since 1879

BOMBAY DYEING

July 25, 2016

The Secretary,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001

National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor,
Plot No.C/1, 'G' Block, Bandra-Kurla Complex,
Bandra (E),
MUMBAI - 400 051

Dear Sirs,

Sub : Intimation pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Notice of the 136th Annual General Meeting of the Company scheduled to be held on 10th August, 2016.

Kindly take the same on record.

Yours faithfully,
For **THE BOMBAY DYEING & MFG. CO. LTD.**

SANJIVE ARORA
Company Secretary

Encl: As above

c.c. National Securities Depository Ltd.,
Trade World, 4th floor, Kamala Mills Compound,
S. Bapat Marg, Lower Parel,
MUMBAI-400013.

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BRITANNIA · Bombay Burmah · NPL · THE WADIA GROUP · BOMBAY REALTY A BETTER LIFE · Home & You · FLY SMART

Central Depository Services (India) Ltd.,
Phiroze Jeejeebhoy Towers, 28th Floor,
Dalal Street,
MUMBAI – 400023.

Bourse de Luxembourg,
Societe de La Bourse de Luxembourg,
Societe Anonyme, R. C. 36222, BP 165, L-2011,
LUXEMBOURG.

Citibank N.A.,
DR Account Management,
Citigroup Corporate & Investment Bank,
14th Floor, 388, Greenwich Street,
New York, NY (USA) 10013.

M/s Karvy Computershare Private Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032

NOTICE

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED
(CIN : L17120MH1879PLC000037)

Registered Office: Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.

Corporate Office: C-1, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai – 400025.

Email: grievance_redressal_cell@bombaydyeing.com
Website: www.bombaydyeing.com
Phone: (91) (22) 66620000; Fax: (91) (22) 66193262

Notice is hereby given that the 136th Annual General Meeting of the Members of The Bombay Dyeing and Manufacturing Company Limited will be held at the Yashwantrao Chavan Center Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021, on Wednesday, 10th August, 2016, at 3.45 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   a. the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2016, together with the Reports of the Board of Directors and the Auditors thereon.

   b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2016, together with the Report of the Auditors thereon.

2. To declare dividend on equity shares.

3. To appoint a Director in place of Mr. Nusli N. Wadia (DIN: 00015731), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

4. To appoint Auditors and to fix their remuneration and in this regard 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 Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Kalyaniwalla & Mistry, Chartered Accountants, Mumbai, (ICAI Registration No. 104607W), be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, on such remuneration as shall be fixed by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS:

5. 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 148 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. N I Mehta & Co., Cost Accountants, Mumbai, (ICWA Registration No. 000023), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Polyester and Real Estate Divisions of the Company for the financial year ending 31st March, 2017, be paid the remuneration of ₹ 5,00,000/- (Rupees Five Lakh) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

   "RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee ("NRC"), and approval of the Board of Directors (hereinafter referred to as "the Board") and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V to the Companies Act, 2013, and pursuant to Articles 145 and 146 of the Articles of Association of the Company and subject to the approval of the Central Government, if and to the extent necessary, and such other approvals, permissions and sanctions as may be required, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Jehangir N. Wadia (DIN:00088831), as Managing Director of the Company for a period of 5 years with effect from 1st April, 2016 to 31st March, 2021, on such terms and conditions as the Board may consider appropriate.

   RESOLVED FURTHER THAT the payment of remuneration to Mr. Jehangir N. Wadia may be on such terms and conditions as approved by the Nomination and Remuneration Committee and by the Board of Directors at their respective meetings held on 31st March, 2016, and as set out in the Explanatory Statement under Section 102 of the Companies Act, 2013, annexed to the Notice convening the 136th Annual General Meeting and in the Agreement to be entered into between the Company and Mr. Jehangir N. Wadia, a draft whereof duly initialed by the Chairman for purposes of identification is submitted to this Meeting, which Agreement is hereby specifically sanctioned with liberty and power to the Board of Directors (hereinafter referred to as "the Board", which expression shall also include the Nomination and Remuneration Committee of the Board), in the exercise of its discretion, to fix and to revise from time to time the actual remuneration of Mr. Jehangir N. Wadia within the ceilings stipulated in the Agreement and to alter/vary/modify/amend from time to time the terms and conditions of the said appointment and remuneration and/or Agreement in such manner as may be agreed to between the Board and Mr. Jehangir N. Wadia, provided that such alteration/variation/modification/amendment is in conformity with the applicable provisions of the Act, as amended from time to time.

