	4,68,734	5,02,217
3. Plant & Equipment	20,50,872	9,92,665 (7,49,925)	22,93,612	7,72,337	5,02,727	(1,31,760) 1,35,082	12,78,386	10,15,226	12,78,535
4. Computers (Off. Equip)	2,03,39,288	43,427	2,03,82,715	1,16,73,895	43,93,955	28,04,707	1,88,72,557	15,10,158	86,65,393
5. Furniture & Fixtures	34,00,529	2,09,836	36,10,365	29,82,870	3,93,282	(2,19,019)	31,57,133	4,53,232	4,17,659
6. Vehicles	50,54,580	55,020 (2,43,401)	48,66,199	13,30,944	6,36,841	(41,838)	19,25,947	29,40,250	37,23,636
TOTAL	3,64,98,323	(42,23,478)	3,22,74,845	1,73,79,783	59,60,288	25,47,172	2,58,87,243	63,87,600	1,91,18,540
PREVIOUS YEAR	3,57,07,222	7,91,101	3,64,98,323	1,47,91,215	25,88,568	---	1,73,79,783	1,91,18,540	2,09,16,007

Note 2.10 Non Current Investments
Trade Investments (Investment in Equity Instruments)

Name of the Company	As at 31-03-2015		As at 31-03-2014	
	Quantity Shares/ Debentures	Amount Rs.	Quantity Shares/ Debentures	Amount Rs.
Quoted Investment				
Anant Raj Industries Limited	700	85,551	700	85,551
Assam Company Ltd.	27000	2,65,572	2000	78,562
Ballarpur Industries Ltd.	2000	40,460	2000	40,460
Bharat Immunologicals & Biologicals Corp. Ltd.	1000	74,390	1000	74,390
CCL Products Ltd.	2000	3,64,880	---	---
Cigniti Limited	1966	8,54,173	---	---
Cipla Ltd.	2000	12,89,260	---	---
Consolidated Finvest & Holding Ltd.	4650	4,21,755	4650	4,21,755
Deccan Chronicle Holding Ltd.	5000	39,800	5000	39,800
Facor Steel Ltd.	25000	2,99,000	25000	2,99,000
Frontline Soft Limited (FSL Projects)	5000	1,13,750	5000	1,13,750
GMR Infrastructure Ltd.	3000	2,91,935	3000	2,91,935
Goldstone Infratech Limited	2300	3,19,054	2300	3,19,054
Gujarat Ambuja Exports Limited	---	---	2661	1,10,565
Hazoor Multi Media Ltd.	4265	96,858	4265	96,858
HDIL Ltd.	1000	7,04,222	1000	7,04,222
IFCI Ltd.	---	---	2000	71,980
India Cement Ltd.	3300	5,21,865	3300	5,80,098
Infotech Enterprises Limited	1000	5,41,280	---	---
Infra Development Finance Corp. Ltd.	4000	7,02,120	---	---
ISMT-New (Indian Seamless Metal Tubes)	1000	1,17,393	1000	1,17,393
ITC Limited	5000	17,33,670	---	---
ITD Cementation India Ltd.	---	---	700	3,70,901
Jaiprakash Hydro Ltd.	500	67,140	500	67,140
JMC Project Limited	890	1,94,762	890	1,94,762
Jupiter Bio Science Limited	1000	80,190	1000	80,190
JVL Agro Limited	5000	2,10,715	5000	2,10,715
KS Oils Ltd.	2500	2,16,520	2500	2,16,520
Kingfisher Air Lines	500	1,23,202	500	1,23,202
KLG Systel Ltd.	4369	15,94,004	4369	15,94,004
L & T Finance Ltd.	3000	2,33,915	---	---
Nagarjuna Fer & Chem. Ltd.	1100	15,546	1100	15,546
NHPC Limited	4000	1,07,320	---	---
NMDC Ltd.	1800	6,52,254	1800	6,52,254
NTC Industries Ltd.	5439	4,90,276	4424	4,16,709
Pentamedia Graphics Limited	900	1,19,800	900	1,19,800
Pioneer Embroideries Ltd.	9189	9,50,339	9189	9,50,339
Praj Industries Ltd.	500	1,24,885	500	1,24,885
Punj Lloyd Ltd.	2000	3,19,762	2000	3,19,762
PVP Venture Ltd.	3500	5,67,730	3500	5,67,730
RDB Realities & Infra Ltd.	1424	2,07,597	1424	2,07,597
Reliance Communication Ltd.	200	1,61,862	200	1,61,862

