



BLUE CHIP TEX INDUSTRIES LTD.

31st
ANNUAL
REPORT
2015–2016



BLUE CHIP TEX INDUSTRIES LTD.

Board of Directors : ASHOK K. KHEMANI Chairman and Managing Director
NAND K. KHEMANI
RAHUL A. KHEMANI
SHAHIN N. KHEMANI
KUMAR S. NATHANI
MANMOHAN ANAND
VIJAY MISHRA (Resigned w.e.f. 05/04/2016)
SHRADDHA TELI

Auditors : Rajendra & Co.
Chartered Accountant

Banker : Axis Bank

Registered Office : "Jasville", 2nd Floor,
Opp. Liberty Cinema,
9, New Marine Lines,
Mumbai 400 020.
Tel. : 022-4353 0400
Fax : 022-2200 6437
Email : bluechiptex@gmail.com
Website : bluechiptexindustrieslimited.com

Factory : Plot No. 63-B, Danudyog Sahakari Sangh Ltd
Village Piparia,
District Silvassa,
Union Territory of Dadra & Nagar Haveli
Pin - 396 230

Registrar & Transfer Agent : BIGSHARE SERVICES PVT. LTD.
E-2, Ansa Industrial Estate,
Sakivihar Road,
Saki Naka, Andheri (East),
Mumbai 400 072.
Tel. : 022 - 4043 0200/2847 0652
Fax : 022 - 2847 5207
e-mail : investor@bigshareonline.com

Members are requested to bring their copy of Annual Report at the A.G.M.

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NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF BLUE CHIP TEX INDUSTRIES LIMITED WILL BE HELD ON SATURDAY 16TH JULY, 2016 AT 10 A.M. AT THE M C GHIA HALL, BHOGILAL HARGOVINDAS BUILDING , 18/20, K. DUBASH MARG, MUMBAI – 400 001 TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2016, the Reports of the Directors and Auditors thereon.
2. To declare a Final Dividend of INR 1.50/- per equity share.
3. To appoint a Director in place of Mr. Rahul Ashok Khemani (DIN 03290468) who retires by rotation and being eligible, offers himself for re-appointment;
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, re-enactment and amendments made from time to time and other applicable Acts, rules, regulations if any, consent of members be and is hereby accorded for re-appointing M/s. Rajendra & Co. Chartered Accountants, bearing registration number 108355W, being retiring Auditors of the Company, as statutory Auditors of the Company to hold the office from the conclusion of the ensuing Annual General Meeting until conclusion of the next Annual General Meeting, at such remuneration as may be fixed by the Board of Directors, as determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of service tax and all out of pocket expenses in connection with the audit of the Accounts of the Company, which may be paid on existing terms or as may be agreed upon between the Auditors and the Board of Directors

RESOLVED FURTHER THAT M/s Rajendra & Co., Chartered Accountants do not attract any disqualification pursuant to Section 141 of the Companies Act, 2013

RESOLVED FURTHER THAT any of Director of the Company be and are hereby authorised, jointly and/or severally to take all steps as are necessary and to do all such acts, deeds and things as may be considered necessary and incidental to give effect to this resolution.”

Special Business

5. **Appointment of Mr. Maulin Samir Gandhi (DIN: 00073064) as Independent Director and to pass, with or without modification, the following Resolution as Ordinary Resolution :**

“RESOLVED THAT pursuant to provisions of Section 149 and Section 152 of the Companies Act, 2013 read along with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any Statutory modification(s) or re-enactment thereof for the time being in force), Mr. Maulin Samir Gandhi (DIN: 00073064), who meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and who was appointed as an Additional Director pursuant to the provisions of the Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (Three)

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consecutive years for a term up to the conclusion of the 34th Annual General Meeting of the Company, and he shall not be liable to retire by rotation

RESOLVED FURTHER THAT any of the Director of the Company be and are hereby authorized to do all such acts, deeds, things such as intimation to the relevant authorities and other matters which are necessary, incidental, ancillary to give effect to aforesaid resolution including filling of relevant e-forms with the Registrar of Companies”.