RESOLVED FURTHER THAT where in any financial year comprised in the period of any three years, during the currency of tenure of 5 years of Mr. Jehangir N. Wadia as Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay Mr. Jehangir N. Wadia remuneration as determined from time to time by the Board pursuant to the authority vested in them in terms of this Resolution, subject to compliance with the applicable provisions of Schedule-V to the Act, with the approval of the Central Government, if and to the extent necessary AND THAT such remuneration shall be treated as the minimum remuneration payable to Mr. Jehangir N. Wadia in the absence of inadequacy of profits, in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule-V to the Act.

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary or Chief Financial Officer of the Company, be and are hereby severally authorized to do all necessary acts, deeds, matters and things as may be considered necessary and desirable to give effect to this Resolution."

7. To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the earlier resolution passed at the 134th Annual General Meeting of the members of the Company held on 8th August, 2014, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; Provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of ₹ 3,000 crore (Rupees Three Thousand crore) apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company's bankers in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

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

"RESOLVED THAT in supersession of the earlier resolution passed at the 134th Annual General Meeting of the Company held on 8th August, 2014, the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for creating such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties of the Company wheresoever situate, both present and future, on such terms, at such time, in such form and in such manner as the Board may deem fit, together with power to take over the management of the business and concern of the Company in certain events in favour of all or any of the following, namely: Banks, Financial Institutions, Insurance Companies, Investment Institutions, other investing agencies, Bodies Corporate incorporated under any statute and trustees for the holders of debentures/secured premium notes/bonds/other securities/debt instruments, and other secured lenders (hereinafter referred to as "the Lenders") to secure repayment of any loans (both rupee loans and foreign currency loans) and/or any other financial assistance and/or guarantee facilities already obtained or that may hereafter be obtained from any of the Lenders by the Company, and/or to secure redemption of debentures (whether partly/fully convertible or non-convertible)/secured premium notes/bonds/other securities/debt instruments and/or rupee/foreign currency convertible bonds and/or bonds with share warrants attached, already issued or that may hereafter be issued by the Company, together with all interest, compound additional interest, commitment charge, liquidated damages, premium on prepayment or on redemption, trustees' remuneration, costs, charges, expenses and all other moneys including revaluation/devaluation/fluctuation in the rates of foreign currencies involved, payable by the Company to the Lenders concerned, in terms of their respective Loan Agreements/Heads of Agreements/Hypothecation Agreements/Trustees Agreements/Letters of Sanction/Memorandum of terms and conditions/Debenture Certificates entered into/to be entered into/issued/to be issued by the Company; Provided that the total borrowings of the Company (exclusive of interest) whether by way of loans and/or any other financial assistance and/or guarantee facilities and/or issue of debentures/secured premium notes/other securities/debt instruments to be secured as aforesaid (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) shall not at any time exceed the limit of ₹ 3,000 crore (Rupees Three Thousand crore) apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company's bankers in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise and execute with any of the Lenders jointly or severally, the documents, instruments and writings for creating aforesaid mortgage/charge and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for implementing the aforesaid Resolution and to resolve any question, difficulty or doubt which may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

By Order of the Board of Directors,
FOR THE BOMBAY DYEING & MFG. CO. LTD.

Puspamitra Das
Chief Financial Officer

Mumbai, 27th May, 2016

Notes:

a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable. The proxy holder shall provide his identity at the time of attending the meeting. The proxies shall be available for inspection during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting.

b. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to the Special Business at the meeting, is annexed hereto and forms a part of the Notice.

c. Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees and shareholding, are hereto annexed as 'Annexure I'.

d. The Register of Members and the Share Transfer Books of the Company will be closed from Friday, 29th July, 2016 to Wednesday, 10th August, 2016 both days inclusive.

e. The dividend as recommended by the Board of Directors, if approved by the members at the 136th Annual General Meeting, shall be paid on or after Thursday, 11th August, 2016 to those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers lodged with the Registrar & Share Transfer Agents of the Company on or before 28th July, 2016 in respect of shares held in physical form. In respect of shares held in electronic form, the dividend for the year ended 31st March, 2016 will be paid on or after Thursday, 11th August, 2016, to the beneficial owners of shares as at the closing hours of 28th July, 2016 as per details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.

f. Members are requested to notify immediately any change of address:

   (i) to their Depositary Participants (DPs) in respect of their electronic share accounts, and

   (ii) to the Company's Registrar & Share Transfer Agents in respect of their physical share folios, if any, quoting their folio numbers, at their address given below:

   Karvy Computershare Private Limited
   (Unit : Bombay Dyeing)
   Karvy Selenium Tower B, Plot 31-32,Gachibowli,
   Financial District, Nanakramguda, Hyderabad,
   Telangana – 500 032, India
   Telephone number: +91 40 6716 2222
   Fax number: +91 40 2342 0814
   E-mail: einward.ris@karvy.com

g. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, members holding shares in physical form are requested to provide bank account details to the Company or its Registrar and Share Transfer Agents.

   Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars 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.

h. Pursuant to the provisions of Section 205A and 205C and other applicable provisions of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), dividends for the financial year ended 31st March, 2009 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates of transfer to the unpaid dividend account of the Company are due for transfer to the Investor Education & Protection Fund (IEPF) on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to IEPF
2008-09	28.08.2009	27.08.2016	03.11.2016
2009-10	11.08.2010	10.08.2017	17.10.2017
2010-11	04.08.2011	03.08.2018	10.10.2018
2011-12	07.08.2012	06.08.2019	13.10.2019
2012-13	06.08.2013	05.08.2020	09.10.2020
2013-14	08.08.2014	07.08.2021	11.10.2021
2014-15	06.08.2015	05.08.2022	09.10.2022

   Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim to the Company's R&TA at the aforesaid address immediately quoting their folio number/ DP ID & Client ID.

i. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death.

The prescribed form can be obtained from the Company's Office at C-1, Wadia International Center (Bombay Dyeing), Pandurang Budhkar Marg, Worli, Mumbai - 400025 or from its R&TA at their aforesaid address.

j. As part of the Company's Green Initiative, the Company will send documents like Notice convening the general meetings, Financial Statements, Directors' Report, etc. to the e-mail address provided by the members.

We, therefore appeal to the members to be a part of the said 'Green Initiative' and request the members to register their name for receiving the said documents in electronic mode by sending an email giving their Registered Folio Number and/or DP ID/Client ID to the dedicated email address at einward@karvy.com and register their request.

k. Members intending to require information about the Financial Accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available.

l. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.

m. Members are requested to bring their copy of the Annual Report to the meeting.

n. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 136th 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 instructions for shareholders voting electronically are as under:

(i) The voting period begins on 7th August, 2016 at 9.00 a.m. and ends on 9th August, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 3rd August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on "Shareholders".

(iv) Now Enter your User ID:

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the password provided in the attendance slip
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ▪ If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv)

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

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

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

(xi) Click on the EVSN for The Bombay Dyeing & Mfg. Co. Ltd., on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT".

A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

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

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

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

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

o. Mr. P. N. Parikh (FCS 327), and failing him, Ms. Jigyasa Ved (FCS 6488) from M/s. Parikh & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.

p. The Scrutinizer shall within a period not exceeding two (2) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

q. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.bombaydyeing.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and shall also be communicated to the NSE and BSE Limited.

r. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

s. All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the Corporate Office of the Company during business hours, except on holidays, upto and including the date of Annual General Meeting of the Company.

t. The Annual Report of the Company circulated to the members of the Company will be made available on the Company's website at www.bombaydyeing.com.

By Order of the Board of Directors,
FOR THE BOMBAY DYEING & MFG. CO. LTD.

Puspamitra Das
Chief Financial Officer

Mumbai, 27th May, 2016

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item 5

The Board of Directors on the recommendation of the Audit Committee have approved the appointment M/s. N. I. Mehta & Co., Cost Accountants, Mumbai, (ICWA Registration No. 000023) as Cost Auditors at a remuneration of ₹ 5,00,000/- (Rupees Five Lakh only) plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit for the financial year 2016-17. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Corporate Office of the Company during 11.00 A.M to 1.00 P.M and shall also be available at the meeting.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2017.

None of the Directors and Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board of Directors recommends the resolution set out at Item 5 of the Notice for approval by the shareholders.

Item 6

Mr. Jehangir N. Wadia (hereinafter referred to as "Mr. Wadia") was appointed as the Managing Director ("MD") of the Company by the Board for a period of 5 years with effect from 1st April, 2011. His term as MD of the Company expired on 31st March, 2016.

The Board of Directors at its meeting held on 31st March, 2016, proposed to re-appoint Mr. Wadia as Managing Director of the Company pursuant to provisions of Sections 196, 197, 198 and 203, read with Schedule-V and other applicable provisions, if any, of the Companies Act, 2013, for a further period of five years with effect from 1st April, 2016 upto 31st March, 2021 on such terms and conditions including remuneration to be recommended by the Nomination and Remuneration Committee and to be set out in the Agreement to be entered between the Company and Mr. Wadia.

The material terms of his appointment contained in the draft Agreement proposed to be entered into by the Company with Mr. Wadia are summarized below:

1. Mr. Wadia will serve the Company as Managing Director for a term of 5 years with effect from 1st April, 2016.

2. Mr. Wadia shall carry out such functions, exercise such powers and perform such duties as the Board shall, from time to time, in their absolute discretion determine and entrust to him.

3. Mr. Wadia shall devote his whole time and attention to the business of the Company, exert his best endeavours to promote its interests and welfare and attend his place of employment at all proper times.

4. (i) Mr. Wadia shall undertake such travelling in and outside India as may be necessary in the interest of the Company's business or as may from time to time be required or directed by the Board in connection with or in relation to the business of the Company.

   (ii) Mr. Wadia shall be entitled to reimbursement of all expenses including travelling, entertainment/business promotion and other out-of pocket expenses incurred by him in connection with or in relation to the business of the Company.

5. In consideration of the performance of his duties, Mr. Wadia shall be paid the following remuneration:

   Basic Salary upto a maximum of ₹ 15,00,000/- per month.

   Benefits, perquisites and allowances including housing as may be determined by the Nomination & Remuneration Committee or the Board of Directors from time to time, or as may be applicable in accordance with the rules and policies of the Company, upto a maximum of ₹ 37,50,000/- per month.

   Reimbursement of actual medical expenses incurred on self and family (wife and children).

   Bonus as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee based on performance criteria, upto a maximum of ₹ 1,00,00,000/-.

   Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the Rules of the Company and shall not form the part of remuneration to the extent excluded as per Section IV of Part II of Schedule-V to Section 197 of Companies Act, 2013.

   Entitled to leave in accordance with the policy of the Company.

   For the purpose of computing the ceilings, wherever applicable, perquisites would be valued as per the Income Tax Rules, 1962, and provision for use of car for official duties and telephone at residence (including payment for local calls and long distance official calls) and Company's cars with drivers shall not be included in such computation.

   The aggregate of the remuneration shall be within the maximum limits as laid down under provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013, and shall be subject to the approval of the Central Government, if and to the extent necessary.

   The contribution to provident fund, superannuation fund or annuity fund, if any, which shall not exceed 27% of the remuneration or such higher percentage as permissible under Rule 87 of the Income Tax Rules, 1962, and gratuity, if any, payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure as per the rules/policies of the Company, which shall not be included in the computation of the ceilings on remuneration.

   The Nomination and Remuneration Committee or the Board of Directors may, at its discretion, fix the actual remuneration of Mr. Wadia and revise the same from time to time, within the maximum limits specified hereinabove.

During the tenure of 5 years of his appointment if the Company for any period of 3 financial years has no profits or its profits are inadequate, the Company shall pay Mr. Wadia remuneration as determined from time to time by the Nomination and Remuneration Committee or the Board of Directors pursuant to the authority vested in them, subject to compliance with the applicable provisions of the Schedule-V to the Act, with the approval of the Central Government, if and to the extent necessary AND THAT such remuneration shall be treated as the minimum remuneration payable to Mr. Wadia in the absence or inadequacy of profits, in accordance to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013.

6. The rules and policies of the Company which are applicable to other senior executives of the Company shall also apply to Mr. Wadia.

7. Mr. Wadia shall not be paid any sitting fees for attending Meetings of the Board or of any Committee thereof.

8. Mr. Wadia shall not, as long as he functions as MD of the Company, become interested or otherwise concerned directly or indirectly in any contract with the Company as contemplated under Section 188 of the Act without the prior approval of the members of the Company.

9. Mr. Wadia shall not, except in the proper course of his duties during the continuance of his employment with the Company or any time thereafter divulge or disclose to any persons whomsoever or make use whatsoever for his own purpose or for any purpose of any information or knowledge obtained by him during his employment as to the business and/or affairs of the Company and/or trade secrets or secret processes of the Company.

10. Mr. Wadia shall not in the event of his ceasing to be MD of the Company before the expiry of the term of 5 years, for the remainder of such period:

    (a) either alone or jointly with or as an employee of any person, firm or company, directly or indirectly, carry on or engage in any activities or business which shall be in competition with the business of the Company; and

    (b) in connection with carrying on any business similar to or in competition with the business of the Company on his behalf or on behalf of any person, firm or company, directly or indirectly:

        (i) seek to procure orders or do business with any person, firm or company, who has at any time during the two years, immediately preceding such cessation of employment, done business with the Company; or

        (ii) endeavour to entice away from the Company any person who has at anytime during the two years immediately preceding such cessation of employment, done business with, or engaged by, the Company.

        Provided that nothing in this clause shall prohibit seeking or procuring of orders or doing of business not related or similar to the business/businesses of the Company.

11. The employment of Mr. Wadia shall forthwith determine if he becomes insolvent or cease to be a Director of the Company. He shall cease to be a Director if the Agreement is terminated and he ceases to be employed as MD.

12. If Mr. Wadia be guilty of any misconduct or any breach of the Agreement which in the opinion of the Board may render his retirement from the office of MD desirable, the Company may by not less than 30 days notice in writing to him determine the Agreement and he shall cease to be MD of the Company upon the expiration of such notice.

13. Either party shall be entitled to terminate the Agreement by giving not less than six calendar months' prior notice in writing in that behalf to the other party; provided that the Company shall be entitled to terminate Mr. Wadia's employment at any time by payment to him of six months' basic salary in lieu of such notice.

14. If Mr. Wadia ceases to be MD of the Company, he shall be deemed to have resigned from the office of Director as and from the date of such cessation.

The Board will have the authority to vary/modify/amend any of the aforesaid terms and conditions provided such variation/ modification/amendment is in conformity with the applicable provisions of the Act as amended from time to time.

The Directors consider the aforesaid remuneration commensurate with the duties and responsibilities of Mr. Wadia.

Approval of the members is being sought by way of special resolution for payment of minimum remuneration in excess of the ceiling specified in Part B of Section II of Part II of Schedule-V to the Act for any period of 3 years during his tenure of 5 years of appointment, and necessary application will be made to the Central Government for approval of such payment.

The draft Agreement to be entered into by the Company with Mr. Wadia is available for inspection by the members at the Corporate Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting.

Mr. Jehangir N. Wadia, Mr. Nusli N. Wadia and Mr. Ness N. Wadia, who are related to each other, are concerned or interested in the Resolution at Item 6 as it relates to the appointment and remuneration of Mr. Jehangir N. Wadia, as Managing Director.

This may also be treated as an abstract of the terms of the Agreement between the Company and Mr. Jehangir N. Wadia, when executed, and memorandum of interest pursuant to Section 190 of the Act.

Mr. Jehangir N. Wadia being Managing Director would not be liable to retire by rotation in terms of the Articles of Association of the Company.

The other Information as required under Section II of Part II of Schedule-V of the Companies Act, 2013 is given below:

I. GENERAL INFORMATION

1	Nature of Industry	Manufacturing			
2	Date or expected date of commencement of commercial Production	Not Applicable (The Company is an existing company)			
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4	Financial performance based on given indicators	Particulars	(in ₹ crores) Financial years		
			2015-16	2014-15	2013-14
		Total Revenue	1983.72	2566.75	2822.68
		Profit/(Loss) After Tax	(85.24)	24.56	24.34
5	Foreign investments or Collaborators, if any	Nil			

II. INFORMATION ABOUT THE MANAGING DIRECTOR

1. Background details :

   Mr. Jehangir N. Wadia, 43, is a Master in Science from the Warwick University in Coventry, UK. He is the co-author of the restructuring of the Wadia Group. The restructuring involved looking at new financial and strategic investments for the group. The investments concluded ranged from a Venture Fund for technology companies to Ports, Clinical research, Education, Real Estate and Aviation. At present he is Managing Director of the Company and Go Airlines (India) Ltd. (a low cost Airline in India). He is also a Director on the Boards of Britannia Industries Limited, The Bombay Burmah Trading Corp. Ltd, Wadia Techno–Engineering Services Limited & others. He is also a member of Stakeholder Relationship Committee of the Company and Britannia Industries Limited.