Name of the Company	As at 31-03-2015		As at 31-03-2014	
	Quantity Shares/ Debentures	Amount Rs.	Quantity Shares/ Debentures	Amount Rs.
Reliance Industries Ltd.	1000	8,90,890	500	8,61,120
Rohit Ferro Tech Ltd.	12235	14,57,131	12235	14,57,131
Samtel Color Limited	2000	31,840	2000	31,840
Seshachal Tec. (Javelin Technologies Ltd.)	2000	1,70,124	2000	1,70,124
SKS Micro Limited	----	----	3000	5,73,558
Snowman Logistics Ltd.	9000	8,48,640	----	----
Soma Textiles Industries Ltd.	15000	2,00,931	15000	2,00,931
SSPDL (Srinivasa Shipping Co.)	1000	62,124	1000	62,124
Sun Pharmaceuticals Limited	500	5,27,275	----	----
Suzlon Energy Ltd.	13400	5,36,509	3400	2,76,209
Tata Motors Ltd.	200	67,268	----	----
Tata Steel Ltd.	----	----	600	3,35,673
Tata Tele Services Ltd.	----	----	20000	1,57,053
The Shipping Corporation of India	756	1,05,840	756	1,05,840
X Changing SOL (Cambridge Solution Ltd.)	500	1,29,525	500	1,29,525
Unitech Limited	32500	10,94,200	----	----
Windsor Machine Ltd.	3000	1,02,420	----	----
SUB TOTAL (A)		2,15,39,524		1,42,00,419
Aggregate Market Value		1,12,16,362		26,52,596
Unquoted Investments				
A.P. Mahesh Co-op. Urban Bank	250	5,000	250	5,000
SUB TOTAL (B)		5,000		5,000
Total of Investments in Shares (A+B)		2,15,44,524		1,42,05,419
Other Investments				
BNR Pashamylaram Enterprises Pvt. Ltd. Equity Shares of Subsidy Company	----	----	10000	1,00,000
TOTAL Non Current Investments		2,15,44,524		1,43,05,419

Notes to financial statements for the year ended 31st March 2015

Note 2.11
**Long term loans and advances
Unsecured, considered good**

	As at 31-03-2015 (Rupees)	As at 31-03-2014 (Rupees)
Telephone Deposit	20,000	11,000
Deposits with Govt. bodies	75,727	75,727
Total	95,727	86,727

Note 2.12
Other non-current assets

Fixed Deposit Receipts	71,75,000	1,48,19,387
Interest from FDR's	3,96,250	6,44,993
Total	75,71,250	1,54,64,380

Note 2.13

Current Investments	—	—
----------------------------	---	---

Notes : 2.14
Inventories

Stock in trade (in respect of goods acquired for trading at lower of cost or net realisable value)	73,32,876	73,32,876
TOTAL	73,32,876	73,32,876

Notes: 2.15
Trade Receivables

(Unsecured, considered good)		
Outstanding for a period exceeding six months	—	—
Others	1,01,23,355	1,07,94,110
TOTAL	1,01,23,355	1,07,94,110

Note 2.16
**Cash and Cash Equivalents
Balances with banks**

On Current Accounts	86,45,606	31,00,515
On Unclaimed dividend account	5,62,531	5,23,669
On HDFC Bank Gratuity Employees Scheme	10,000	10,000
Cash on Hand	15,326	1,52,291
TOTAL	92,33,463	37,86,475

Notes to financial statements for the year ended 31st March 2015

Note 2.17	As at	As at
Short-term loans and advances	31-03-2015	31-03-2014
(Unsecured and considered good)	(Rupees)	(Rupees)
Security and other Deposit	17,60,000	17,60,000
Other Loans and Advances Recoverable	—	2,50,000
Prepaid expenses	34,335	41,871
Advance for expenses	2,05,653	84,528
TOTAL	19,99,988	21,36,399

Note: 2.18

Other current assets

Income Tax/ Service Tax Receivable	1,21,533	13,44,596
Rent Receivable	67,732	58,913
Work in progress	—	—
Earnest Money Deposit	—	3,54,200
Total	1,89,265	17,57,709

Notes 2.19

Revenues from Operations

Business Support Services	1,20,24,538	1,70,49,849
Medical Transcription Services	1,13,76,540	1,35,90,953
Revenue from Operations	2,34,01,078	3,06,40,802
Other Operating Revenue		
Brokerage from primary market/Misc. Income	11,562	13,055
Profit on foreign exchange fluctuation in rates	3,45,853	6,67,727
Rent	6,84,249	6,38,832
Profit on Shares	22,29,785	27,08,981
TOTAL	32,71,449	40,28,595

Notes 2.20

Other Income

Interest	12,27,990	13,99,501
(TDS Rs.20,915/- Previous year Rs.36,086/-)		
Dividend	32,158	67,274
TOTAL	12,60,148	14,66,775

Notes to financial statements for the year ended 31st March 2015

Note 2.21 As at
Changes in inventories of Work-in-process, 31-03-2015
Finished Goods and Scrap (Rupees) As at
31-03-2014
(Rupees)

	As at 31-03-2015 (Rupees)	As at 31-03-2014 (Rupees)
A. Opening stocks:		
Work-in-process		
Finished Goods	73,32,876	73,32,876
Scrap		
TOTAL - A	73,32,876	73,32,876
B. Closing stocks:		
Work-in-process		
Finished Goods	73,32,876	73,32,876
Scrap		
TOTAL - B	73,32,876	73,32,876
C. Increase/(Decrease) in stocks (B-A)	—	—

Note 2.22
Employee Benefit Expense

Employees remuneration and benefits	99,33,243	1,64,55,440
Contribution to PF/ESI/Gratuity	1,38,625	2,97,144
Remuneration to Managerial personnel	7,92,464	8,06,995
Staff welfare expenses	2,10,265	3,82,953
TOTAL	1,10,74,597	1,79,42,532

Note 2.23
Finance Costs

Interest on Loans	45,955	6,54,649
Bank Charges	21,127	45,845
TOTAL	67,082	7,00,494

Note 2.24
Other Expenses

Business Support Charges	35,29,555	19,90,877
Share Transfer Expenses	39,903	51,395
Repairs & Maintenance :		
Plant & Machinery	2,17,593	2,99,775
Building	5,98,699	1,30,737
Vehicles	3,58,496	4,14,742
Postage & Telegram	62,082	1,20,037
Travelling & Conveyance	2,60,356	2,20,526

Notes to financial statements for the year ended 31st March 2015

	As at 31-03-2015 (Rupees)	As at 31-03-2014 (Rupees)
Foreign Travel Expenses	1,40,464	1,66,446
Insurance	85,543	1,87,275
Penalty	1,000	—
Rates & Taxes (Excluding Taxes on Income)	2,67,028	2,30,115
Rent	49,920	1,54,100
Remuneration to auditors :		
Audit Fee	40,000	30,000
Tax Audit Fee	25,000	15,000
Communication Expenses	3,59,375	4,59,733
Subscription	61,785	61,869
Advertisement Expenses	54,325	62,714
Printing & Stationery	2,77,621	9,72,164
Electricity Charges	2,81,605	4,00,707
Professional charges	1,73,088	87,618
Director Sitting Fees	29,498	22,000
Business Promotion Expenses	1,45,752	3,39,913
Office, General & Miscellaneous Expenses	1,21,452	1,86,708
Transportation Expenses	2,200	1,64,240
Tender Fee & Operators exam fee	—	30,380
Share Transfer Stamps/Demat/Dly Expenses	93,245	19,834
Donation	—	21,000
TOTAL	72,75,585	68,39,905