6. Ratify remuneration of Cost Auditors and to pass, with or without modification, the following Resolution as Ordinary Resolution :

“RESOLVED THAT pursuant to provisions of Section 148 of the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013 and the Companies (Audit and Accounts) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) , the remuneration payable during the year 2016-2017 to M/s NKJ & Associates, Practising Cost Accountants, Navi Mumbai, (Firms’ Registration No.101893) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2016-2017, amounting to INR 40,000/- exclusive of Service Tax and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the Audit be and is hereby ratified and confirmed

RESOLVED FURTHER THAT any of the Director of the Company be and are hereby authorized to do all such acts, deeds, things such as intimation to the relevant authorities and other matters which are necessary, incidental, ancillary to give effect to aforesaid resolution including filling of relevant forms with the Registrar of Companies”.

7. To approve remuneration payable to Mr. Rahul Khemani and to consider and if thought fit to pass the following resolution with or without modification(s) in this regard as a Special Resolution:

“RESOLVED THAT in supersession of the resolution passed at the Twenty- Ninth Annual General Meeting held on 09th September, 2014 and pursuant to the provisions of Section 197 of the Companies Act, 2013 (the Act), read with Companies (Appointment & Remuneration of Managerial Personnel) Rule, 2014 and Schedule V and all other applicable provisions of the Companies Act, 2013, if any (including any statutory modification, re-enactment and amendments made from time to time) and other applicable Acts, rules, regulations if any and the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors, the consent of the members be and is hereby accorded to pay remuneration to Mr. Rahul Khemani, Director (DIN: 03290468) with effect from 1st April, 2016 , within the limits specified under the provisions of Section 197 and subject to compliance of schedule V to the Companies Act, 2013

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure as a Director, the Company has no profits or its profits are inadequate, Mr. Rahul Khemani shall be entitled to receive the minimum remuneration subject to the provision of Section 197 read with Schedule V to Companies Act, 2013 or as may be prescribed by Central Government from time to time

RESOLVED FURTHER THAT the terms and conditions of the remuneration may be altered and varied from time to time by the Board of Directors (‘the Board’ which term shall be deemed to include Nomination & Remuneration Committee thereof as may be constituted) as it may in its discretion deem fit within the maximum amount payable to the Director in accordance with the provisions of the Companies Act, 2013 and subject to such other modification/amendments made thereunder

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as “the Board” which term shall be deemed to include any duly authorized committee thereof, for the time being exercising the powers conferred by the Board by the resolution) be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as

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may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits specified in the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time.”

8. To approve remuneration payable to Mr. Shahin Khemani and to consider and if thought fit to pass the following resolution with or without modification(s) in this regard as a Special Resolution:

“RESOLVED THAT in supersession of the resolution passed at the Twenty- Ninth Annual General Meeting held on 09th September, 2014 and pursuant to the provisions of Section 197 of the Companies Act, 2013 (the Act), read with Companies (Appointment & Remuneration of Managerial Personnel) Rule, 2014 and Schedule V and all other applicable provisions of the Companies Act, 2013, if any (including any statutory modification, re-enactment and amendments made from time to time) and other applicable Acts, rules, regulations if any and the Articles of Association of the Company and as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors, the consent of the members be and is hereby accorded to pay remuneration to Mr. Shahin Khemani, Director (DIN: 03296813) with effect from 1st April, 2016 , within the limits specified under the provisions of Section 197 and subject to compliance of schedule V to the Companies Act, 2013

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure as a Director, the Company has no profits or its profits are inadequate, Mr. Shahin Khemani shall be entitled to receive the minimum remuneration subject to the provision of Section 197 read with Schedule V to Companies Act, 2013 or as may be prescribed by Central Government from time to time

RESOLVED FURTHER THAT the terms and conditions of the remuneration may be altered and varied from time to time by the Board of Directors (‘the Board’ which term shall be deemed to include Nomination & Remuneration Committee thereof as may be constituted) as it may in its discretion deem fit within the maximum amount payable to the Director in accordance with the provisions of the Companies Act, 2013 and subject to such other modification/amendments made thereunder

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as “the Board” which term shall be deemed to include any duly authorized committee thereof, for the time being exercising the powers conferred by the Board by the resolution) be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits specified in the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time.”

By order of the Board

Ashok Kishinchand Khemani
Managing Director
DIN:- 00053623

Place : Mumbai
Date : 16th April, 2016

Registered Office:
Jas Ville 2nd Floor,
9, New Marine Lines,
Mumbai – 400 020.

