

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

Established 1879

Annual Report 2011-12

BOMBAY DYEING



BOMBAY™
R E A L T Y
A Better Life



RESIDENCES | OFFICES | HOTELS | HOSPITALS | SCHOOLS | RETAIL

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FORWARD-LOOKING STATEMENTS

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Disclaimer: All specifications, dimensions, images and facilities given anywhere in this report are for representation purposes only. The same are subject to approval and changes without any notice or intimation.

AN ENTERPRISE THAT GENERATES SUSTAINABLE VALUE ON THE STRENGTH OF TRUST AND TRANSPARENCY. A HERITAGE THAT CONTINUES TO INSPIRE GENERATIONS OF PEOPLE ACROSS TIME. A LEGACY OF OVER 130 YEARS, DRIVEN BY THE VISION TO EXCEL.

WE ARE THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED.

From modest beginnings, we have transformed ourselves into one of the most recognised home-textiles brands in the country.

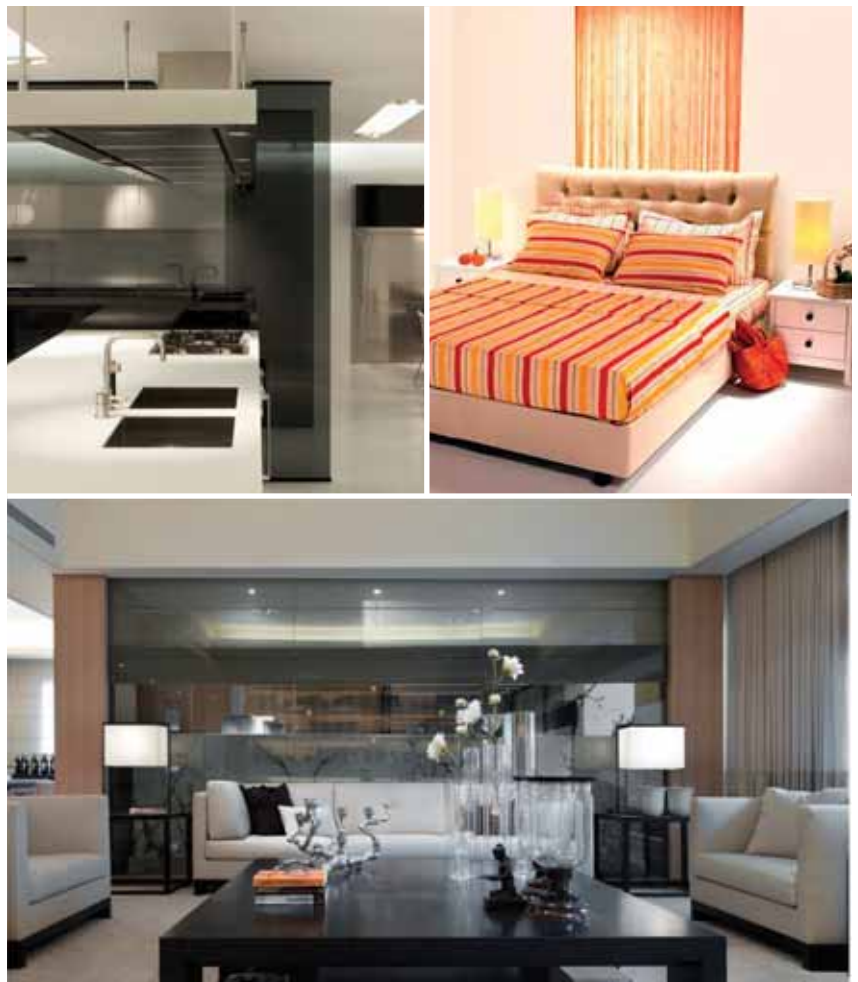
While our journey of continuous evolution in our core business continues through an enhanced emphasis on retail-led growth, we are also focusing on newer paradigms of value creation.

Bombay Dyeing has forayed into the realty business, to unlock value from its vast land bank. We believe that realty will lead in contributing to the Company's profit and value-creation initiatives going forward.

In 2011, we launched Bombay Realty, a brand created to develop state-of-the-art residences, offices, hotels, hospital, school and retail outlets in prime locations across the Wadia Group's large land bank in India.

Bombay Realty aims to bring closer the goodness of life. Creating islands of bliss where time is a gentle breeze and relationships mature in the lap of luxury.

It is also an extension of Bombay Dyeing's time tested philosophy of contributing to the betterment of the lives of our customers.





THE WADIA GROUP

ENDURING LEGACY OF EXCELLENCE AND TRUST

Driven by the vision to excel, The Wadia Group has scaled great heights in the field of entrepreneurship. Committed to advancement and innovation, the Group constantly looks for means to reinvent itself and set fresh standards of quality. Standing firm on three century-old foundation of goodwill and trust, it is surging ahead in various enterprises and venturing into new avenues of creation and knowledge.

To cater to the developing needs and aspirations of customers, the Group has enhanced its investment portfolio, presently comprising textiles, real estate, aviation, foods, plantations, engineering & chemicals and healthcare. **Its products today, touch the lives of millions of Indian consumers every year.** As a long-term investor, it aims to have a majority share in the daily needs and wants of its customers' lives and well-being.

PROFILE

The Wadia Group was founded by Loeji Nusserwanjee Wadia in 1736, when he opened a Marine Construction Company that built ships for the British. He was one of India's first master shipbuilders and a pioneer of the global shipbuilding industry. Quality has always been the Wadia Group's hallmark, and testimony of that fact is HMS Trincomalee, the world's second oldest existing ship, still afloat at Hartlepool, UK. Over the next 150 years, the Group manufactured over 355 vessels that ploughed international waters.

The year 1879 saw yet another Wadia visionary live his dreams. Matching opportunity with core skill-set and an entrepreneurial vision, Nowrojee Nusserwanjee Wadia moved his stakes into the burgeoning textile industry in India. By the latter half of the 19th Century, as Bombay was gaining its reputation as the second largest cotton trading port in the world as well as India, the cotton capital of the world, Nowrojee started Bombay Dyeing in a humble red-brick shed. This signalled the birth of one of the greatest success stories of Indian entrepreneurship.

Over the last 140 years, the Wadias have diversified into various fields of industry and commerce in collaboration with world leaders. The new companies under the Wadia banner have become market leaders in their respective fields under the vision and leadership of the Wadia Groups' Chairman, Mr. Nusli Wadia. Today, the Wadia Group is a large Indian conglomerate headquartered in Mumbai, India.

MISSION

To create, maximise and sustain long-term shareholder value.

VALUES

Our values have guided our path to success over the last three centuries. These values are the foundation of our organisational culture and regulate the contours of our day-to-day interaction with each other. Our values ensure we govern through a culture of integrity, excellence, respect, teamwork and trust.

FINANCIAL STRENGTHS

Each Company rests on strong fundamentals. Two of the group's four publicly listed companies have been listed for over a 100 years. Bombay Dyeing has declared uninterrupted dividends for over a hundred and twenty-five years and Bombay Burmah was the second Company to be listed on the Indian Stock Exchange.

PHILANTHROPY

We recognise that social, environmental and governance factors can impact the larger community as well as the long-term sustainability of companies and businesses. We continuously confirm our commitment and dedication as a responsible corporate citizen by supporting efforts that build people and communities through housing, education and health-care.

AFTER 275 YEARS, WADIA GROUP BRANDS



TEXTILES

BOMBAY DYEING

SINCE 1879



REAL ESTATE

BOMBAY™
REALTY
A Better Life

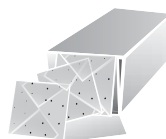
SINCE 2011



AVIATION

FLY SMART **go**

SINCE 2005



FOODS

BRITANNIA™
Eat Healthy. Think Better

SINCE 1918



PLANTATIONS

Bombay Burmah

SINCE 1863



ENGINEERING & CHEMICALS



GHERZI EASTERN

SINCE 1960



SINCE 1954



HEALTHCARE

DENTAL PRODUCTS
MEDICAL MICRO-TECHNOLOGY
INSTRUMENTS ORTHOPAEDICS

WADIA GROUP COMPANIES - A LEGACY OVER THREE CENTURIES

EIGHTEENTH CENTURY

1736 | MARINE CONSTRUCTIONS: The Group's first venture, over 250 years ago, was in the marine construction industry. The Wadias were marine designers and master builders par excellence. **They built 355 vessels** that navigated international waters. Continuing a 160-year legacy, the first ships were constructed for the British navy outside England. It was on one such ship, the 'Minden', that the American national anthem was composed.

NINETEENTH CENTURY

1863 | BOMBAY BURMAH: India's **second oldest publicly listed Company** that operates in seven segments today: plantation products, building products, dental products, auto-ancillary, weighing products, investment segment and real estate.

1879 | BOMBAY DYEING: Bombay Dyeing is a household name in India, selling bed and bath linen, home furnishing products as well as suitings and shirtings. Bombay Dyeing also manufactures Polyester Staple Fibre (PSF), and has recently forayed into the realty business. Bombay Dyeing has an **uninterrupted dividend track record of over hundred and twenty-five years**.

TWENTIETH CENTURY

1918 | BRITANNIA: One of India's **best known and most admired food brands**, Britannia offers a broad spectrum of products ranging from health and lifestyle oriented food products to even an economical range to cater to the differing needs of its global consumers. It is backed by a sales network of over three-and-a-half million retail shops in India.

1954 | NPL: NPL is a pioneer in India in peroxygen chemicals.

1960 | GHERZI EASTERN: Gherzi Eastern Limited (GEL) is a joint initiative between Gherzi AG, Zurich (global leaders in consulting) and the Wadia Group. Gherzi Eastern has emerged as a world-class comprehensive consulting service provider, focusing on the evolving needs of various industries.

GEL has **successfully completed over 1,800 projects** across various sectors and possesses a strong and growing base of satisfied clients. The Company is empanelled with many leading international and national agencies, which are actively pursuing restructuring and development across the globe. GEL is an ISO 9001:2008 certified organisation for consultancy services in Architectural & Engineering Designs and Project Management.

TWENTY-FIRST CENTURY

2005 | GO AIR: Go Air was launched with the objective of making air travel accessible to a wider segment of the society. It is today one of the most prominent airlines in the growing aviation space in India. Go Air operates a fleet of brand new Airbus 320 aircrafts. **It also has 92 A320 aircrafts on order from Airbus as on date.**

2011 | BOMBAY REALTY: The Wadia Group's **land bank exceeds 10,000 acres, of which about 700 acres are in the city of Mumbai** and 70 acres is in the heart of Mumbai. The Company's focus is to develop and transform these locations into world-class residences, offices, hotels, hospitals, schools and retail outlets, enhancing the quality of life.

BOMBAY DYEING – AN OVERVIEW

One hundred thirty-three years ago, Nowrosjee Wadia nurtured an overarching vision. The vision to create an enterprise, which can stand the test of time. Scale new frontiers of excellence. And constantly reinvent itself to suit the changing needs of customers. Bombay Dyeing today is testimony to the strength of that vision. We are transforming to blend the traditional with the contemporary, and move forward with renewed determination and energy.

Bombay Dyeing is the embodiment of that vision. Respected, trusted and one of India's most endeared brands. Delivering exceptional value for money, Bombay Dyeing is one of the earliest of the Wadia Group companies to have been listed on the Bombay Stock Exchange (BSE).

The Company has extended its presence from cotton textiles and fabrics to Polyester Staple Fibre (PSF) and forayed into realty to cater to the evolving aspirations of its customers, enhancing their quality of life.

BOMBAY DYEING - BUSINESS INTERESTS

REALTY



In today's modern cities, where almost every individual is hard-pressed for time and jostling for space, Bombay Realty offers islands of bliss and expansive luxury.

Where time is not running out at a frenetic pace, but moving gently. Where life is not a mad rat race, but a smooth ride with friends and family.

The objective is to transform the Company's land banks into world-class integrated developments; not just sell properties for people to exist, but help them enjoy a better life.

At Bombay Realty, we are driven by the philosophy of 'A Better Life', enabling people to LIVE. WORK. PLAY. with enhanced conveniences and the luxury of TIME.

TEXTILES



Preferred brand: Established as a single store brand in 1879, Bombay Dyeing has since expanded significantly across categories such as stylish bed linen, premium bath linen, home furnishings, suitings and shirtings. Bombay Dyeing enjoys an association with reputed designers apart from having an in-house design cell, and is now available at over 300 exclusive and more than 2,000 multi-brand stores.

Manufacturing facility: State-of-the-art textile processing unit at Ranjangaon in Pune district (Maharashtra, India).

The entire gamut of products include:

Bedding range: Bed sheets, bed covers, quilts, duvet covers, dohars, bed in bag sets, blankets, pillow cases, cushion covers and shams

Bedding accessories: Cushions, pillows, duvets, comforters, diwan sets and bed decor sets

Bath linen: Pool towels, bath towels, hand towels, face towels, bath robes, hand towels and bath mats

Hotel linen: Twills, dobby weaves, satins, jacquards, high-thread-count-sheeting and satin fabrics

Industrial fabrics: Microdot interlining, fabrics for shoe uppers, adhesives, abrasives and leather cloth

POLYESTER STAPLE FIBRE (PSF)



Polyester Staple Fibre (PSF) is a substitute to cotton in the manufacturing of yarn. Bombay Dyeing ventured into this business in 2007.

Manufacturing facility: Patalganga in Raigad district (Maharashtra, India)

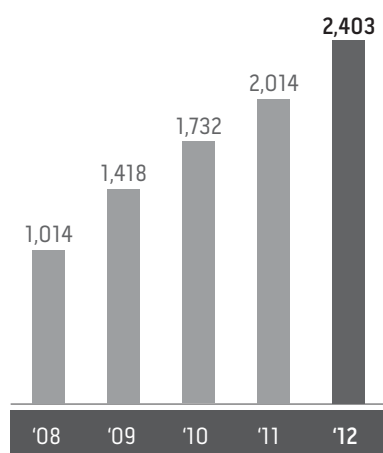
Product range*: Micro fibres, Semidull / Optically white/Dope dyed black/Hollow/ Super High Tenacity And Trilobal product mix, among others

**Manufactured from 100% Virgin Polymer, from continuous polymerisation plant.*

FINANCIAL PERFORMANCE

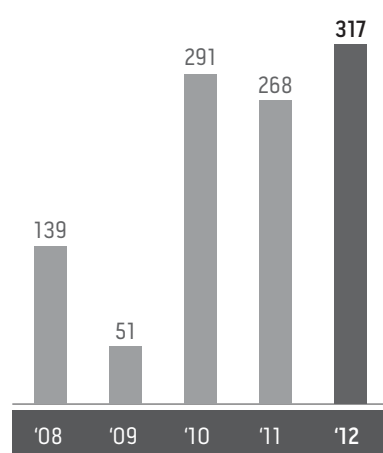
REVENUE

(₹ in crores)



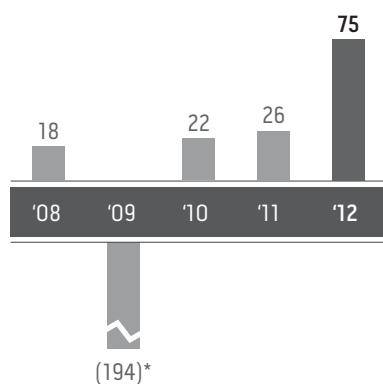
EBITDA

(₹ in crores)



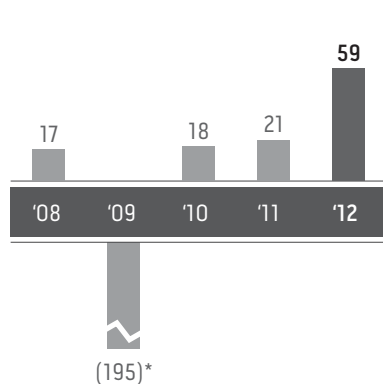
PBT

(₹ in crores)



PAT

(₹ in crores)



* Graph not to scale

EBITDA Earnings before Interest, Taxes, Depreciation and Amortisation
 PBT Profit Before Tax
 PAT Profit After Tax