Note 2.25

Exceptional Items

Profit /(-Loss) on Sale of Assets	98,070	—
TOTAL	98,070	—

Note 2.26

Tax Expenses

Current Tax Provision for Tax	20,45,552	15,25,000
Total Current Tax	20,45,552	15,25,000
Deferred (Credit) / Debit Expenses	(19,70,856)	9,43,736
Adjustment for earlier year	(2,21,750)	1,36,136
TOTAL	(1,47,054)	26,04,872

NOTES FORMING PART OF THE ACCOUNTS:

1. Significant Accounting Policies :

- (a) **FIXED ASSETS** : Fixed Assets are stated at Cost less depreciation and inclusive of expenses upto Commissioning / putting the assets to use.
- (b) **DEPRECIATION**: Depreciation is systematically allocated over the useful life of the asset as specified in Schedule_II of Companies Act,2013.
- (c) **INVENTORIES** : Inventories of landed properties are valued at cost of acquisition to the company or market rate value whichever is lower . In respect of construction, work-in-progress, the Company has adopted completed Contract method of accounting and hence carried over the cost of work-in-progress
- (d) **INVESTMENTS**: No Provision for diminution in the value of investment is made in the books as the Company is valuing investments at cost consistently and provision for diminution in value of long term Investments is made only if, such a decline is permanent in the opinion of the Management.
- (e) **RECOGNITION OF INCOME AND EXPENDITURE** : Items of Income and Expenditure are Recognised on accrual basis except otherwise stated in notes to Accounts or where the same are not in the knowledge in the ordinary course of business.
- (f) **FOREIGN EXCHANGE TRANSACTIONS** : The transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transactions which define to be date of Invoice Monetary Assets & Liabilities denominated in Foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognised in the profit and loss account.
- (g) **IMPAIRMENT OF ASSETS** : The carrying amounts of assets are reviewed at each Balance sheet date for any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss if any, is charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years in is recorded when there is an indication that the impairment losses recognised for the assets no longer exists or have decreased.
- (h) **RETIREMENT & OTHER BENEFITS** :
 - (i) Contribution to the Provident Fund are charged to Profit & loss account each year.
 - (ii) The Company has opted for the Group Gratuity - cum - Life Assurance Fund of The Life Insurance Corporation of India (LIC). The Company's contribution to the Scheme is charged to the Profit & Loss A/c. for the year.
- (i) **PROVISION FOR CURRENT & DEFERRED TAX** : The provision for current tax is made after taking into consideration benefit admissible and applicability of Minimum Alternate Tax under the provision of Income Tax Act, 1961. Deferred Tax which is resulting on account of timing difference between taxable and accounting income is accounted for applying the tax rate and laws that are acted or substantively acted as on balance sheet date. It is reconised subject to prudence.
- (j) **SEGMENT REPORTING**: Segments are indentified having regard to the dominant source and nature of risks and returns the internal organisation and management structure. Inter segment revenue are accounted on the basis of transactions which are primarily market led. Revenue and expenses which relate to the enterprise as a whole and are not attributable to segments are included in unallocable expenses.

2. Notes to financial statements for the year ended 31 March 2015

i. MANAGERIAL REMUNERATION:	2014-2015	2013-2014
	Rs.	Rs.
Salary to Managing Director	7,20,000	7,20,000
Contribution to Provident Fund	57,600	57,600
Medical Reimbursement	14,864	29,395
	7,92,464	8,06,995

ii. SEGMENT REPORTING - ACCOUNTING STANDARD —17

A. Primary Segment

(Rs. In Lakhs)

		Medical Transcription	Business Support	Finance & Others Act.	Total
a.	Segment Revenue Less : Inter Seg. Revenue	117.22	120.24	42.84	280.30
b.	Segment Results Less : Interest	7.13	23.30	9.44	39.87
	Unallocable Expenses	---	---	---	0.46
	Profit before Tax	---	---	---	2.88
					36.53
c.	Segment Assets	118.24	24.43	502.12	644.79
d.	Segment Liabilities	9.22	4.48	82.00	95.70
e.	Net Assets	109.02	19.95	420.12	549.09

B. Secondary Segment (Geographical Segment) : The Group's Business is organised into two key geography segments comprising United States of America (USA) and India

		2014-2015		2013-2014	
		USA	INDIA	USA	INDIA
a.	Segment Revenue	117.22	163.08	142.59	218.77
b.	Segment Assets	109.02	440.07	114.71	459.59

iii. DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO ACCOUNTING STANDARD 18

A) List of related parties

- I) Parties where control exist - Nil
- II) Other parties with whom Company entered into transactions during the year - Nil
- III) Key Management personnel and enterprises having common key management personnel or their relatives.

Key Management Personnel :

Mr. Kamal Narayan Rathi – Managing Director
Mr. Sandeep Rathi – Executive Director

Enterprises having common Personnel NIL

Relatives of Key Management Personnel

Smt. Mayura Rathi – Daughter-in-law of Shri Kamal Narayan Rathi & W/o. Shri Sandeep Rathi

(B) During the year following transactions were carried out with related parties in ordinary course of Business (Amount in Rs.)

Nature of Transactions	Key Management Personnel & Relatives of Key Management Personnel		Enterprises / having common Management Personnel	
	2014-2015	2013-2014	2014-2015	2013-2014
1. Managerial Remuneration	7,92,464	8,06,995	-	-
2. Salary	8,23,752	7,83,708	-	-
Sandeep Rathi 5,04,752	-	-	-	-
Mayura Rathi 3,19,000	-	-	-	-
3. Loan Accepted				
Kamal Narayan Rathi	-	17,00,000	-	-
Sandeep Rathi	-	4,50,000	-	-
Mayura Rathi	-	5,00,000	-	-
4. Loan Repaid				
Kamal Narayan Rathi	-	17,00,000	-	-
Sandeep Rathi	-	4,50,000	-	-
Mayura Rathi	-	5,00,000	-	-
5. Investment in Associate	-	-	-	-

iv. EARNINGS PER SHARE	2014-2015 Rs.	2013-2014 Rs.
Earnings per share has been calculated as under		
Profit after Taxation	38,00,247	54,59,801
Number of Ordinary Shares	30,00,000	30,00,000
Basic & Diluted Earnings per share (Face value Rs. 10/- per share)	1.27	1.82

v. DEFERRED TAX (Amount in Rs.)

	Deferred Tax Asset / (Liability) as at 1-4-2014	Current Year Charges (Credit)	Deferred Tax Asset / (Liability) as at 31-3-2015
1. Deferred Tax Liabilities			
a) Difference in Valuation of Investments	(36,55,468)	1,42,188	(35,13,280)
Total	(36,55,468)	1,42,188	(35,13,280)
2. Deferred Tax Assets			
a) Difference between book and tax depreciation.	(19,70,077)	18,28,668	(1,41,409)
Total	(19,70,077)	18,28,668	(1,41,409)
Total (1-2)	(56,25,545)	19,70,856	(36,54,689)

vi. EARNINGS IN FOREIGN CURRENCY

(Amount in Rs.)

Particulars	2014-2015	2013-2014
Medical Transcription Income	1,17,22,393	1,42,58,679
Expenditure in Foreign Currency	NIL	96,859

vii. CONTINGENT LIABILITIES

(Amount in Rs.)

Particulars	2014-2015	2013-2014
a) Counter Guarantee against Bank Gaurantee	Rs. 16,75,000	Rs. 50,19,387

viii. There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are standing for more than 45 days as at 31st March 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

ix. Balances shown under Trade Receivable are subject to confirmation/reconciliation

x. Pursuant to enactment of Companies Act, 2013, the company has applied the estimate useful life as specified in Schedule II Accordingly the unamortised carrying value is being depreciated / ammortised over the revised / remaining useful life. The written down value of Fixed Asset whose lives has expired as at 01.04.2014 has been adjusted, in opening balance of Profit & Loss Account amounting to Rs.27.21 Lakhs.

xi. Figures of the previous years have been re-grouped - re- arranged, wherever considered necessary and rounded off to nearest rupee.

xii. EMPLOYEE BENEFITS

Employee Benefits have been provided as per provisions of Revised Accounting Standard 15 issued by the Institute of Chartered Accountants of India with effect from 01.04.2007

DEFINED CONTRIBUTION PLAN :	31-3-2015 in Rs.	31-3-2014 in Rs.
Contribution to Defined Contribution Plan, recognised as expenses for the year are as under :		
Employer's Contribution to Provident / Pension Fund	1,36,306	1,21,815
Employer's Contribution to Employees State Insurance	41,362	1,75,516
Employees Deposit Linked Insurance	5,240	1,456

The Company contributes applicable rates of salary of all eligible employees towards Provident Fund and Employees State Insurance managed by the Central Government.

DEFINED BENEFIT PLAN

The Employee's Gratuity Fund Scheme managed by LIC Group Gratuity is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company is having fair value of plan assets which is more than the present value of obligations. The same is not taken into account considering the prudence

	As on 31/03/2015 Amount in Rs.	As on 31/03/2014 Amount in Rs.
a. Table showing changes in present value of obligations		
Present value of obligations as at beginning of year	8,32,983	7,32,393
Interest Cost	66,639	58,591
Current Service Cost	52,241	46,050
Benefits Paid	—	—
Actuarial Gain/Loss on Obligations	(2,31,194)	(4,051)
Present values of obligations as at end of year	<u>7,20,669</u>	<u>8,32,983</u>
b. Assumptions		
Discount Rate	8.00%	8.00%
Salary Escalation	4.00%	4.00%
c. Table showing fair value of Plan Assets		
Fair values of plan assets at beginning of year	9,24,924	8,47,325
Actual return on plan assets	84,832	74,216
Contributions	34,758	3,383
Benefits Paid	—	—
Fair value of plan assets at the end of year	<u>10,44,514</u>	<u>9,24,924</u>

As per our report of even date attached.

For **LAXMINIWAS & JAIN,**
Chartered Accountants
Firm Registration No. 001859S

sd/-

B. Ramesh Kumar
Partner M.No. 200304

For and on behalf of the Board

sd/-
KAMAL NARAYAN RATHI
Managing Director
DIN : 00011549

sd/-

SONAL AGARWAL
Company Secretary
(M. No. 29790)

sd/-

SANDEEP RATHI
ED cum CFO
DIN : 05261139

sd/-

T. BHARADWAJ
Director
DIN : 00211834

Place : Hyderabad
Date : 28.05.2015



**Form No. MGT-11
PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L67120AP1994PLC018841
Name of the company : BNR Udyog Limited
Registered office : 6-3-650, 218, 2nd floor, Maheshwari Chambers,
Somajiguda Hyderabad – 500082, Telangana, India

Name of the member(s):
Registered Address:
E-mail Id:
Folio No./Client Id:
DP ID:

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

- 1. Name :
Address :
E-mail Id :
Signature:, or failing him
- 2. Name :
Address :
E-mail Id :
Signature:, or failing him
- 3. Name :
Address :
E-mail Id :
Signature:, or failing him

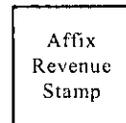
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the company, to be held on Thursday, 3rd September 2015 at 10-00 a.m. at Hotel Inner Circle, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1. Approval of financial statements for the year ended 31.03.2015.
- 2. Declaration of Dividend for the financial year 31.03.2015.
- 3. Appointment of statutory auditors and fixation of their remuneration.
- 4. Appointment of Mr. Kamal Narayan Rathi as Director who retires by rotation
- 5. Adoption of new articles as per Table F of the Companies Act, 2013.

Signed this day of..... 2015

Signature of shareholder



Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



BNR UDYOG LIMITED

6-3-650, 218, 2nd floor, Maheshwari Chambers, Somajiguda, Hyderabad – 500082

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 21st Annual General Meeting of the members of the Company to be held on Thursday, 3rd September 2015 at 10-00 a.m. at Hotel Inner Circle, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082 and at any adjourned meeting thereof.

Shareholders/Proxy's Signature _____

Shareholders/Proxy's full name _____

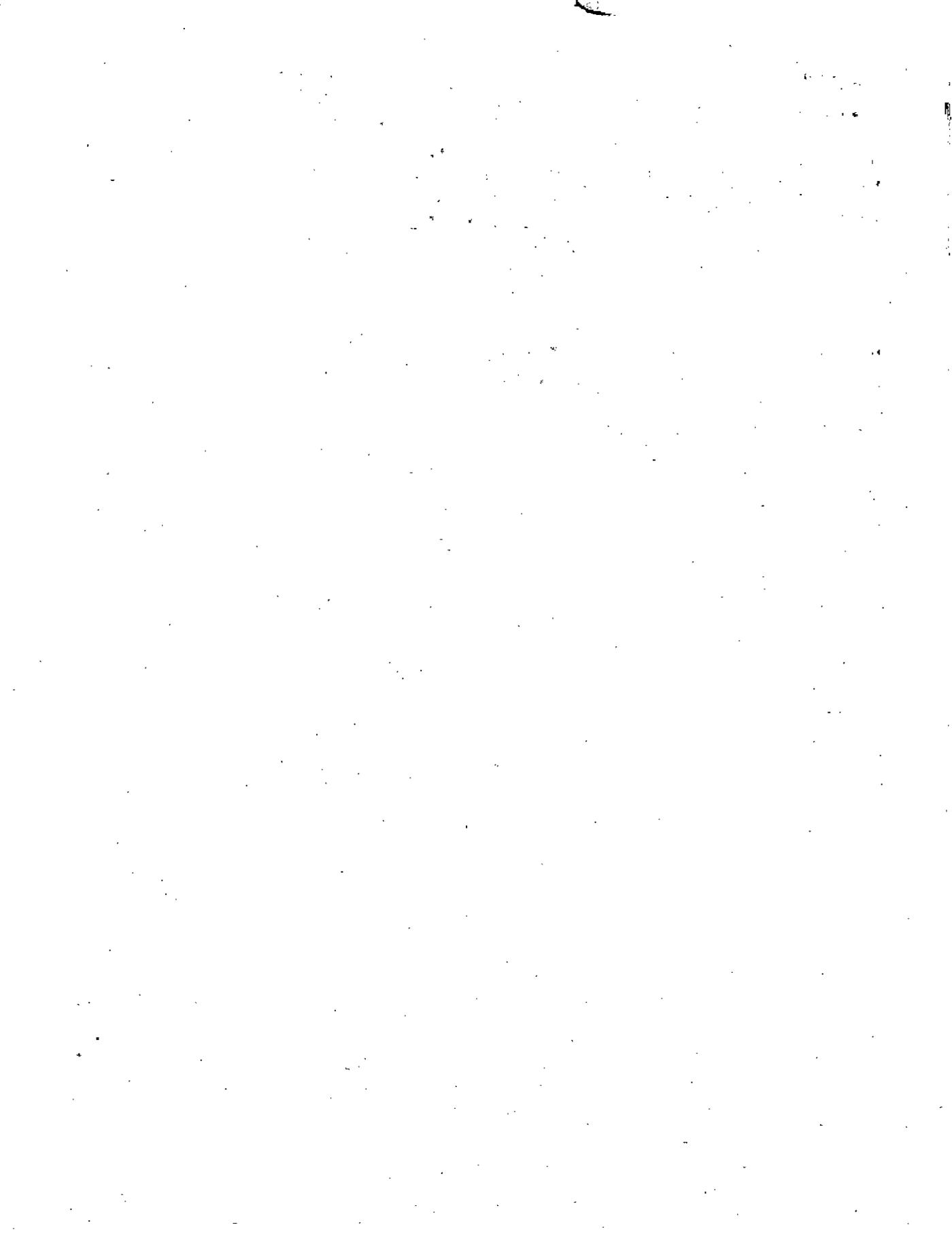
(In block letters)

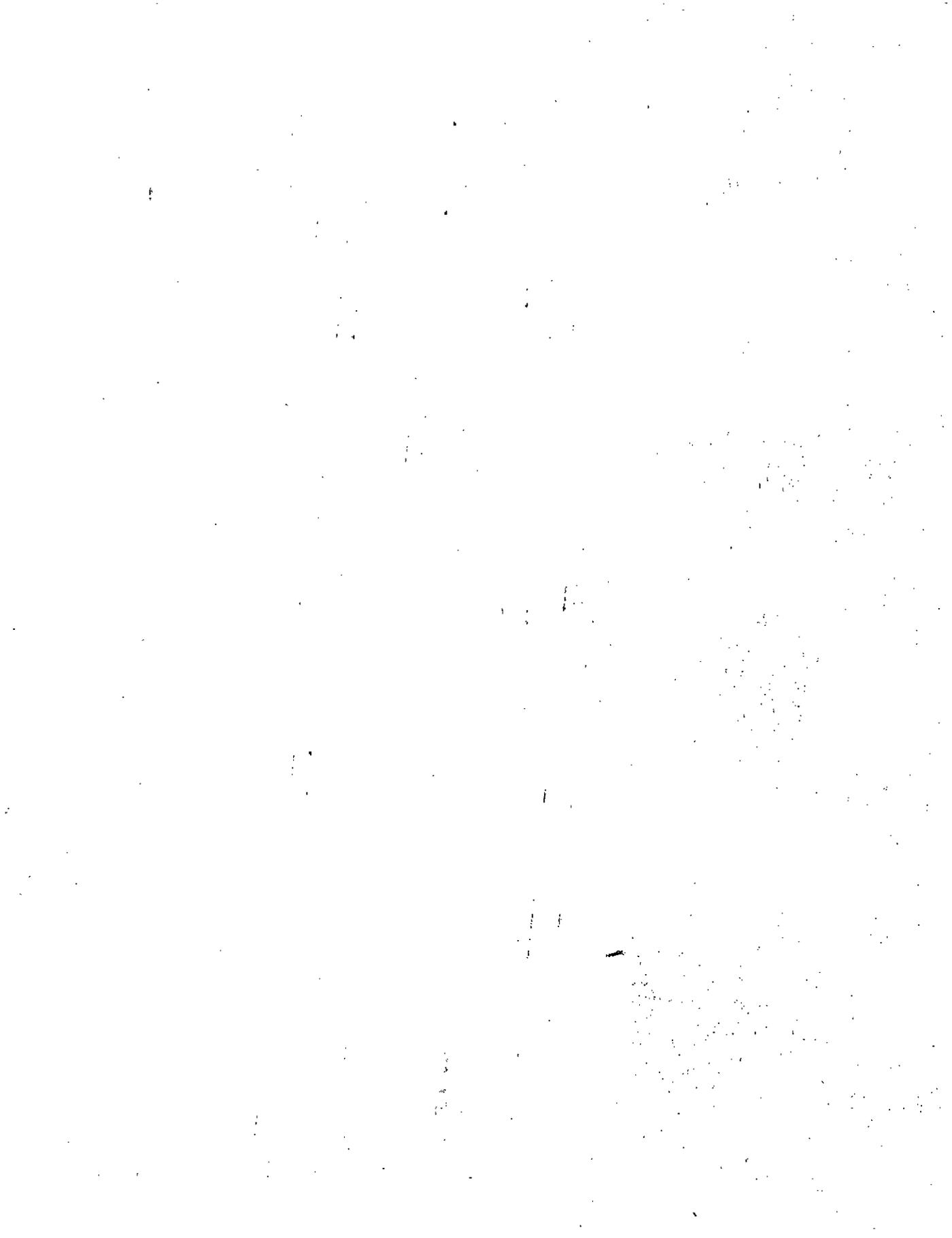
Folio No. / Client ID _____

No. of shares held _____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.







PRINTED MATTER
BOOK-POST

If undelivered please return to :

BNR UDYOG LIMITED

Registered Office :

6-3-650, 218, 2nd Floor,

Maheshwari Chambers, Somajiguda,

Hyderabad - 500 082 T.S. INDIA