2. Past remuneration :

FINANCIAL YEAR	AMOUNT EXCLUDING RETIRAL BENEFITS (in ₹)
2013-14	4,72,33,607/-
2014-15	5,06,55,098/-
2015-16 (Proposed subject to Central Govt.'s approval)	6,53,78,855/-

3. Recognition or awards:

   The World Economic Forum elected him as a Young Global Leader in the year 2008.

4. Job profile and his suitability:

   Over and above what is mentioned in background details in item II (1) above, Mr. Wadia is a part of the Senior Management and Key Managerial Personnel, responsible for the operations and affairs of the Company. Taking into consideration his qualification and expertise in relevant fields, he is suited for the responsibilities assigned to him by the Board of Directors.

5. Remuneration proposed:

   Please refer to paragraph 5 of the material terms of appointment summarized above.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

   The remuneration payable to Mr. Jehangir N. Wadia has been benchmarked with the remuneration being drawn by similar positions in Manufacturing Industry and has been considered by the Nomination and Remuneration Committee ("NRC") of the Company at their meeting held on 31st March, 2016, for financial year 2016-17.

7. Mr. Jehangir N. Wadia has no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholdings in the Company.

8. Mr. Jehangir N. Wadia holds 2,87,525 number of shares in the Company.

III. OTHER INFORMATION

A. Reasons for loss or inadequacy of profits:

Bombay Realty (BR)

- During the Financial year 2015-16, the market for residential property has been sluggish due to higher interest rates and lower economic growth.
- Initially, the Company prepared layout and design of One ICC and Two ICC, Buildings being developed at Dadar with 300 mt. height. It was proposed to construct 70 floors habitable for One ICC and 68 habitable floors for Two ICC apart from basement for car parking and podium.

  However, sometime in August 2013, the Airport Authority approved the height of One ICC at 217 mt and Two ICC at 237 mt. Under this circumstance, the Company had to once again revise the Building layout.

Total habitable floors would be 53 for One ICC and 59 floors for Two ICC. There would be 3 levels of basement for car park. This has resulted in reduction in 115 apartments compared to earlier design which would have overall impact on profit of the Project.

- As part of the Textiles Mills land development, the Company was required to handover certain area of land situated at Spring Mills and Textile Mills to MHADA and MCGM. After various hearings at the Supreme Court and the Bombay High Court during FY 2013-14, the Bombay High Court vide its order dated 20th November, 2013 permitted the Company to surrender land at one location, i.e. Spring Mills. Company has handed over 66,651 sq. m. of land as aforesaid. The Company has commenced the construction from January 2015 at ICC after handing over the land. The Company is optimistic that, it would have positive impact on the Company's business.
- In a Writ Petition filed by a union contending that BDMC has to also share non-textile mill land on which the erstwhile grain godown, slums/chawls are situated, the court has directed that, BDMC reserve an additional 10,000 sq. mtrs. of land adjacent to the land to be surrendered to MHADA as an interim order.

  Legal issues resulted in delay in commencement of construction and had negative impact on real estate business of the Company.

Textiles Division

The Company had obtained an approval from the shareholders through a Postal Ballot in June 2015, for sale of the Textile Unit at Ranjangaon, Maharashtra. The Company is in the process of negotiation with prospective buyers. In view of the proposed sale the operation at the Company's textile unit at Ranjangaon has been temporarily suspended from June 2015.

Home & You

The financial year 2015-16 was soft for the domestic textile market. The category saw volume as well as value pressure led by weak demand and influx of cheaper alternatives from unorganised sector and international markets. The Division's gross revenue for 2015-16 was ₹ 306 crore as against ₹ 407 crore in the previous year.

PSF Division

The Division achieved a turnover of ₹ 1,168 crore during the year as compared to ₹ 1,498 crore in the previous year. Sharp drop in crude oil and petrochemical prices during the year resulted in steep decrease in polyester prices and thereby reduction in turnover of the Division. The average capacity utilization at 91% was lower than 93% achieved in the previous year but significantly better than the industry average capacity utilization of below 80% during the financial year.

The domestic polyester staple fibre industry witnessed weak market sentiments during financial year 2015-16, reflecting an overall growth of 2% compared to the previous year. However, PSF imports increased by close to 25% in volume far exceeding the growth in domestic demand. Increased volatility in raw material prices and increased imports at cheap prices has posed challenges to Polyester business. The Division has therefore recorded a negative sales volume of 6% compared to previous year.

B. Steps to improve profitability

On an ongoing basis, the Company continues to take steps for cost reduction and improve the profitability. Following are some of the specific measures taken by it to control costs and improve its competitive position and performance of the Company:

Organisation structure for support services within the organization has been revised to reduce overhead cost. The management has identified areas of cost reductions, particularly in the areas of IT, Finance, HR, and same are being implemented.

Optimize the capacity utilization of the manufacturing unit at Patalganga (PSF).

Outsource of manufacturing of Textiles to reduce cost.

Bombay Realty:

The Company has appointed M/s. Larsen & Toubro Ltd. as the main contractors for construction of One ICC and Two ICC at a contracted amount of over ₹ 1200 crores.

The Company has also appointed M/s. Hill International Project Management (India) Pvt. Ltd. as Project Management Consultant.

M/s. Sunjaay Athanki Projects Management Pvt. Ltd. (earlier known as M/s Gardiner & Theobald India Construction and Property Consultancy Pvt. Ltd.) have been appointed as Project Quantity Surveyor.

M/s Larsen & Toubro Ltd. as also been appointed as the General Contractor for Slum Rehabilitation building on Design-Build / Lumpsum basis.

With the commencement of construction of two iconic towers, One ICC and Two ICC in 2014-15, the profitability of Bombay Realty will improve.

Home & You (Textiles Division):

(i) The Division will continue to explore the opportunity for the Retail Domestic Sales (RDS) business to improve significantly its sales, profit and Brand image on the strength of the 'Bombay Dyeing' Brand.

(ii) The Division has identified several focus areas viz. Product, Sales/Distribution/Retail, pricing, People, Brand/Advertising & Systems/Processes to bring improvement in RDS Business. The main focus areas are as under:

- Launch of new retail brand "Home & You"
- Open number of new "Home & You" stores and convert 50 existing Bombay Dyeing stores to "Home & You"

- Launch a new Omni Channel E-Com portal
- Further improve and expand the distribution coverage and efficiency
- Improve the brand presence and shelf space in LFS channel through SIS model
- Optimize the warehouse network to reduce transportation cost
- Mode Margins will improve because of better sourcing and enrichment of product and sales mix
- Costs will be reduced due to improvement in productivity and efficiency of sourcing and supply chain
- Awards and Accolades- Our efforts in improving our Brand Image has been recognized during 2013-14 as under:

- CNBC Textile Conclave 2013 Award "Best Domestic Retail Brand - Made Ups & Home Textile"
- WORLD BRAND CONGRESS – Global Brand Excellence Awards "Brand Revitalisation Award"

PSF Division:

The Division is continuing to pursue improved product mix with higher percentage of value added specialty products like black, optical white, micro and trilobal fibres to improve sales realization and margins.

The Company has commissioned coal based steam boiler at PSF plant instead of gas to reduce energy cost.

Steps are being taken to reduce other energy and power cost to help improve margin.

Considerable improvement has been achieved in waste reduction. Waste YTD was 1.94 %, against previous year 2.08%.

The PSF Division continues to drive cost reduction measures in the area of production such as substituting usage of material, reduction in process wastages, lower consumption of chemicals and catalyst etc. which will result in significant cost reduction over a period of time.

C. Impact of improvement measures

These steps initiated during the course of the year has already started showing some impact and the full impact of these measures would be realized from the year 2016-17 onwards.

15. The proposed remuneration is quite commensurate with Mr. Jehangir Wadia's qualification and experience and in line with the norms generally prevailing in the industry. It is only reasonable that his salary must be protected even when the Company has inadequate profits or loss in any financial year.

Considering all the legal hurdles resolved and construction work commenced at One ICC and Two ICC, the Company would do much better from FY 2016-17. Further, with the improvement in the cash flow from the customers progressively with the construction, the interest cost will come down going forward from 2016-17.

It may be noted that construction industry is highly technical and subject to several ever changing Regulatory approvals and compliances. At the same time, customers expect completion of the Project in time with the best quality of workmanship.

The Industry wage structures are also high and Company has to pay aggressive remuneration to recruit and retain high performing managers. Considering this, remuneration paid to Mr. Jehangir N. Wadia is commensurate with the market and the Company practice.

The Board of Directors recommends the resolution set out at Item 6 of the Notice for approval by the shareholders.

Item Nos. 7 and 8:

The Members of the Company, at the 134th Annual General Meeting of the Company held on 8th August, 2014, had accorded by way of a Special Resolution, their approval to the Board of Directors of the Company and/or a Committee thereof for borrowing monies on behalf of the Company, from time to time, upto an aggregate amount (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) upto ₹ 2,000 Crores. As per Section 180(1)(c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up capital of the company and its free reserve. To meet the fund requirements of the company, the Company may require to borrow from time to time by way of loans and/or issue of Bonds, Debentures or other securities and the existing approved limit may likely to be exhausted in near future and it is therefore recommended to enhance the borrowing limits of the Company upto ₹ 3000 Crore (Rupees Three Thousand Crore Only) requires approval from the shareholders of the Company by way of a Special Resolution given at Item No. 7 of the Notice.

The borrowings of the Company may, if necessary, be secured by way of charge/mortgage/pledge/hypothecation on the Company's assets comprising of the movable and/or immovable, tangible/intangible properties of the Company, present or future, in favour of the lender(s)/agent(s)/trustee(s) from time to time, in such form, manner and ranking as mentioned in the Resolution at Item No. 8. The documents relating to charge and/or mortgage and/or pledge and/or hypothecation in favour of the lender(s)/agent(s)/trustee(s) may contain the provisions to take over substantial assets of the Company in certain events with a power to take over the management of the business and concern of the Company, which may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

As per Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the Company, only with the consent of the Company by a Special Resolution.

The Resolution under Item No. 8 is therefore proposed to be passed to seek consent of shareholders for creation of charge/mortgage/pledge/hypothecation to secure borrowings subject to the limits approved under Section 180(1)(a) of the Companies Act, 2013 and temporary loans obtained from the Company's Bankers in the ordinary course of business.

None of the Directors and the Key Managerial Personnel of the Company, including their relatives, is in any way, concerned or interested, financially or otherwise, in the said resolutions.

The Board of Directors recommends the special resolutions set out at Items 7 and 8 of the Notice for approval by the shareholders.

By Order of the Board of Directors,
FOR THE BOMBAY DYEING & MFG. CO. LTD.

Puspamitra Das
Chief Financial Officer

Mumbai, 27th May, 2016

Registered Office:

Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400001.
(CIN : L17120MH1879PLC000037)
Email: grievance_redressal_cell@bombaydyeing.com,
Website: www.bombaydyeing.com
Phone: (91) (22) 66620000, Fax: (91) (22) 66193262

ANNEXURE I TO THE NOTICE

Brief resume of Directors proposed to be appointed/re-appointed.

1. **Mr. Nusli N. Wadia**

   Mr. Nusli N. Wadia, 72, was inducted on the Company's Board in 1968. In 1970, he was appointed as its Joint Managing Director. Since April, 1977, he has been the Chairman of the Company. Mr. Wadia has contributed actively in the deliberations of various organizations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), Millowners' Association (MOA), Associated Chambers of Commerce & Industry, etc. He is the former Chairman of TEXPROCIL and MOA. Mr. Wadia was appointed on the Prime Minister's Council on Trade & Industry during 1998 to 2004. He was the Convenor of the Special Group Task Force on Food and Agro Industries Management Policy in September, 1998. He was a Member of the Special Subject Group to review regulations and procedures to unshackle Indian Industry and on the Special Subject Group on Disinvestment. He was a member of ICMF from 1984-85 to 1990-91. He is on the Managing Committee of the Nehru Centre, Mumbai. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable and educational institutions.

   Name of other companies in which he holds directorships*

   The Bombay Burmah Trading Corporation Limited, Britannia Industries Ltd., Go Airlines (India) Limited, Wadia Techno - Engineering Services Limited, Tata Steel Ltd., Tata Chemicals Ltd., Tata Motors Ltd. and 6 foreign companies.

   Committee Membership:

   Nominations & Remuneration Committee of the Boards of The Bombay Dyeing & Mfg. Co. Ltd., The Bombay Burmah Trading Corpn. Ltd., Britannia Industries Ltd., Go Airlines (India) Limited, Tata Motors Ltd. (Chairman), Tata Chemicals Ltd. (Chairman); and Tata Steel Limited (Chairman),

   He is a Promoter of the Company and does not hold any shares in the Company.

2. **Mr. Jehangir N. Wadia's** profile is already furnished in the explanatory statement attached to the Notice of the Annual General Meeting.

ROUTE MAP TO AGM VENUE