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Notes :

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and the proxy need not be a member of the Company. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting;
- 2) A person appointed as proxy shall act on behalf of such member or number of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder;
- 3) The Register of Members and Transfer Books of the Company will be closed from Friday, 8th July, 2016 to Friday, 15th July, 2016 (both days inclusive)
- 4) If the Final Dividend as recommended by the Board of Directors is approved at the AGM, payment of such dividend will be made on or before Saturday, 13th August, 2016 as under;
 - a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, 7th July, 2016;
 - b) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Friday, 7th July, 2016.
- 5) Members holding shares in dematerialized form are requested to intimate any changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agent, M/s. Bigshare Services Pvt. Ltd to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Bigshare Services Pvt. Ltd;
- 6) Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/s. Bigshare Services Pvt. Ltd for assistance in this regard;
- 7) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's Registrars and Transfer Agent, M/s. Bigshare Services Pvt. Ltd, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon;
- 8) In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote;
- 9) Members desirous of obtaining any information or clarifications on the Accounts, Annual Report and Operations of the Company, are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting;
- 10) Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF): Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956 and section 123 of Companies Act, 2013 all unclaimed/unpaid dividend, application money,

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debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2016, nor shall any payment be made in respect of such claim;

- 11) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Company/Depositories;
- 12) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL/CDSL, on all resolutions set forth in this Notice;
- 13) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting;
- 14) Members/Proxies should fill the attendance slip for attending the meeting and bring their attendance slip along with their copy of Annual Report to the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting;
- 15) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting;
- 16) All documents referred to in the notice are open for inspection at the registered office of the Company between Business hours on all working days up to the date of the Meeting;
- 17) Member are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Bigshare Services Pvt. Ltd, E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072.

Tel No: 022 - 2852 3474 / 40430200 /2847 0652 / 53

Fax No.: 022 - 2847 5207,

Email :investor@bigshareonline.com

Members wishing to make any communication/correspondence including claiming dividends, which remain unclaimed, are requested to correspond with Mr. Arun Chokhra at the Company's registered office. Members are requested to note that dividend not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, be transferred to the Investor Education and Protection Fund as per Section 205C of the Companies Act, 1956;

- 18) The following are the details of dividend paid by the Company and its respective due date of transfer of such fund to the Central Government, which remain unpaid:

Sr. No.	Date of Declaration	Dividend for the year	Due date of transfer to the Government
1	20.08.2009	2008-2009	19.09.2016
2	20.09.2010	2009-2010	19.10.2017
3	11.08.2011	2010-2011	10.09.2018
4	17.09.2012	2011-2012	17.10.2019
5	21.08.2013	2012-2013	20.09.2020
6	09.09.2014	2013-2014	08.10.2021
7	23.07.2015	2014-2015	22.08.2022

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It may be noted that the claimant of the Dividend shall be entitled to claim the amount of Dividend so entitled from Unpaid Equity Dividend account in accordance with the procedure and submission of such documents as may be prescribed. In view of the above, those Shareholders who have not encashed their dividend warrants are advised to send all the unclaimed dividend warrants to the Registrar & Share Transfer Agents or to the Registered Office of the Company for revalidation and encash them before the due date for transfer to the Central Government.

- 19) Particulars of the dividend transferred to the General Revenue Account of the Central Government i.e. Investor Education & Protection Fund during the Financial Year ended March 31, 2016 pursuant to Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978:

Sr. No.	Date of Declaration of Dividend	Dividend for the Financial Year	Amount transferred to Investor Education & Protection Fund (₹)	Date of transfer to Investor Education & Protection Fund
1	25.09.2008	2007-08	1,44, 618	23.10.2015

- 20) As per the provisions of the Companies Act, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company;

21) E- voting:

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Company has signed an agreement with CDSL for facilitating e-voting to enable the shareholders to cast their vote electronically.

Process for E –Voting :

The procedure and instructions for e-voting are as follows:

- The voting period begins from 10.00 a.m. on Wednesday, 13th July, 2016 and ends at 5.00 p.m. on Friday, 15th July, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, 9th July, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter;
- The shareholders should log on to the e-voting website www.evotingindia.com;
- Click on Shareholders;
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company;
- Next enter the Image Verification as displayed and Click on Login;
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below: