



**25<sup>th</sup> ANNUAL REPORT**  
**2014-2015**



## MAZDA LIMITED

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### BOARD OF DIRECTORS:

Dr. NANALAL C. MEHTA, Chairman  
(Resigned w.e.f 29/05/2014)

SORAB R. MODY, Managing Director

SAMUEL W. CROLL- III

DADY K. CONTRACTOR  
(Resigned w.e.f 27/05/2014)

MOHIB N. KHERICHA

SHEILA S. MODY

HOUTOXI F. CONTRACTOR

HARBHAJANSINGH B. KHALSA  
(Resigned w.e.f 29/05/2014)

PERCY X. AVARI, Whole-Time Director

SHANAYA MODY KHATUA, Whole-Time Director

NILESH C. MANKIWALA

SAURIN V. PALKHIWALA

**CHIEF FINANCIAL OFFICER:**  
CYRUS J. BHAGWAGAR

**COMPANY SECRETARY**  
NISHITH C. KAYASTH

**CIN : L29120GJ1990PLC014293**

### REGISTERED OFFICE:

C/1-39/13/16, GIDC, Naroda,  
Ahmedabad- 382 330

### BANKERS:

#### State Bank of India

Overseas Branch,  
1<sup>st</sup> floor, Iscon Elegance,  
Nr. S. G. Highway,  
Ahmedabad- 380 015.

### AUDITORS:

#### Apaji Amin & Co., Chartered Accountants

304, Akanksha Building,  
Opp. Vadilal House,  
Navrangpura, Ahmedabad- 380 009.

### SHARES LISTED AT:

#### Ahmedabad Stock Exchange Limited

Kamdhenu Complex,  
Panjarapole, Ambawadi,  
Ahmedabad- 380 015  
(Company Code- 36100)

#### Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400 001  
(Company Code- 523792)

### REGISTRAR & SHARE TRANSFER AGENT:

#### Sharepro Services (India) Pvt. Ltd.

13-AB, Samhita Warehousing Complex,  
Sakinaka Tel. Exch. Lane, Andheri Kurla Road,  
Sakinaka, Mumbai- 400 072.



## NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of members of Mazda Limited will be held at Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330 on **Tuesday, 1<sup>st</sup> September, 2015 at 09.30 a.m.** to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the company for the year ended 31<sup>st</sup> March, 2015 including the audited Balance Sheet as at 31<sup>st</sup> March, 2015, the statement of Profit and Loss for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares for the year ended on 31<sup>st</sup> March, 2015.
3. To appoint a director in place of Mr. Samuel W. Croll-III (DIN: 01407244), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mrs. Houtoxi F. Contractor (DIN: 00499260), who retires by rotation and being eligible offers herself for re-appointment.
5. To appoint Apaji Amin & Co. LLP, Chartered Accountants, the retiring statutory auditors of the company as statutory auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

To consider and if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to provision of section 139 and other applicable provisions if any, of the Companies Act, 2013 and the rules framed thereunder as amended from time to time, M/s Apaji Amin & Co. LLP, Chartered Accountants, (**Firm Registration No: 100513W/W100062**) be and are hereby appointed as Statutory Auditors of the company, to hold the office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the company at such remuneration as shall be fixed by the Board of Directors of the company from time to time.”

### Special Business:

6. **To approve the ratified remuneration of the Cost Auditor for the financial year 2015-16**

To consider and if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provision of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) rules, 2014 (including any statutory modifications or re-enactment thereof, for time being in force), Shri V. H. SHAH, Cost Accountant (**Firm registration no.: 100257**) appointed by the Board of Directors of the company, to conduct the audit of the cost records of the company for the financial year ending on 31<sup>st</sup> March, 2016, be paid the remuneration as set out in the statement annexed to this Notice convening this meeting.”

7. **Approval of Related Party Transactions**

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

**“RESOLVED THAT** pursuant to the prevailing norms on Corporate Governance prescribed under the Listing Agreement, consent of the members of the company be and is hereby accorded to Materially Related Party Transaction with Croll Reynolds Co. Inc. during the financial year 2015-16 and such approval is further accorded to an increase of up to 20% over and above the existing value of transaction in the previous financial year.”

**“FURTHER RESOLVED THAT** Key Managerial Personnel of the company be and are hereby severally authorised to take necessary actions and complete all the legal formalities related thereto.”

### Registered Office:

C/1-39/13/16 GIDC,  
Naroda,  
Ahmedabad – 382 330  
Date: 01/08/2015

By Order of the Board,

**Nishith Kayasth**  
Company Secretary

### NOTES:

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE ‘MEETING’) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY COMPLETED, IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, IN ORIGINAL NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (2) A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT ONE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.
- (3) Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.



- (4) The Register of Members and the Share Transfer Books of the company will remain close from 15<sup>th</sup> August, 2015 to 22<sup>nd</sup> August, 2015 (both days inclusive) to determine entitlement of dividend on equity shares, if declared at the Meeting. Dividend will be paid to those shareholders, whose name appears on the Register of Members of the company as at the end of business hours on 14<sup>th</sup> August, 2015.
- (5) The dividend, if declared will be paid on or after 4<sup>th</sup> September, 2015.
- (6) The dividend warrants pertaining to earlier years issued by the company are not yet encashed by some of the members. Hence, those members who have not encashed the dividend warrants may please get the same revalidated by the company and encash them at the earliest to avoid inconvenience at a later date.
- (7) Members are requested to bring the copy of their Annual Report and duly filled Attendance Slip at the Annual General Meeting. In case of Joint holders, if both the members are attending the Meeting, the first holder is entitled to vote at the said Meeting.
- (8) The proxy form for the AGM is enclosed herewith.
- (9) Members holding shares in physical form are requested to notify immediately the change to RTA, if any, in their registered address, bank details etc.
- (10) The equity shares of the company are available for dematerialisation, as the company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. The ISIN No. of the Equity Shares is INE885E01034.
- (11) The members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS mandates, Power of Attorney, change of address or name etc. to their Depository Participant only. Changes intimated to Depository Participant will be automatically reflected in the company's record which will help the company and its registrar and transfer agents to provide efficient and better services.
- (12) Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
- (13) As required under the provisions of clause 49(IV)(G)(i) of the Listing Agreement, brief profile relating to Mr. Samuel W. Croll- III and Mrs. Houtoxi F. Contractor, Directors retiring by rotation, and whose re-appointment is being proposed at the forthcoming Annual General Meeting, is attached to the Directors Report as Annexure-A.
- (14) The notice of AGM, Annual report and Attendance slip are being sent in electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their e-mail IDs with the Company or Depository Participant(s).
- (15) TO SUPPORT THE 'GREEN INITIATIVE' MEMBERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESSES SO FAR ARE REQUESTED TO REGISTER THEIR E-MAIL ADDRESS WITH RTA /DEPOSITORIES FOR RECEIVING ALL COMMUNICATION INCLUDING ANNUAL REPORT, NOTICES, CIRCULARS, ETC. FROM THE COMPANY ELECTRONICALLY.
- (16) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised clause 35B of the Listing Agreement, the company is pleased to provide the facility to Members to exercise their right to vote by electronic means.
- (17) The shareholders who have not registered their PAN with the company can generate their passwords using sequence no. mentioned in the attendance slip attached to this report.

#### PROCEDURE FOR E-VOTING

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Saturday 29<sup>th</sup> August, 2015 at 9.00 a.m. and ends on Monday, 31<sup>st</sup> August, 2015 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 (Record date) 25<sup>th</sup> August, 2015 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](http://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](http://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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is mentioned in the Attendance slip.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If 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).</li> </ul>

(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 Company Name 'MAZDA LIMITED' 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 same 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) 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](http://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](mailto: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](mailto: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.

(xix) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



- (18) **In case of members receiving the physical copy:** Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (19) The Company has appointed Mr. Rutul Shukla & Associates, Company Secretaries to act as scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereabove.
- (20) The scrutinizer shall within a period of not exceeding Three (3) working days from the conclusion of the e-voting period unblock the votes in presence of atleast two 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.
- (21) The result shall be declared at or after the Annual General Meeting of the company. The result declared alongwith the scrutinizer's report shall be placed on company's website [www.mazdalimited.com](http://www.mazdalimited.com) and on the website of CDSL within two days of passing of resolutions at the Annual General Meeting of the company and communicated to Bombay Stock Exchange Limited.
- (22) All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the Registered office of the company during normal business hours (9.00 am to 5.00 pm) on all working days except Tuesdays upto the date of 25<sup>th</sup> Annual General Meeting of the company.

**Registered Office:**

C-1/39/13/16 GIDC,  
Naroda,  
Ahmedabad – 382 330  
Date: 01/08/2015

By Order of the Board,

**Nishith Kayasth**  
Company Secretary

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO. 6

**To approve the ratified remuneration of the Cost Auditor for the financial year 2015-16:**

The Board, on the recommendation of the Audit Committee, has approved the appointment and recommended remuneration of Shri V. H. SHAH, Cost Auditor to conduct the audit of the cost records of the company for the financial year ending on 31st March, 2016.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1 Lac payable to the Cost Auditor has to be approved by the shareholders of the company. The remuneration of the Cost Auditor shall be ratified by the shareholders.

The Board of Directors recommends passing of an ordinary Resolution at item no. 6 of the notice for approval by shareholders. None of the directors, KMPs and their relatives of the company are in anyway interested or concerned in the Resolution.

#### ITEM NO. 7

**To approve Related Party Transaction:**

In order to maintain business relationship, global representation and in the best interest of company and its shareholders, major transaction of the company pertaining to sale, purchase or supply of goods, materials & services with Croll Reynolds Co. Inc. Considering the prevailing market trend these transaction will continue in the year 2015-16 and thereafter in line with business requirements at an increase of up to 20% over and above the existing value of transactions in the previous financial year.

These transactions as well as the proposed transactions would continue to be in ordinary course of business and at arm's length basis.

Since the aggregate value of these transactions exceeds 10% of the annual turnover of the company as per the last audited financial statements of the company, the said transactions would be considered to be Material Related Party Transactions for the purpose of clause 49 of the Listing Agreement with the stock exchanges and will require members approval. The Audit Committee and Board of Directors have reviewed and proposed to the members for their approval by way of Special Resolution.

Except Mr. Samuel W. Croll-III, no other directors, KMPs and their relatives of the company are in anyway interested or concerned in the Resolution mentioned at item no. 7.

**Registered Office:**

C-1/39/13/16 GIDC,  
Naroda,  
Ahmedabad – 382 330  
Date: 01/08/2015

By Order of the Board,

**Nishith Kayasth**  
Company Secretary



## DIRECTORS' REPORT

To,  
THE MEMBERS,  
MAZDA LIMITED

In the silver jubilee year of the company's operations, Your Directors are pleased to present the 25th Annual Report on the business and operations of the company together with the Audited Accounts for the year ended March 31, 2015.

### 1. FINANCIAL PERFORMANCE

(₹ In Lacs)

Sr. No.	Particulars	2014-15	2013-14
i	<b>Total revenue</b>	<b>11925.44</b>	<b>10499.23</b>
ii	<b>(Less):</b> Total expenditure	10056.19	8790.25
iii	<b>Profit before depreciation, finance cost &amp; tax</b>	<b>1869.25</b>	<b>1708.98</b>
iv	<b>(Less):</b> Finance cost	49.73	94.30
v	<b>(Less):</b> Tax Expenses	482.06	452.62
vi	<b>Cash Profit</b>	<b>1337.46</b>	<b>1162.06</b>
Vii	<b>(Less):</b> Depreciation	213.29	135.28
viii	<b>(Less):</b> Prior period items	1.27	1.44
ix	<b>Profit for the year</b>	<b>1122.90</b>	<b>1025.34</b>
x	<b>Balance of Profit brought forward</b>	<b>6684.98</b>	<b>6058.63</b>
xi	<b>Total Profit available for appropriation</b>	<b>7807.88</b>	<b>7083.97</b>
xii	Transfer to general reserve	125.00	125.00
xiii	Proposed Dividend	255.48	234.19
xiv	Dividend Tax	52.31	39.80
xv	Adjustment in fixed assets	56.47	0.00
xvi	<b>Profit carried to Balance Sheet</b>	<b>7318.62</b>	<b>6684.98</b>

### 2. DIVIDEND & RESERVES

Your Directors are pleased to recommend a dividend of 60% to its equity shareholders i.e. ₹ 6/- per equity share of face value of ₹ 10/- each aggregating to ₹ 255.48 Lacs (Previous year ₹ 5.50 per equity share of face value of ₹ 10/- each aggregating to ₹ 234.19 Lacs). The payment of dividend is subject to the approval of the Shareholders at the ensuing Annual General Meeting.

During the year under review, your directors propose to transfer the amount of ₹ 125.00 Lacs (Previous year ₹ 125.00 Lacs) to the General Reserve.

### 3. OPERATIONS

During the year under review, amid optimism and rising business sentiments, your company reported a top-line growth of 14% over the previous year. The Profit before Tax for the year is ₹ 16.06 Crores as against ₹ 14.79 Crores for the previous year showing increase by 9%.

### 4. FINANCE AND ACCOUNTS

There are no term loans or interest thereon outstanding during the year under review. Your company is at present using financial assistance in the form of working capital facilities from State Bank of India, Ahmedabad with overall banking limits upto ₹ 24.38 Crores to capture its fund based and non-fund based requirements. The fund based limits are in the form of Cash credit / PCFC loans and non-fund based limits are in the form of Bank Guarantees and LCs.

Your company is sufficiently funded from the internal accruals and cash accrual from sale of valve division which has been invested in debt market instruments like fixed maturity plans, liquid funds and bond funds. The investment amount has increased from the previous year investment of ₹ 29.71 Crores to ₹ 32.66 Crores in the year under review.

During the year under review, ICRA has conducted the surveillance of credit facilities and re-affirmed the long term credit ratings to 'A' and short term credit ratings to 'A1'. The outlook of the long term ratings is stable.



## 5. EXPORTS AND TECHNOLOGY DEVELOPMENTS

Exports for the year were at ₹ 32.10 Crores as compared to ₹ 31.07 Crores for the previous year showing marginal increase compared to the last year. Despite adverse situations in the global economy, your company has maintained its exports.

Your company is continuously improving their technology by way of in-house Research & Development facility and by way of technology collaboration agreement with the global entities.

## 6. FIXED DEPOSITS

Your company has not accepted any new Fixed Deposits during the year under review. There are no fixed deposits pending in the financial year under review.

## 7. INSURANCE

The properties and insurable assets and interest of the company, like building, plant and machinery and stocks, among others are adequately insured.

## 8. MANAGEMENT DISCUSSION AND ANALYSIS

### (a) Industry Structure and Developments:

The global economy in financial year 2014-15 witnessed divergent trends among major economies. However as the world economy faces subdued conditions and uncertainties the Indian economy poised to accelerate. Specifically, India's economy is poised to return to its high-growth path, thanks to lower fiscal and current account deficits, falling inflation and structural reforms to boost investments. The manufacturing sector is likely to benefit from lower interest rates.

#### Engineering Business:

There is an overall improvement in the slowdown which was witnessed in the engineering sector in the financial year under review. The vacuum business of the company has increased by 20% compared to the previous financial year. The evaporator business has also increased in the current year and has shown growth of 10% compared to the previous year.

The Absorption Refrigeration System business is also picking up and your company has dispatched the second system to France during the year under review. This system is manufactured under the technology received from Inven Absorption GmbH, Germany.

#### Food Business:

During the year under review the food division has once again expanded its product offering and also started supply in the domestic Indian market. The favourable conditions in the foreign exchange market with a weaker Indian rupee continues to benefit our division which is largely export oriented.

This year your company have added new liquid fruit based products to their existing range such as fruit squash and fruit chutneys which have helped in attracting new customers from different territories. The natural lines of flavouring and food essences that were introduced last year continue to move very well and your company has added new packing sizes for these.

This year we will focus our efforts into identifying needs and demands within the Indian market whilst trying to establish a customer base for our products locally in addition to our export sales.

### (b) Segment-wise Performance:

Your company has divided the business in two segments i.e. Engineering Division and Food division.

Your company's performance in the engineering segment shows increase in turnover by 15% and the profit in the engineering segment has increased by 3%.

The food business has been stagnant in this year which reflects by an increase in turnover by 8% and the profit of the food business has reduced.

### (c) Outlook:

The GDP increased by 2.6% in 2014-15 as there was a notable divergence in performance, Growth is expected to rebound given political certainty, positive policy measures and improved business confidence.

#### • LICENCE AGREEMENT WITH CONSTRUCTIONS INDUSTRIELLES DE LA MEDITERRANEE S.A. FRANCE ("CNIM")

Originally Mazda had entered into a collaboration agreement on September 20, 2012 with Inven Absorption GmbH, Germany ("Inven") for Absorption Refrigeration Units.

On June 2, 2014 Inven sold to CNIM its intellectual property rights, know-how and associated assets related to the design and manufacture of Absorption Refrigeration Units.

Consequent to the above, Inven and Mazda terminated the collaboration agreement on June 24, 2014.





Since Mazda was still interested in manufacture and selling specific units of Absorption Refrigeration Unit they entered into a fresh agreement with CNIM on 8th August, 2014. Under the said agreement Mazda would pay to CNIM a royalty of 3% on sale of Absorption Refrigeration Units sold in the territory.

The license agreement with CNIM did not provide for training and technical assistance. Hence, on November 18, 2014 Mazda entered into training and technical assistance agreement with Inven (name changed to J.S. Energie & Beratung GmbH w.e.f. October 22, 2014). Under the terms of this agreement Mazda would have to pay a lumpsum amount of Euro 1,00,000 in four installments to J.S. Energie & Beratung GmbH.

The transfer of technology for Absorption Refrigeration Units is now completed and your company has already dispatched two systems indigenously manufactured under the said technology. The full fledged commercial launch for the domestic / export market will commence shortly. This is likely to boost the top line of your company as a new vertical will be added.

- **TECHNOLOGY AND KNOW-HOW LICENSE AGREEMENT WITH A SPANISH COMPANY**

Mazda has entered into a technology and know-how license agreement for freeze crystallization technology with a Spanish company in October, 2014.

Under the said agreement Mazda has a non-exclusive license for the territory of India for manufacture and selling of products based on freeze crystallization technology for a period of seven years. Mazda is required to pay a lumpsum license fee of USD 1 million and running royalty of 4% on goods manufactured and sold using the freeze crystallization technology.

Freeze crystallization technology is for zero liquid discharge in chemical process industry as well as for increase in concentration of liquids / juices in food processing industry. Considering the vast applicability of the technology, the future of the product looks bright. Transfer of technology is in process & your company will commence the commercial sales shortly.

- (d) **Opportunities and threats:**

Your company is continually upgrading its technology and improvements in their product mix and looking for the new business dimensions in the engineering sector.

While the Indian manufacturing industry is expected to recover swiftly in 2015, global situation can impact its path of recovery. The overall engineering market is facing pressure of slow down and the same can affect your company.

- (e) **Internal control systems and risk management:**

Your company maintains adequate and effective Internal Control System commensurate with its size and complexity. We believe that this internal control system provide, among other things, a reasonable assurance that transactions are executed with management authorisation and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets of your company are adequately safe-guarded against significant misuse or loss.

Some significant features of the internal control system are:

- Implementation and control of all transactions including finance, materials, dispatch, quality, costing etc. across all locations.
- Internal audits are conducted by external auditors and they audit all aspects of business.
- Extensive Audit programme and periodic review by Management and Audit Committee.

The processes and practices of risk management of the company encompasses risk identification, classification and evaluation. The company identifies all strategic, operational and financial risks that the company faces by assessing and analyzing the latest trends in risk information available internally and externally and uses the same to plan for risk mitigation activities.

The company has set up a Risk Review Team to review the risks faced by the company and monitor the development and deployment of risk mitigation action plans. The Team reports to the Board of Directors and Audit Committee to provide oversight for the entire risk management framework in the company.



**(f) Health, Safety & Environment:**

Your company maintains the highest standards of Occupational Health, Safety, Security and Environment (HSSE) and complies with all applicable laws related to them. The HSSE performance has been integral to your company's business performance and your company is in continual process of improving safety measures of all the personnel.

Your company's manufacturing facility at all four units and corporate office are OHSAS 18001:2007 and ISO 9001:2008 & 14001:2004 certified.

**(g) Human Resources and Industrial Relations:**

During the year under review, focus continued to be on the development of the various facets of leadership capability and talent management with a view to ensure alignment to the overall business strategy.

During the year, extensive training and developmental activities were undertaken for the employees. The company has employed 213 personnel as at 31/03/2015. All the employees are having the required qualifications to perform their jobs. The relationship with workmen and staff remained cordial and harmonious during the year and the management received full co-operation from the employees.

**9. EMPLOYEE STOCK OPTION**

Your company has not issued any Stock Option to their employees.

**10. SUBSIDIARIES AND JOINT VENTURES**

There are no subsidiaries or joint ventures of your company.

**11. DIRECTORS**

The Board consists of Executive and Non-executive Directors including Independent Directors who have wide and varied experience in different disciplines of corporate functioning.

During the year under review, members at their previous Annual General Meeting approved the appointment of Mr. Nilesh Mankiwala and Mr. Saurin Palkhiwala as Independent directors for a term of five years. In the said meeting Mr. Mohib Khericha was re-appointed as an Independent Director and Chairman of the company.

Mr. Samuel W. Croll-III and Mrs. Houtoxi F. Contractor, Directors retire by rotation and being eligible, offer themselves for re-appointment.

Brief resume, area of expertise and other details of these Directors are mentioned as Annexure-A.

**12. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 as required under section 92(3) of the Companies Act, 2013 is attached as Annexure – B.

**13. NO. OF MEETINGS OF THE BOARD**

During the year under review, the Board of Director met five times. The details of the Board Meeting is provided in the Corporate Governance Report.

**14. DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2015 and of the profit of the company for the year ended on that date;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis;
- (v) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (vi) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



#### **15. REPORTING OF FRAUD BY STATUTORY AUDITORS**

There are no incidence of fraud reported by the auditors as required under section 143 (12) of the Companies Act, 2013.

#### **16. DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors of the company have furnished declarations that they qualify the conditions of being Independent as per Section 149(6) & (7) of the Companies Act, 2013.

#### **17. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION**

The requisite details as required by Section 178(3) &(4) and as per the requirement of clause 49 of the Listing Agreement with the Stock Exchanges is attached as Annexure –C.

#### **18. AUDITORS AND AUDITORS' REPORT**

##### **• Statutory Auditor**

At the 24<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2014, the members have approved re-appointment of Apaji Amin & Co., Chartered Accountants, Ahmedabad (Registration No. 100513W) to hold office from last AGM upto the conclusion of 25<sup>th</sup> Annual General Meeting on such remuneration as may be fixed by the Board apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

There are no qualifications, reservations or adverse remarks or disclaimers made by the auditors in their report on the financial statements of the company for the financial year ended 31<sup>st</sup> March, 2015. The notes on the Financial Statements referred to in the Auditors Reports are self-explanatory and do not call for any comments or explanations.

##### **• Secretarial Auditor**

Pursuant to Section 204 of the Companies Act, 2013 Secretarial Audit Report for the financial year ended on 31<sup>st</sup> March, 2015 given by Rutul Shukla & Associates, Practicing Company Secretaries is attached as Annexure – D. The Secretarial Auditor Report are self-explanatory and do not call for any comments or explanations.

##### **• Cost Auditor**

In the year under review, cost audit is not mandatory for the company inspite of the same, the audit of cost accounts relating to the manufacturing of machineries is carried out during the year. As per the requirement of Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of directors have, based on the recommendation of the Audit Committee, appointed Shri V. H. Shah, Cost Auditors, Ahmedabad (Registration No. 100257) to audit the cost accounts of the company for the financial year 2015-16 commencing from 01<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 on a remuneration of ₹ 1 Lac. As required under the act, necessary resolution seeking members' ratification for the remuneration payable to Shri V. H. Shah is part of the notice.

#### **19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT**

Particulars of loans given and the investments made by the company as at 31<sup>st</sup> March, 2015 are forming part of financial statements. During the financial year under review, the company has made investments in schemes of various mutual funds closing balance of which as on 31<sup>st</sup> March, 2015 is ₹ 32.63 Crores.

#### **20. PARTICULARS OF RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into, during the year under review were on arm's length basis and in ordinary course of business. There are no materially significant related party transactions made by the company during the year. Related party transactions policy is available on website of the company i.e. [www.mazdalimited.com](http://www.mazdalimited.com).

#### **21. STATE OF AFFAIRS OF THE COMPANY**

The state of affairs of the company are mentioned in the Management Discussion and Analysis Report.

#### **22. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of the company have occurred between the end of financial year to which the financial statements relate and the date of the Directors' Report.



**23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required, to be disclosed in terms of Section 134 of the Act, read with the Companies (Accounts) Rules, 2014, is attached as Annexure – E.

**24. RISK MANAGEMENT POLICY**

The company has structured a risk management policy. The details related to risk management is given in the Management Discussion and Analysis Report.

**25. CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)**

Pursuant to the provision of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the company has constituted a CSR Committee. Mrs. Sheila Mody is the Chairperson of the Committee and Mr. Mohib Khericha and Mr. Percy Avari are members to the Committee.

The Board of Directors, based on the recommendations of the Committee, formulated a CSR Policy encompassing company's philosophy, laying down the guidelines and mechanisms for undertaking various social welfare programme for development of the community at large. CSR policy of the company is available at its website: [www.mazdalimited.com](http://www.mazdalimited.com).

The requisite details on CSR activities pursuant to Section 135 of the Act and as per Annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 are attached as Annexure – F.

**26. PERFORMANCE EVALUATION OF BOARD AND ITS DIRECTORS AND COMMITTEES TO THE BOARD**

In compliance with the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, the performance evaluation of the Board, their Committees and their members were carried out. The criteria for the same is given in the Corporate Governance Report.

**27. PARTICULARS OF REMUNERATION OF MANAGERIAL PERSONNEL AND RELATED DISCLOSURES**

The ratio of each director to the median employee's remuneration and other details in terms of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014 forms part of this report and is attached as Annexure – G.

The statement containing particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) & 5(3) of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014 forms part of this report and is attached as Annexure – H.

**28. REPORT ON CORPORATE GOVERNANCE**

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance together with a certificate from the Practicing Company Secretary confirming compliance is set out in the Annexure forming part of Corporate Governance Report attached as Annexure - I.

**29. SIGNIFICANT ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS**

To the best of our knowledge, the company has not received any such orders passed by the regulators, courts or tribunals during the year, which may impact the going concern status or company's operations in future.

**30. APPRECIATION**

Your Board takes this opportunity to express its sincere appreciation of the excellent contribution made by all its employees towards the overall performance of your company. Your Directors also thank all the shareholders, distributors, suppliers, bankers and other business associates for their valuable service and support during the year under review.

**31. CAUTIONARY NOTE**

The statements forming part of the Directors' Report may contain certain forward looking remarks within the meaning of applicable security laws and regulations. The actual results, performance, achievements of the company may be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements.

For and on behalf of the Board,

Place : Ahmedabad

Date : 01/08/2015

**Sorab Mody**  
Managing Director

**Percy Avari**  
Whole-Time Director



## ANNEXURE – A

### Brief profile of the Directors being re-appointed

Particulars	Name of Directors	
	Mr. Samuel Croll - III	Mrs. Houtoxi Contractor
Date of Birth and Age	06/05/1949 66 years	01/01/1953 62 years
Date of Appointment	12/09/1992	02/10/1992
Qualification	B.A., M.A. (Yale University)	B.Com & System Analyst
Nature of Expertise	<ul style="list-style-type: none"> <li>➤ He has vast experience in the field of engineering products.</li> <li>➤ The company has business relationship with Croll Reynolds Co. Inc. since 1992. The above relationship helps the company to grow at global level.</li> </ul>	<ul style="list-style-type: none"> <li>➤ She is on the Board since 1992 and having experience and knowledge in the field of Computer information and technology.</li> <li>➤ She helped the company to develop the design and information system.</li> </ul>
Name of the public companies in which he/ she holds Directorship	<ul style="list-style-type: none"> <li>➤ Not a Director in any other public limited company except MAZDA LIMITED in India</li> <li>➤ He is CEO of Croll Reynolds Co.Inc.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Not a Director in any other public limited company except MAZDA LIMITED in India.</li> </ul>
Name of Committees of Public Companies of which he/she holds Membership/ Chairmanship	<ul style="list-style-type: none"> <li>➤ He is not holding any membership/ chairmanship in any company in India except member of the Board of MAZDA LIMITED.</li> </ul>	<ul style="list-style-type: none"> <li>➤ She is not holding any membership/ chairmanship in any company in India except member of the Board of MAZDA LIMITED</li> </ul>
No. of shares held	NIL	592 Equity Shares

## ANNEXURE – B

### Form No. MGT-9

#### Extract of Annual Return as on the Financial Year ended on 31/03/2015

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

#### I. Registration and other details:

<b>CIN</b>	L29120GJ1990PLC014293
<b>Registration Date</b>	03/09/1990
<b>Name of the Company</b>	Mazda Limited
<b>Category / Sub- Category of the company</b>	Public Limited / Limited by Shares
<b>Address of Registered Office &amp; Contact Details</b>	C/1-39/13/16, G.I.D.C., Naroda, Ahmedabad – 382 330 Ph. 079 4000 7000 Fax: 079 2656 5605 E-mail: <a href="mailto:info@mazdalimited.com">info@mazdalimited.com</a>
<b>Whether listed</b>	YES
<b>Name, address &amp; Contact details of the Registrar &amp; Transfer Agent, if any</b>	Sharepro Services (India) Pvt. Ltd. 13 AB Samhita warehousing complex, Nr. Sakinaka Telephone Exchange, Andheri Kurla Road, Sakinaka, Mumbai – 400 072 E-mail: <a href="mailto:sharepro@shareproservices.com">sharepro@shareproservices.com</a>

#### II. Principle business activities of the Company (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sl. No.	Name & description of main product / services	NIC code of the product / services	% to total turnover of the company
1.	Vacuum System	359.9	39.08
2.	Evaporators	359.9	27.98

#### III. Particulars of Holding, Subsidiary and Associate companies –

Sl. no.	Name & address of the company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
N.A.					



**IV. Shareholding pattern** (Equity share Capital breakup as percentage of Total Equity)

**i. Category wise Shareholding**

Category of shareholders	No. of shares held at the beginning of the year i.e. 01/04/2014				No. of shares held at the end of the year i.e. 31/03/2015				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
a) Individual / HUF	1679894	-	1679894	39.45	1684478	-	1684478	39.56	0.11
b) Central/ State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1) :-</b>	<b>1679894</b>	<b>-</b>	<b>1679894</b>	<b>39.45</b>	<b>1684478</b>	<b>-</b>	<b>1684478</b>	<b>39.56</b>	<b>0.11</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2) :-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1679894</b>	<b>-</b>	<b>1679894</b>	<b>39.45</b>	<b>1684478</b>	<b>-</b>	<b>1684478</b>	<b>39.56</b>	<b>0.11</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	9230	-	9230	0.22	9753	-	9753	0.23	0.01
b) Banks / FI	800	-	800	0.02	800	-	800	0.02	0.00
c) Central/ State Govt.	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIs	-	-	-	-	21000	-	21000	0.49	0.49
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>10030</b>	<b>-</b>	<b>10030</b>	<b>0.24</b>	<b>31553</b>	<b>-</b>	<b>31553</b>	<b>0.74</b>	<b>0.50</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	242899	300	243199	5.71	265876	300	266176	6.25	0.54
ii) Overseas	-	289500	289500	6.80	-	289500	289500	6.80	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	1061738	73910	1135648	26.67	1021525	69310	1090835	25.62	-1.05
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	770882	-	770882	18.10	777090	-	777090	18.25	0.15
c) Others (specify)									
Non-Resident Individuals	115747	13100	128847	3.03	106768	11600	118368	2.78	-0.25
Any Other									
<b>Sub-total (B)(2):-</b>	<b>2191266</b>	<b>376810</b>	<b>2568076</b>	<b>60.31</b>	<b>2171259</b>	<b>370710</b>	<b>2541969</b>	<b>59.70</b>	<b>-0.61</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>2201296</b>	<b>376810</b>	<b>2578106</b>	<b>60.55</b>	<b>2202812</b>	<b>370710</b>	<b>2573522</b>	<b>60.44</b>	<b>-0.11</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs</b>									
<b>Grand Total(A+B+C)</b>	<b>3881190</b>	<b>376810</b>	<b>4258000</b>	<b>100.00</b>	<b>3887290</b>	<b>370710</b>	<b>4258000</b>	<b>100.00</b>	<b>-</b>



**ii. Shareholding of Promoters:**

Sl. no.	Shareholder's name	Shareholding at the beginning of the year 01/04/2014			Shareholding at the end of the year 31/03/2015			% change in holding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged /encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged /encumbered to total shares	
1	Sorab R. Mody	1178572	27.68	0.00	1183156	27.79	0.00	0.11
2	Shanaya Mody Khatua	425622	10.00	0.00	425622	10.00	0.00	0.00
3	Sheila S. Mody	75700	1.77	0.00	75700	1.77	0.00	0.00
	<b>Total</b>	<b>1679894</b>	<b>39.45</b>	<b>0.00</b>	<b>1684478</b>	<b>39.56</b>	<b>0.00</b>	<b>0.11</b>

**iii. Change in Promoters' shareholding**

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year 01/04/2014		Date	Increase / (Decrease) in shareholding	Reason	Cumulative shareholding during the year 01/04/2014 to 31/03/2015	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Sorab R. Mody	1178572	27.68	13/03/2014	1100	Transfer	1179672	27.70
				23/02/2015	600	Transfer	1180272	27.72
				24/02/2015	142	Transfer	1180414	27.72
				25/02/2015	500	Transfer	1180914	27.73
				26/02/2015	1000	Transfer	1181914	27.76
				02/03/2015	500	Transfer	1182414	27.77
				03/03/2015	500	Transfer	1182914	27.78
	<b>At the end of the year</b>			11/03/2015	242	Transfer	1183156	27.79

There is no change in promoter's shareholding except Mr. Sorab R. Mody which is given above.

**iv. Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. no.	Top 10 Shareholders	Shareholding at the beginning of the year 01/04/2014		Cumulative shareholding end of the year 31/03/2015	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Croll Reynolds International Inc.	289500	6.80	289500	6.80
2.	Anil Kumar Goel	115477	2.71	115000	2.70
3.	Seema Goel	85000	2.00	85000	2.00
4.	Javed Sajjadmehdi Saiyed	-	-	67099	1.58
5.	Dorabjee and Co. Pvt. Ltd.	62859	1.48	62859	1.48
6.	Sharad Kanayalal Shah	50000	1.17	50000	1.17
7.	Nilesh Rameshchandra Pethani	43438	1.02	43438	1.02
8.	Nilesh Hastimal Shah	42300	0.99	42300	0.99
9.	Shailesh Babalal Shah	42120	0.99	42120	0.99
10.	Bharat Jamnadas Dattani	37809	0.89	37809	0.89

**Note:** The increase / decrease in shareholding in top 10 shareholders is due to transaction between the shareholders and the shares of the company are traded on a daily basis and hence date wise increase / decrease in shareholding is not indicated.

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director & KMP	Date	Increase / (Decrease) in shareholding	Reason	Cumulative shareholding during the year 01/04/2014 to 31/03/2015	
					No. of shares	% of total shares of the company
1.	Mr. Sorab Mody, Managing Director	01/04/2014		At the beginning of the year	1178572	27.68
		13/03/2014	1100	Transfer	1179672	27.70
		23/02/2015	600	Transfer	1180272	27.72
		24/02/2015	142	Transfer	1180414	27.72
		25/02/2015	500	Transfer	1180914	27.73
		26/02/2015	1000	Transfer	1181914	27.76
		02/03/2015	500	Transfer	1182414	27.77
		03/03/2015	500	Transfer	1182914	27.78
		11/03/2015	242	Transfer	1183156	27.79
		31/03/2015	-	At the end of the year	1183156	27.79
2.	Dr. Nanalal Mehta	01/04/2014	-	At the beginning of the year	-	-
		29/05/2014	-	Resigned from the Directorship	-	-
3.	Mr. Dady Contractor	01/04/2014	-	At the beginning of the year	5000	0.12
		27/05/2014	-	Resigned from the Directorship	5000	0.12
4.	Mr. Harbhajansingh Khalsa	01/04/2014	-	At the beginning of the year	-	-
		29/05/2014	-	Resigned from the Directorship	-	-
5.	Mr. Samuel Croll – III, Non-Executive Director	01/04/2014	-	At the beginning of the year	-	-
		31/03/2015	-	At the end of the year	-	-
6.	Mr. Mohib Khericha, Chairman & Independent Director	01/04/2014	-	At the beginning of the year	-	-
		31/03/2015	-	At the end of the year	-	-
7.	Mrs. Sheila Mody, Non-Executive Director	01/04/2014	-	At the beginning of the year	75700	1.78
		31/03/2015	-	At the end of the year	75700	1.78
8.	Mrs. Houtoxi Contractor, Non-Executive Director	01/04/2014	-	At the beginning of the year	592	0.01
		31/03/2015	-	At the end of the year	592	0.01
9.	Mr. Nilesh Mankiwala, Independent Director	29/07/2014	-	Appointed as a Director	800	0.02
		08/12/2014	(800)	Transfer	-	-
		31/03/2015	-	At the end of the year	-	-
10.	Mr. Saurin Palkhiwala, Independent Director	01/04/2014	-	At the beginning of the year	-	-
		31/03/2015	-	At the end of the year	-	-
11.	Mr. Percy Avari, Whole-Time Director	01/04/2014	-	At the beginning of the year	45205	1.06
		31/03/2015	-	At the end of the year	45205	1.06
12.	Mrs. Shanaya Mody Khatua, Whole-Time Director	01/04/2014	-	At the beginning of the year	425622	10.00
		31/03/2015	-	At the end of the year	425622	10.00
<b>Key Managerial Personnel</b>						
13.	Mr. Cyrus Bhagwagar, Chief Financial Officer (CFO)	01/04/2014	-	At the beginning of the year	5000	0.12
		17/06/2014	(2621)	Transfer	2379	0.06
		03/07/2014	(1379)	Transfer	1000	0.02
		31/03/2015	-	At the end of the year	1000	0.02
14.	Mr. Nishith Kayasth, Company Secretary	01/04/2014	-	At the beginning of the year	-	-
		31/03/2015	-	At the end of the year	-	-





## V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment (₹ In Lacs)

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amt	394.25	-	-	394.25
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
i) Principal Amt	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	394.25	-	-	394.25
Change in Indebtedness during the financial year				
- Addition	938.01	-	-	938.01
- Reduction	(1061.09)	-	-	(1061.09)
Net Change	123.08			123.08
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amt	271.17	-	-	271.17
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	271.17			271.17

### Remuneration of Directors and Key Managerial Personnel

#### A. Remuneration to Managing Director, Whole-Time Director and / or Manager:

Sr. no.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Sorab Mody	Percy Avari	Shanaya Mody Khatua	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	49,28,000	49,28,000	49,28,000	1,47,84,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	32,400	32,400	32,400	97,200
	(c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as %age of profit	31,33,644	15,66,822	15,66,822	62,67,288
	- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	80,94,044	65,27,222	65,27,222	2,11,48,888
	Ceiling as per the Act	84,00,000	84,00,000	84,00,000	2,52,00,000

#### B. Remuneration to other Directors:

Sr. no.	Particulars of Remuneration	Name of the Director			Total Amount
		Mohib Khericha	Nilesh Mankiwala	Saurin Palkhiwala	
1	<b>Independent Directors</b>				
	(a) Fee for attending board /Committee Meetings	3,90,000	1,50,000	3,05,000	8,45,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	3,90,000	1,50,000	3,05,000	8,45,000
2	<b>Other Non-Executive Directors</b>				
	(a) Fee for attending board / committee meetings	5,00,000	50,000	50,000	6,00,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (2)	5,00,000	50,000	50,000	6,00,000
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				



**C. Remuneration to Key Managerial Personnel other than MD/ WTD/ Manager:**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amt
		Cyrus Bhagwagar, CFO	Nishith Kayasth, Company Secretary	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	28,21,896 21,600 -	10,40,084 - -	38,61,980 21,600 -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as %age of profit - others, specify	- - -	- - -	- - -
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>28,43,496</b>	<b>10,40,084</b>	<b>38,83,580</b>

**VI. Penalties / Punishment / Compounding of Offences:**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [ RD /NCLT / Court]	Appeal made if any
<b>A. Company</b>					
Penalty			N.A.		
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty			N.A.		
Punishment					
Compounding					
<b>C. Other officers in default</b>					
Penalty			N.A.		
Punishment					
Compounding					

## ANNEXURE – C

### Nomination & Remuneration Policy

**Introduction:**

This policy applies to the Board of directors, Key Managerial Personnel and Senior Management Personnel of Mazda Limited. ('The Company').

The policy envisages framework for nomination, remuneration and evaluation of Board of Directors, Key Managerial Personnel and Senior Management Personnel in adherence to the requirement of section 178 of the Companies Act, 2013, Clause 49 of the Listing Agreement and in line with the company philosophy toward nurturing its human resource.

The Company has a Remuneration Committee of the Board, consisting of three Non Executive Directors, pursuant to requirements of the Companies Act, 2013 and Listing Agreements with the Stock Exchanges. In order to align with the provisions of the Companies Act, 2013 and the Listing Agreement, the Board in their meeting held on 29th July, 2014 reconstituted and renamed the "Remuneration Committee" as "Nomination and Remuneration Committee".

**1. Definitions:**

"Board" means the Board of Directors of the company.

"Key Managerial Personnel ('KMP')" means

- (i) Chief Executive Officer or the Managing Director or the Manager;
- (ii) Whole-time Director;
- (iii) Chief Financial Officer;
- (iv) Company Secretary; and
- (v) Such other officers as may be prescribed under the act from time to time.



**“Nomination and Remuneration Committee”** (‘Committee’) means the Committee of the Board constituted or re-constituted from time to time under the provisions of Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013.

**“Senior Management Personnel (‘SMP’)”** means company employees who are members of its core management team excluding Board of Directors and are one level below the executive directors, including functional heads.

## 2. **Appointment and removal of Director, KMP and SMP**

- a) The Committee shall consider criteria such as qualifications, skills, expertise and experience of the person to be appointed as Director, KMP or at Senior Management level and accordingly recommend to the board his/her appointment.
- b) The age of person to be appointed as Non Executive Director shall not be less than 21 years and more than 75 years. The Committee at its discretion may recommend to the board continuation of Director for further term of appointment who has completed 75 years.  
The age of person to be appointed as Executive Director shall not be less than 21 years and not more than 70 years. The Committee at its discretion may recommend to the board continuation of Director for further term of appointment who has completed 70 years.
- c) The Company should ensure that the person so appointed as Director shall not be disqualified under Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- d) The Director/ Independent Director/KMP/SMP shall be appointed as per the provisions and procedure lay down under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- e) The Committee may recommend to the Board for removal of a Director on account of any disqualification mentioned in Companies Act, 2013, rules made thereunder or under any other applicable act, rules and regulations or any other reasonable ground. The committee may also recommend to the Board for removal of KMP or SMP subject to the provisions and compliance of applicable Act, rules and regulation.
- f) Term and tenure of a Director shall be in accordance with the provisions of the Companies Act, 2013 rules thereof and Listing Agreement as amended from time to time.

## 3. **Board Diversity**

The Board shall have an optimum composition of Directors comprising of experts from the different fields as may be decided by the Committee from time to time.

## 4. **Remuneration of Managing Director/Whole-Time Directors:**

The terms and conditions of appointment and remuneration payable to Managing Director and Whole-Time Directors shall be recommended by the Nomination and Remuneration Committee to the board subject to the overall limits provided under the Companies Act, 2013 and rules made thereunder including any modifications and re-enactments thereto which shall be subject to approval by the shareholders at next Annual General Meeting of the company, if required and by the Central Government in case such appointment is at variance to the conditions specified schedule V of the Companies Act, 2013. Approval of the central government is not necessary if the appointment is made in accordance with the condition specified in schedule V to the act.

As per the provision of Companies Act, 2013, the Company may appoint a person as its Managing Director or Manager, Whole-Time Director for a term not exceeding five years at a time.

The executive directors may be paid remuneration either by way of a monthly payment or at a specified percentage of net profits of the company or partly by one way and partly by other. The Board may approve payment of commission on the profits of the company subject to the overall limits provided into the act.

The break-up of the pay scale, performance bonus and quantum of perquisites including, employer’s contribution to Provident Fund, pension scheme, medical expenses, etc. shall be decided and approved by the board on the recommendation of the committee and shall be within the overall remuneration approved by the share holders and Central Government, wherever required.

While recommending the remuneration payable to managing or whole time director, the committee shall inter alia; have regard to the following matters:

- Financial and operating performance of the company
- Relationship between remuneration and performance
- Industry/ sector trends for the remuneration paid to executive directors

## 5. **Remuneration to Non Executive / Independent Director:**

The Non Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof and are eligible for reimbursement of expenses for participation in board and other meetings.

Based on recommendation of committee, the board may decide the sitting fees payable to Non-executive directors provided that such fees shall not exceed the maximum permissible limit under the Companies act, 2013.

## 6. **Nomination and Remuneration of KMP & SMP:**

The Executive management of a company is responsible for the day to day management of a company. The Companies Act, 2013 has used the term “Key Managerial Personnel” to define the executive management.



The KMP is point of first contact between the company and its stakeholders. While the Board of Directors responsible for providing the oversight, it is Key Managerial Personnel and the senior management who are responsible for not just laying down the strategies as well as its implementation.

Among the KMP, remuneration of a Managing Director and Whole Time Director, shall be governed by the Section 178 of the Companies Act, 2013 dealing with "Remuneration of Managing Director and Whole Time Director".

Apart from the directors, the remuneration of all the other KMP such as the Chief Financial Officer and Company Secretary and any other officer that may be prescribed under the statute from time to time shall be determined by the committee of the company in consultation with the Managing Director and the Whole Time Director.

The Remuneration determined for all Senior Management Personnel shall be in line with the Company's philosophy to provide fair compensation to Key- Executive officer based on their performance and contribution to the company and to provide incentives.

#### 7. Criteria for evaluation of Board

The evaluation of board shall be carried out annually as per the provisions of the Companies Act, 2013, rules thereof and Listing Agreement.

Performance evaluation of each Director will be based on the criteria as laid down from time to time by the Nomination and Remuneration Committee.

Criteria for performance evaluation shall include aspects such as attendance for the meetings, participation and independence during the meetings, interaction with Management, Role and accountability to the Board, knowledge and proficiency and any other factors as may be decided by the Nomination and Remuneration Committee.

Further, performance evaluation of an Executive Director will also base on business achievements of the company.

## ANNEXURE – D

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,

**The Members,  
Mazda Limited,  
C/1-39/13/16, G.I.D.C, Naroda,  
Ahmedabad- 382 330,  
Gujarat, India**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mazda Limited (CIN: L29120GJ1990PLC014293) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the company management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit Period);
- (vi) As identified by the company management, and based on the compliance system prevailing in the Company and explanations and clarifications given to us and relied on the representations made by the company management, laws applicable specifically to the Company namely:
1. Indian Boilers Act, 1923 & Indian Boilers Regulations, 1950
  2. Food Safety and Standards Act, 2006

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

- (i.) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to Company during Audit Period)
- (ii.) The Listing Agreements entered into by the Company with BSE Limited and Ahmedabad Stock Exchange Limited.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (i.) There has been late submission of the Quarterly Corporate Governance Report for one quarter to the stock exchanges for a period of six days by the Company during the year under report.
- (ii.) There has been delay of 26<sup>th</sup> day in transferring the amount of ₹ 82,767, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Company during the year under report.

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

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

**We further report that** as per the explanations given to us and the representations made by the Management and relied upon by us, there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, there were no instances of

- (i.) Public / Right / Preferential issue of shares / debentures / sweat equity, etc.
- (ii.) Redemption / buy-back of securities
- (iii.) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv.) Merger / amalgamation / reconstruction, etc.
- (v.) Foreign technical collaborations

**For Rutul Shukla & Associates,  
Company Secretaries**

**Place: Ahmedabad  
Date : 01/08/2015**

**Rutul J. Shukla  
FCS : 6776 (CP : 7470)**

This Report is to be read with our letter of even date which is annexed and forms an integral part of this report.



'Annexure'

To,  
**The Members,**  
**Mazda Limited,**  
C/1-39/13/16, G.I.D.C, Naroda,  
Ahmedabad- 382 330,  
Gujarat, India

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Rutul Shukla & Associates,**  
**Company Secretaries**

**Rutul J. Shukla**

**FCS : 6776 (CP : 7470)**

**Place: Ahmedabad**

**Date : 01/08/2015**

## ANNEXURE – E

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required in terms of Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014

Sr. No.	Particulars	Action taken
1.	Details of Conservation of Energy	<ul style="list-style-type: none"><li>• Installed solar power panel in the Corporate Office premise to conserve the energy.</li><li>• Use of star rating products for air conditioners, ceiling fans and tube lights in all utility areas</li><li>• Replacement of old machinery with power efficient machinery from time to time</li></ul>
2.	Research & Development (R&D)	
A.	Specific areas in which R&D carried out by the company	<ul style="list-style-type: none"><li>• Development of Spindle operated Ejectors</li><li>• Development of Double Effect Vapor Absorption Chillers</li><li>• Innovation and improvement in technology imported for freeze crystallizers</li></ul>
B.	Benefits derived as a result of the above R&D	<ul style="list-style-type: none"><li>• Reduction in Steam Consumption</li><li>• Improvement in C.O.P. of the chiller</li><li>• Make the product suitable for varied applications</li></ul>
C.	Future plan of action	Development of Steam operated Heat Pumps
D.	Expenditure on R&D	
a.	Capital	₹ 25.15 Lacs
b.	Recurring	₹ 93.25 Lacs
c.	Total	₹ 118.40 Lacs
d.	Total R&D expenditure as a percentage of total turnover	1.02%

<b>3A. Technology absorption, adaptation and innovation</b>	
a) Efforts, in brief, made towards technology absorption, adaptation and innovation	License Agreement has been signed for import of technology for manufacturing of Absorption Refrigeration Units.
B. Benefits derived as a result of the above efforts	More efficient system than currently available in the Indian Market
C. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:  a. Technology imported b. Year of import c. Has technology been fully absorbed? d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	Vapor Absorption Chiller Technology 2014 No. The same is in process. Involves many different models and hence time consuming.
<b>3B. Technology absorption, adaptation and innovation</b>	
a) Efforts, in brief, made towards technology absorption, adaptation and innovation	License Agreement has been signed for import of technology for manufacturing of Freeze Crystallizers
b) Benefits derived as a result of the above efforts	Massive reduction in utilities
c) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:  a. Technology imported b. Year of import c. Has technology been fully absorbed? d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	Freeze Crystallization Technology 2014 No. The same is in process. Since it is used for varied applications, it is time consuming.

#### FOREIGN EXCHANGE EARNINGS AND OUTGO

##### Foreign Exchange Inflow:

• Exports sales earnings	₹ 31,34,48,837
• Equipment repairs income	₹ 8,86,824
<b>TOTAL</b>	<b>₹ 31,43,35,661</b>

##### Foreign Exchange Outgo:

• On Foreign Travel	₹ 7,68,997
• On Purchase of Materials	₹ 2,04,09,045
• Capital goods	₹ 3,41,90,868
• Payment of Dividend	₹ 15,92,250
• Subscription & Registration fees	₹ 9,66,245
• Repairs & Maintenance expenses	₹ 10,01,380
• Sales promotion expenses	₹ 60,810
• Professional & Consultancy charges	₹ 65,14,786
• Bank charges	₹ 7,64,562
<b>TOTAL</b>	<b>₹ 6,46,76,693</b>



## ANNEXURE – F

[Pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

The Board of Directors at its meeting held on 6th February, 2015 has adopted the Corporate Social Responsibility policy of the company. The funds available for CSR activity have been spent in the 'Prime Minister National Relief Fund'. The CSR policy of the company is available at [www.mazdalimited.com](http://www.mazdalimited.com).

As on date, the CSR Committee of the Company consists of three Directors viz. Mrs. Sheila Mody as the Chairperson, Mr. Percy Avari & Mr. Mohib Khericha as the members of the Committee. The CSR Committee has confirmed that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and the policy of the company.

Details of the expenditure on CSR activities are as follows:

Average net Profit of the company for the financial year 2011-12, 2012-13 & 2013-14	₹ 15,95,48,135
Prescribed CSR Expenditure (2% of the Average Net Profits)	₹ 31,90,963
Total Amount spent on CSR activities	₹ 32,00,000

Manner in which the amount spent during the financial year 2014-15 is detailed below:

Sr. No.	CSR project	Sector in which the project is covered	Projects or programs 1) Local Areas or other 2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs. 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent (Direct or through implementing agency)
1.	Prime Minister's National Relief Fund	Socio economic Development & relief	Not ascertainable	Amount not specified	₹ 32.00 Lacs	₹ 32.00 Lacs	₹ 32.00 Lacs Direct payment to the Fund

## ANNEXURE – G

Particulars Pursuant to Section 197(12) of the Companies Act, 2013 and rule 5(1) of Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014:

- 1) Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March, 2015:

Sr. No.	Executive Directors	Remuneration ₹ in Lacs	Median remuneration ₹ in Lacs	Ratio
1.	Mr. Sorab Mody, Managing Director	80.94	3.03	26.71
2.	Mr. Percy Avari, Whole-Time Director	65.27	3.03	21.54
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	65.27	3.03	21.54

- 2) Percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year:

Sr. No.	Director, CFO & Company Secretary	% increase in the remuneration in the financial year
1.	Mr. Sorab Mody, Managing Director	5.54%
2.	Mr. Percy Avari, Whole-Time Director	32.54%
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	32.54%
4.	Mr. Cyrus Bhagwagar, CFO	16.12%
5.	Mr. Nishith Kayasth, Company Secretary	18.23%

**Note to Point No. 1 & 2:** Non-executive Directors are paid sitting fees only.

- 3) Percentage increase in median remuneration of employees in the financial year: 15%  
 4) The number of permanent employees on the rolls of the company as on 31st March, 2015: 213  
 5) The Explanation on the relationship between average increase in remuneration and company performance:

Particulars	2014-15	2013-14
Total Income (₹ In Lacs)	11925.44	10499.23
Profit Before Tax (₹ In Lacs)	1606.23	1479.40
PBT as a % of Total Income	13.47%	14.09%





Average increase of 15% in the remuneration of employees is in line with the company's performance, market dynamics and as a measure to motivate the employees for better future performance to achieve organization growth expectations.

- 6) Comparison of the remuneration to Key Managerial Personnel against the performance of the Company:  
The increase in remuneration is not solely based on company performance but also includes various factors like individual performance, industrial trends, economic situation, future growth prospects etc. Average increase in remuneration of Key Managerial Personnel is based on Company's Remuneration Policy.
- 7) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last offer:

Quotes from BSE	As on 31st March, 2015	As on 31st March, 2014
Issued Capital (no. of shares)	42,58,000	42,58,000
Market Price of Equity shares of the company (in ₹)	236.00	130.25
EPS (in ₹)	26.37	24.08
Price earnings Ratio (in ₹)	8.95	5.41
Market Capitalization (₹ in Lacs)	10048.88	5546.05
Issue price at the last public offer	10.00	
Increase in market price as on 31/03/2015 as compared to the issue price	226.00	-
% increase	2260%	

- 8) Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:  
The average increase in salaries of the employees other than Managerial Personnel in 2014-15 was 15% and average percentage increase in the Managerial Remuneration for the year was 20% which is in line with the overall remuneration of the company.
- 9) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:  
The comparison of the performance of the company and increase in the remuneration of the Key Managerial Personnel is given at point no. 5 & 2 respectively.
- 10) The key parameters for any variable components of remuneration availed by the Directors:  
The executive directors are paid variable remuneration in the form of commission on profits in addition to their salaries. No other Directors are paid any remuneration other than sitting fees for attending meetings.
- 11) The ratio of the remuneration of the highest paid director to that of the employees who are not director but receive remuneration in excess of the highest paid director during the year: N.A.
- 12) It is affirmed that the remuneration paid is as per the remuneration policy of the company.

## ANNEXURE – H

### Disclosure under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No	Name	Designation	Remuneration* (₹)	Qualification	Experience (Yrs)	Commencement of Employment	Age (Yrs)	Particulars of Last Employment/ Employer/ Last Post & Period for which post held
1.	Sorab Mody	Managing Director	80,94,044	B.com	35	01/12/1991	69	J.N. Marshall Ltd. – Branch Manager
2.	Percy Avari	Whole-Time Director	65,27,222	B.Tech (Chemical), MBA (Finance)	26	01/09/1989	46	N.A.
3.	Shanaya Mody Khatua	Whole-Time Director	65,27,222	B.A. (Arts) M.sc. (IER & HRM)	10	01/09/2004	33	N.A.

#### Notes:

- The nature of employment is contractual for all the above employees.
- Mr. Sorab Mody, Managing Director and Mrs. Shanaya Mody Khatua are related to each other.



## ANNEXURE – I

### REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

The following is report on Corporate Governance Code as implemented by your company.

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's Governance philosophy is based on trusteeship, maintaining integrity, transparency and accountability in all levels of the management. Corporate Governance is the application of best management practices, continued compliance of law and adherence to the highest ethical standard to achieve Company's objective in enhancing shareholder's value. The basic philosophy behind the Endeavour towards better Corporate Governance is to achieve business excellence.

To enunciate the spirit behind the governance process, your company has implemented the mandatory requirements of the Code of Corporate Governance as mentioned in Clause 49 of the Listing Agreement.

#### 2. BOARD OF DIRECTORS

The Board of Directors ('The Board') is trustee to the stakeholders and is responsible for corporate strategy, drives strategic decisions, reviews major plan of action and to take the vision of the company forward.

##### (a) Composition of Board

Your company's Board comprises of Nine Directors as on 31<sup>st</sup> March, 2015 comprising three Executive Directors, three Non-executive Directors and three Independent Non-Executive Directors, including Chairman in the position of Independent Non-Executive Director, with diverse experience in different areas. The Company does not have any Nominee Director. Your company's Board of Directors represent optimum combination of professionalism, knowledge and experience to ensure the independence of Board and to separate the Board function of governance and management.

The Board Meetings held during the financial year 2014-15, presence of the directors thereat and Membership / Chairmanship of the directors in the Committees and no. of directorships in other companies excluding Private Companies and our company are stated below:

Name of the Directors	Category of Directors	No. of Board Meetings		Attendance at the last AGM	No. of Directorship in other Companies	No. of Committees in which	
		Held while holding the office	Attended while holding the office			Member	Chairperson
Dr. Nanalal C. Mehta	Non-Executive & Independent	1	1	No	NIL	None	
Mr. Mohib N. Khericha (Chairman)	Non-Executive & Independent	5	5	Yes	6	4	3
Mr. Sorab R. Mody (Managing Director)	Promoter & Executive	5	5	No	NIL	None	
Mr. Samuel W. Croll- III	Non-Executive	5	1	No	NIL	None	
Mr. Dady K. Contractor	Non-Executive & Independent	1	NIL	No	2	N.A.	N.A.
Mrs. Sheila S. Mody	Non-Executive	5	5	Yes	NIL	None	
Mrs. Houtoxi F. Contractor	Non-Executive	5	1	No	NIL	None	
Mr. Harbhajansingh B. Khalsa	Non-Executive & Independent	1	1	No	NIL	None	
Mr. Nilesh C. Mankiwala	Non-Executive & Independent	3	3	Yes	NIL	None	
Mr. Saurin V. Palkhiwala	Non-Executive & Independent	3	3	Yes	NIL	None	
Mr. Percy X. Avari	Executive	5	5	Yes	NIL	None	
Mrs. Shanaya Mody Khatua	Executive	5	2	No	NIL	None	

##### Notes:

- These numbers exclude the directorship/committee membership held in the company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 and alternate directorship. Further, it includes only the chairmanship/membership of the Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee. All Directors have informed the Company about the committee positions they occupy in other companies as per Clause 49 of the Listing Agreement, which were placed before the Board.



2. Dr. Nanalal Mehta and Mr. Harbhajansingh Khalsa ceased to be Directors of the Company due to their resignation with effect from conclusion of the Board Meeting on 29th May, 2014 and Mr. Dady Contractor ceased to be Director of the Company due to his resignation w.e.f. 27th May, 2014.
3. Mr. Nilesh Mankiwala and Mr. Saurin Palkhiwala were appointed as Additional Directors by the Board of Directors w.e.f. 29th July, 2014 and further appointed as Independent Directors by the members at their Annual General Meeting held on 30<sup>th</sup> September, 2014 for five consecutive years with effect from 30<sup>th</sup> September, 2014 upto the date of 29<sup>th</sup> Annual General Meeting of the Company.

Except Mr. Sorab Mody, Mrs. Sheila Mody and Mrs. Shanaya Mody Khatua, who are related to each other, none of the other Directors are related to any other Director on the Board in term of definition of 'relative' as per the Companies Act, 2013.

Mr. Samuel W. Croll-III and Mrs. Houtoxi F. Contractor are liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, has offered themselves for re-appointment. Relevant details pertaining to Mr. Samuel W. Croll-III and Mrs. Houtoxi F. Contractor are provided in the Notice of the AGM.

All Independent Directors of the Company have furnished declarations that they qualify the conditions of being independent as per Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. These were placed before the Board.

During the financial year, the five Independent Directors of the Company met on 6th February, 2015 under the chairmanship of Mr. Mohib Khericha without the presence of non-independent directors or management personnel to review the performance of Non-Independent Directors, the Board and its Chairman. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board. The terms and conditions of appointment of Independent Directors are incorporated on the website of the Company [www.mazdalimited.com](http://www.mazdalimited.com).

**(b) Details of Board Meetings held during the year:**

To review the company's performance the Board meets at least once in a quarter. In the year under review, five Board meetings were held. The meetings were held on:

29 May 2014      29 July 2014      02 August 2014      01 November 2014      6 February 2015

**(c) Shareholding of the Directors:**

Statement showing number of equity shares of the company held by the Directors as on 31st March, 2015:

Name of the Directors	Number of Equity Shares of ₹ 10/- each
Mr. Mohib Khericha	NIL
Mr. Sorab Mody	1179672
Mr. Samuel Croll- III	NIL
Mrs. Sheila Mody	75700
Mrs. Houtoxi Contractor	592
Mr. Percy Avari	45205
Mrs. Shanaya Mody Khatua	425622
Mr. Nilesh Mankiwala	NIL
Mr. Saurin Palkhiwala	NIL

**3. AUDIT COMMITTEE**

The company has an Audit Committee at the Board level, with the powers and roles in accordance with the requirements of the Listing Agreement and the Companies Act, 2013. The existing Audit Committee lastly re-constituted in a Board Meeting held on 29th July, 2014 with following members:

Sr. No.	Name of the Director(s)	Chairman / Member	Category of Director as per clause 49 of the Listing Agreement
1.	Mr. Mohib Khericha	Chairman	Non-Executive & independent
2.	Mrs. Sheila Mody	Member	Non-Executive
3.	Mr. Saurin Palkhiwala	Member	Non-Executive & Independent

The Company Secretary of the company acts as the secretary to the Committee.

The members of the Audit Committee has adequate experience and knowledge of Accounts, Audit, and Finance.



#### The terms of reference of the Audit Committee

The terms of reference of Audit Committee contains matters specified in Companies Act, 2013, Rules made thereunder, Listing Agreement and as may be specified by Board in writing.

The Audit Committee shall act in accordance with the terms of reference, which shall include:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Evaluation of internal financial controls and risk management systems;
- Oversight of the company's financial reporting process and disclosure of financial information;
- To review Internal Control system and discuss the same with Internal auditors;
- To review the functioning of Whistle Blower Mechanism;
- Valuation of undertakings of assets of the company, wherever it is necessary;
- Review and monitor the Auditor's independence and performance and effectiveness of audit process;
- To review the quarterly financial statements before submission to the Board for approval;
- To discuss various significant findings with the internal auditors and statutory auditors and follow- up thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
- Carrying out such other tasks as may be specified by the Board from time to time.

#### Details of Audit Committee meetings and attendance:

During the year under review, Audit Committee meetings were held on the following dates:

29 May 2014                      02 August 2014                      01 November 2014                      06 February 2015

All members of the committee has attended the meetings held during the period under review. The Chairman of the Audit Committee has attended the Annual General Meeting of the company.

#### 4. NOMINATION & REMUNERATION COMMITTEE

During the year under review, with reference to the Companies Act, 2013 the Remuneration Committee has been renamed as Nomination & Remuneration Committee and re-constituted with Mr. Saurin Palkhiwala as Chairman of the Committee and Mr. Mohib Khericha & Mrs. Sheila Mody as members of the Committee.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Name & Designation	Category of Directorship	No. of meetings held during the tenure	No. of meetings attended
Mr. Saurin Palkhiwala, Chairman	Non-Executive & independent	2	2
Mr. Mohib Khericha	Non-Executive & independent	2	2
Mrs. Sheila Mody	Non-Executive	2	2

The Nomination & Remuneration Committee has identified persons who can be appointed as a Director of the company and evaluated Director's performances on regular basis and suggestions has been given for appointment in the senior management level. The Nomination & Remuneration Committee reviews and makes recommendations on remuneration package, terms of the service agreement and commission payable to the Executive directors.

Two meetings were held during the year under review, the dates of the meeting are as under:

29 July 2014                      02 August 2014

##### (a) Remuneration policy

The Remuneration policy has been framed in accordance with the provisions of section 178 of the Companies act, 2013 alongwith the Rules applicable and Clause 49 of the Listing Agreement, as amended from time to time. The policy on Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel has been framed by Nomination & Remuneration Committee and has been approved by the Board of Directors. The Remuneration Policy forms a part of the Directors Report.

**(b) Remuneration to Non-executive Directors:**

The Non –Executive Directors are not paid anything except sitting Fees for the Meetings attended by them during the year under review.

**(c) Remuneration to Executive Directors**

The appointment and remuneration of Executive Directors including Managing Director and Whole-Time Directors are governed by the recommendation of Nomination and Remuneration Committee. As per their recommendations resolutions passed by the Board of Directors and approved by the members of the company. The remuneration is paid according to the agreement between the company and the Executive Directors. Their increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for their approval.

**(d) The details of remuneration paid to the directors for the year under review are as follows:**

Name of Directors	Sitting Fees (₹)	Salaries, Perquisites & Other allowances (₹)	Commission (₹)	Total (₹)
Dr. Nanalal C. Mehta	20,000	NIL	NIL	20,000
Mr. Sorab R. Mody (Managing Director)	NIL	49,60,400	31,33,644	80,94,044
Mr. Mohib N. Khericha(Chairman)	3,90,000	NIL	NIL	3,90,000
Mr. Samuel W. Croll – III	50,000	NIL	NIL	50,000
Mr. Dady K. Contractor	NIL	NIL	NIL	NIL
Mrs. Sheila S. Mody	5,00,000	NIL	NIL	5,00,000
Mrs. Houtoxi F. Contractor	50,000	NIL	NIL	50,000
Mr. Harbhajansingh B. Khalsa	20,000	NIL	NIL	20,000
Mr. Percy X. Avari	NIL	49,60,400	15,66,822	65,27,222
Mrs. Shanaya Mody Khatua	NIL	49,60,400	15,66,822	65,27,222
Mr. Nilesh C. Mankiwala	1,50,000	NIL	NIL	1,50,000
Mr. Saurin V. Palkhiwala	3,05,000	NIL	NIL	3,05,000

**(e) Performance evaluation of Directors**

Pursuant to the provisions of Companies Act, 2013 and Listing Agreement, the Board has carried out the annual performance evaluation for the financial year under review of performances of the Directors individually as well as the evaluation of the working of its Board and their Committees.

Performance evaluation of each Director was carried out based on the criteria as laid down by the Nomination & Remuneration Committee.

The broad criteria followed for evaluation of performance of Directors includes aspects such as attendance at the meetings, participation and independence during the meetings, interaction with management, role and accountability, knowledge and proficiency. The performance evaluation of the Managing Director and Whole-Time Directors was based on business achievements of the company.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholder’s Relationship Committee constituted by the Board of Directors which consists of Directors viz. Mr. Percy Avari and Mrs. Sheila Mody, Chairperson of the Committee.

During the year under review, the Committee met as and when required and all the members have attended the meetings. The Committee looks into the redressal of Shareholders’complaints,which are summarized as follows:

- Approving transfer and transmission of shares;
- Issue of duplicate share certificates;
- Issue of new share certificate and to consider request for rematerialisation;
- All other matters related to shareholders;
- Looking into various complaints received from the shareholders and timely redressal of the same.

All other requests like non-receipt of Annual Reports, dividends, change in address or any other details of the shareholders, etc., were resolved to the satisfaction of the shareholders. During the year, 16 complaints were received from the Shareholders which have been resolved to the satisfaction of the shareholders. There was no outstanding complaint at the beginning of the year or at the end of the year.

Mr. Nishith Kayasth, Company Secretary, provided secretarial support to the Committee and he has been designated as Compliance Officer for such matters.

**6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

In accordance with the provisions of section 135 of the Companies Act, 2013, the Board has constituted “Corporate Social Responsibility Committee”. The Committee consists of Mrs. Sheila Mody as the Chairperson, Mr. Mohib Khericha and Mr. Percy Avari as members of the Committee.

The Committee is inter alia authorised to formulate and recommend to the Board a CSR policy, the amount of expenditure to be incurred on the permissible activities and monitoring of CSR policy.

During the year under review, the company has spent ₹ 32.00 Lacs on CSR activities in line with the requirements of Section 135 of the Companies Act, 2013 and Rules made thereunder.

Two meetings were held during the year under review. The meetings were held on:

02 August, 2014                              06 February, 2015

**7. INDEPENDENT DIRECTORS MEETING**

With reference to the Schedule IV of the Companies Act, 2013 one meeting of the Independent Directors was held on 6th February, 2015. All the Independent Directors have attended the meeting. The Chairman of the company has also chaired the meeting. At the meeting, the Independent Directors reviewed the performance of the non-independent directors and the Board as whole and assessed the quality, quantity and timeliness of flow of information between the company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**Familiarisation programme for Independent Directors:**

Independent Directors at the time of their appointment are given the formal appointment letter mentioning various terms and conditions of their engagement. Independent Directors of the company are made aware of their role, duties, rights and responsibilities at the time of their appointment.

Independent Directors have visited the plants of the company for understanding of manufacturing operations and different processes of their plants.

The Board of Directors have complete access to the information within the company and to interact with senior management personnel. Independent Directors have freedom to interact with the management of the company.

The Familiarisation programme has been conducted during the year under review and different aspects such as legal compliance management, corporate governance and role of independent directors has been covered in the same.

**8. GENERAL BODY MEETINGS**

The details of the Annual General Meetings held during the last three years are as follows:

<b>Meeting</b>	<b>24<sup>th</sup> AGM</b>	<b>23<sup>rd</sup> AGM</b>	<b>22<sup>nd</sup> AGM</b>
<b>Year</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
<b>Venue</b>	<b>C/1-39/13/16 G.I.D.C., Naroda, Ahmedabad – 382 330</b>	<b>C/1-39/13/16 G.I.D.C., Naroda, Ahmedabad – 382 330</b>	<b>C/1-39/13/16 G.I.D.C., Naroda, Ahmedabad – 382 330</b>
<b>Date &amp; Time</b>	<b>30<sup>th</sup> September, 2014 at 9.30 A M</b>	<b>17<sup>th</sup> September, 2013 at 9.30 A M</b>	<b>25<sup>th</sup> September, 2012 at 9.30 A M</b>
<b>No. of Special Resolution</b>	<b>03</b>	<b>No</b>	<b>No</b>

**• Postal Ballot**

During the financial year under review, no approval of the shareholders was taken through the postal ballot.

**9. SUBSIDIARY COMPANY**

The company does not have any subsidiary company.

**10. DISCLOSURES**

- There are no transactions of a materially important character and which are not in the ordinary course of business and on Arm's length basis with the promoters, the Directors or the Management or relatives that may have potential conflict with the concern of the company at large.
- The Board of Directors has adopted the policy on Related Party Transactions and the same has been available on the website of the company.
- Related party transactions are disclosed in the Note No. 33 forming Parts of Accounts in this Annual Report.
- While preparing the financial statements, the company has followed all relevant Accounting Standards.



- The company has complied with the requirements of the stock exchanges, SEBI, statutory authorities on all matter related to capital markets during the last three years. There are no penalties or strictures imposed on the company by them except one time penalty imposed by Bombay Stock Exchange Limited on the company for late filling of the quarterly Corporate Governance Report for a period of six days due to inadvertent circumstances.
- The Company has adequate risk assessment and minimization system in place. The risk management procedure is reviewed in the Board Meetings periodically.
- The company has implemented the Vigil Mechanism and the same has been reviewed by the Audit Committee. No complaints have been received under the policy during the financial year under review. In the opinion of the Board there are no cases where a person was denied access to the grievance process set up by the company.
- The company has a well-defined 'Code of Business Conduct' applicable to all the Board members and senior management personnel. The compliance to 'Code of Business Conduct' has been affirmed by the Managing Director of the company. The certificate for the affirmation to the same forms part of the Corporate Governance Report.
- A certificate from the Managing Director and Chief Financial Officer on the financial statements of the company in terms of clause IX of clause 49 of the Listing Agreement with the stock exchanges was placed before the Board of Directors and the same forms part of Corporate Governance Report.
- The Board receives on a quarterly basis, certificates of compliance with the provisions of all applicable laws from the Managing Director and Compliance Officer, which are taken on record by the Board.
- A qualified Company Secretary carries out Reconciliation of share capital to reconcile to total admitted capital with NSDL and CDSL and total issued and listed capital. This audit is carried out every quarter and the report is submitted to the stock exchanges.
- The Managing Director and Chief Financial Officer (CFO) of the Company give an annual certificate on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Managing Director and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.
- There is a Policy on protection of Women against Sexual Harassment at Work Place and the Committee has been formed to observe the complaints under the said act. There is no complaint received during the year under review.
- Mazda Limited has complied with mandatory requirements of Corporate Governance Code. The company would review implementation of other non-mandatory requirements of Corporate Governance Code in due course of time. Practicing Company Secretary's certificate regarding compliance of Corporate Governance Code for the financial year 2014-15 forms part of the Corporate Governance Report.

#### 11. MEANS OF COMMUNICATION

- |   |  |
|---|--|
| • Half-Yearly report sent to each household of shareholders                           | No   |
| • Quarterly Results –<br>Newspapers in which normally published                       | Economics Times (English & Gujarati edition)   |
| • Web site, where displayed   | At companies Web site <a href="http://www.mazdalimited.com">www.mazdalimited.com</a> |
| • Presentation made to Institutional Investors or to Analysts                         | No   |
| • Whether Management Discussion and Analysis Report is a part of Annual Report or not | Yes  |

#### 12. GENERAL SHAREHOLDERS INFORMATION

- |                                     |  |  |
|-------------------------------------|--|--|
| • AGM                               | – Date   | - Tuesday 1 <sup>st</sup> September, 2015  |
|                                     | – Time   | - 9.30 AM  |
|                                     | – Venue  | - Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330                        |
| • Financial Calendar (Tentative)    |  | April 2015 to March 2016   |
| (a)                                 | First Quarter Results                            | First week of August 2015  |
| (b)                                 | Second Quarter Results                           | First week of November 2015  |
| (c)                                 | Third Quarter Results                            | First week of February 2016  |
| (d)                                 | Fourth Quarter results                           | Last week of May 2016  |
| (d)                                 | Results for the year ending March 2016 (Audited) | May 2016   |
| • Date of Book Closure              |  | 15 <sup>th</sup> August, 2015 to 22 <sup>nd</sup> August, 2015 (Both days inclusive) |
| • Dividend Payment Date (Tentative) |  | 14 <sup>th</sup> September, 2015   |



- Listing on Stock Exchanges
  - Bombay Stock Exchange Limited
  - Ahmedabad Stock Exchange Limited

Listing fees for the period 2014-2015 has been paid to the stock exchanges.
- Stock Code
  - Bombay Stock Exchange Limited : 523792
  - Ahmedabad Stock Exchange Limited : 36100
- Demat ISIN No.
  - For NSDL and CDSL INE885E01034
- CIN
  - L29120GJ1990PLC014293
- Registrar and Share Transfer Agent
  - Sharepro Services (I) Pvt. Ltd.
  - 13 AB, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Andheri Kurla Road, Sakinaka, Mumbai – 400 072
  - Phone No: (022) 67720300
- Share Transfer System
  - Transfers of Shares are processed by the Share Transfer Agents and approved by the Stakeholders' Relationship Committee, which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respects.
- Name and email address of the Compliance officer of the company
  - Mr. Nishith C. Kayasth
  - Company Secretary
  - Email: [nishith@mazdalimited.com](mailto:nishith@mazdalimited.com)
  - Phone : 079-4000 7000
- Dematerialization of shares and liquidity
  - 91.29% of the paid-up capital has been dematerialized as on March 31, 2015.
- Plant Location
  - Unit-I** C/1-39/13/16 GIDC, Naroda, Ahmedabad- 382 330
  - Unit-II** Plot No. 11 & 12, Hitendranagar Sahakari Vasahat Ltd., N.H. Road, Naroda, Ahmedabad- 382 340
  - Unit-III** C/1, A-5, GIDC, Odhav, Ahmedabad- 382 415
  - Unit-IV** Plot No. 17/1, Phase-III, GIDC, Naroda – Ahmedabad – 382 330
- Address for correspondence
  - Mazda Limited:**
  - Corporate Office: Mazda House, 650/1 Panchwati 2<sup>nd</sup> Lane, Ambawadi, Ahmedabad- 380 006

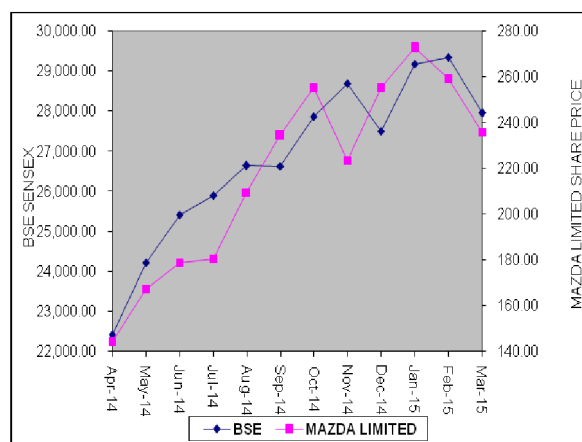
Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant for any queries related to change of address or change in bank mandate.

• **Monthly Highs and Lows of Market Price of the Company's Shares Traded on Bombay Stock Exchange Limited for the period April 2014 to March 2015:**

Month	Bombay Stock Exchange Limited (BSE)	
	High	Low
April, 2014	174.80	124.50
May, 2014	183.95	141.00
June, 2014	193.00	165.55
July, 2014	218.85	178.10
August, 2014	227.00	176.20
September, 2014	261.00	205.05
October, 2014	275.90	230.00
November, 2014	261.95	216.90
December, 2014	284.85	216.00
January, 2015	292.90	258.75
February, 2015	294.90	240.00
March, 2015	277.80	222.00

Source: BSE Website

• **Stock Price Performance in comparison to BSE Sensex**







- Shareholding pattern as on March 31, 2015

Categories	No. of Shares held	% of Total Shareholding
<b>Promoter's Holding</b>		
Promoters and its group – Indian	16,84,478	39.56
Foreign Promoters	NIL	NIL
<b>Sub – Total</b>	<b>16,84,478</b>	<b>39.56</b>
<b>Non – promoter's Holding</b>		
Mutual Funds	9,753	0.23
Banks	800	0.02
Domestic companies	2,66,176	6.25
Foreign Institutional Investors (FIIs)	21,000	0.49
Indian Public	18,67,925	43.87
NRI's	1,18,368	2.78
Foreign Company	2,89,500	6.80
<b>Sub – Total</b>	<b>25,73,522</b>	<b>60.44</b>
<b>GRAND TOTAL</b>	<b>42,58,000</b>	<b>100.00</b>

- Distribution of shareholding as on March 31, 2015

Shareholding			Shareholders		No. of shares	
			Folios	% of total Nos.	Shares	% of total shares
Less than		500	3248	86.71	3,85,611	9.05
501	To	1000	226	6.03	1,85,990	4.37
1001	To	2000	105	2.80	1,57,236	3.69
2001	To	3000	50	1.34	1,26,764	2.98
3001	To	4000	22	0.59	80,884	1.90
4001	To	5000	23	0.61	1,06,925	2.51
5001	To	10000	36	0.96	2,72,923	6.41
10001	And	above	36	0.96	29,41,667	69.09
<b>Total</b>			<b>3746</b>	<b>100.00</b>	<b>42,58,000</b>	<b>100.00</b>

- Transfer to Investor Education and Protection Fund (IEPF)**

In accordance with the provisions of Section 125 of the Companies Act, 2013 the unpaid/unclaimed dividend of ₹ 82,767/- was lying in the company's separate unpaid dividend account and lasting unclaimed for a period of seven years, was transferred to the IEPF.

For and on behalf of the Board,

Place: Ahmedabad  
Date: 01/08/2015

**SORAB R. MODY**  
Managing Director

#### AFFIRMATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

To,  
The Members of the company

The Board of Directors of the company has adopted a Code of Conduct for all the Board members and senior executives of the company, including the Managing Director; they have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended 31st March, 2015.

Place : Ahmedabad  
Date : 01/08/2015

**Sorab. R. Mody**  
Managing Director



## CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

To,

The Board of Directors

We to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief :
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company during the year which are fraudulent, illegal or against the company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We further certify that :
  - a. There have been no significant changes in internal control over financial reporting during the year;
  - b. There have been no significant changes in accounting policies during the year and the same have been disclosed in notes to the financial statements; and
  - c. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Ahmedabad

Date : 01/08/2015

**Cyrus J. Bhagwagar**  
Chief Financial Officer

**Sorab R. Mody**  
Managing Director

## CERTIFICATE ON CORPORATE GOVERNANCE

**To the members of Mazda Limited,**

We have examined the compliance of conditions of Corporate Governance by Mazda Limited ('the Company') for the year ended 31<sup>st</sup> March, 2015 as stipulated in Clause 49 of the Listing Agreement of the company entered into with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, representation made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement except the late submission of the Quarterly Corporate Governance Report for one quarter during the year under review to the Stock Exchanges for a period of six days.

We state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For Rutul Shukla & Associates,**  
Company Secretaries

Place: Ahmedabad  
Date : 01/08/2015

**Rutul J. Shukla**  
FCS : 6776 (CP : 7470)



## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAZDA LIMITED

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

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

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

### AUDITORS' RESPONSIBILITY

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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

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

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2015 ("the order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

- 1) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



- 2) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- 3) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- 4) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014;
- 5) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- 6) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 31 of notes to the financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
  - iii. There has been a delay of 26 days in transferring the amount of Rs. 82,767/-, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Apaji Amin & Co. LLP**  
**Chartered Accountants**  
**Registration No.100513W/W100062**

**Tehmul B. Sethna**  
**Partner**

**Membership No: 35476**

**Place: Ahmedabad**

**Date: 30/05/2015**

## **ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of Mazda Limited on the Financial Statements as of and for the year ended March 31, 2015)

- 1) In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of all fixed assets.
  - b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regards to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- 2) In respect of its inventories:
  - a) As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of such verification is reasonable.
  - b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company is maintaining proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
- 3) The Company has not granted any loans secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. Further on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control systems.



- 5) According to the information and explanations provided to us, the company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, would apply.
- 6) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that, *prima facie* the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7) According to the information and explanations given to us, in respect of statutory dues:
  - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material Statutory dues applicable to it with the appropriate authorities.
  - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material Statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
  - c) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other which have not been deposited on account of any dispute.
  - d) There has been a delay of 26 days in transferring the amount of Rs. 82,767/-, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 8) The Company has no accumulated losses and has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 9) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks. The company has not issued any debentures.
- 10) In our opinion and according to information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- 11) The Company has not raised any term loans during the year.
- 12) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by management.

**For Apaji Amin & Co. LLP**  
**Chartered Accountants**  
**Registration No.100513W/W100062**

**Tehmul B. Sethna**  
**Partner**  
**Membership No: 35476**

**Place: Ahmedabad**  
**Date: 30/05/2015**



## BALANCE SHEET AS AT 31ST MARCH, 2015

Sr. No.	Particulars	Notes	AS AT 31/03/2015 ₹	AS AT 31/03/2014 ₹
<b>I</b>	<b><u>Equity and Liabilities</u></b>			
1	<b>Shareholders' Funds</b>			
	(a) Share Capital	3	42,580,000	42,580,000
	(b) Reserves and Surplus	4	865,965,623	790,101,437
			<b>908,545,623</b>	<b>832,681,437</b>
2	<b>Non-current Liabilities</b>			
	(a) Deferred Tax Liabilities (net)	5	18,671,045	21,284,728
	(b) Long Term Provisions	6	5,462,829	354,164
			<b>24,133,874</b>	<b>21,638,892</b>
3	<b>Current Liabilities</b>			
	(a) Short Term Borrowings	7	27,116,914	39,425,469
	(b) Trade Payables	8	124,781,505	144,320,205
	(c) Other Current Liabilities	9	89,606,071	79,408,567
	(d) Short Term Provisions	10	54,624,475	46,468,192
			<b>296,128,964</b>	<b>309,622,432</b>
	<b>TOTAL</b>		<b>1,228,808,461</b>	<b>1,163,942,763</b>
<b>II</b>	<b><u>Assets</u></b>			
1	<b>Non-current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	11	178,422,780	195,132,894
	(ii) Intangible Assets	12	33,908,496	3,069,094
	(iii) Capital Work-in-Progress	11	2,280,053	-
	(iv) Intangible Assets under Development	12	1,469,750	1,469,750
	(b) Long Term Loans and Advances	13	48,214,962	52,087,859
			<b>264,296,041</b>	<b>251,759,597</b>
2	<b>Current Assets</b>			
	(a) Current Investments	14	326,630,749	297,111,755
	(b) Inventories	15	197,972,841	250,129,179
	(c) Trade Receivables	16	224,990,656	219,884,141
	(d) Cash and Bank Balance	17	107,613,698	56,949,907
	(e) Short Term Loans and Advances	18	52,959,903	62,081,745
	(f) Other Current Assets	19	54,344,572	26,026,439
			<b>964,512,420</b>	<b>912,183,166</b>
	<b>TOTAL</b>		<b>1,228,808,461</b>	<b>1,163,942,763</b>
	Summary of Significant Accounting Policies	2		

The Accompanying Notes are an integral part of the Financial Statements.

As per our attached report of even date

For and on behalf of the Board of Directors of Mazda Limited

For APAJI AMIN & CO. LLP,

Chartered Accountants

Firm Registration No. : 100513W / W100062

Sorab Mody  
Managing Director  
(DIN: 00498958)

Percy Avari  
Whole-Time Director  
(DIN: 00499114)

Mohib Khericha  
Director  
(DIN: 00010365)

Tehmul Sethna

Partner

Membership No.: 35476

Cyrus Bhagwagar  
Chief Financial Officer

Nishith Kayasth  
Company Secretary

Place : Ahmedabad

Date : 30/05/2015

Place : Ahmedabad

Date : 30/05/2015



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Sr. No.	Particulars	Notes	Year Ended 31/03/2015 ₹	Year Ended 31/03/2014 ₹
<b>I</b>	<b><u>Revenue</u></b>			
	Revenue from Operations (Gross)	20	1,273,266,647	1,119,912,310
	Less: Excise Duty		95,178,004	90,001,598
	Revenue from Operations (Net)		1,178,088,643	1,029,910,712
	Other Income	21	14,455,504	20,012,201
	<b>Total Revenue (I)</b>		<b>1,192,544,147</b>	<b>1,049,922,913</b>
<b>II</b>	<b><u>Expenses</u></b>			
	Cost of Raw Materials and Packing Materials Consumed	22	598,115,184	631,162,222
	(Increase) / decrease in Finished and WIP Inventories	23	34,713,017	(68,585,222)
	Manufacturing Expenses	24	124,646,773	111,147,337
	Employee Benefits Expenses	25	126,440,838	107,631,735
	Finance Costs	26	4,972,957	9,429,783
	Depreciation and Amortisation Expenses	27	21,328,595	13,527,682
	Other Expenses	28	121,703,308	97,669,282
	<b>Total Expenses (II)</b>		<b>1,031,920,672</b>	<b>901,982,819</b>
<b>III</b>	<b>Profit Before Exceptional Items &amp; Tax (I-II)</b>		<b>160,623,475</b>	<b>147,940,094</b>
<b>IV</b>	<b>Exceptional Item -Prior Period Items</b>		<b>126,692</b>	<b>143,926</b>
<b>V</b>	<b>Tax Expenses</b>			
	(i) Current Tax		50,808,348	42,600,000
	(ii) Deferred Tax		(2,613,683)	2,628,219
	(iii) Wealth tax		11,707	33,722
	<b>Total Tax Expenses</b>		<b>48,206,372</b>	<b>45,261,941</b>
<b>VI</b>	<b>Net Profit for the Year (III-IV-V)</b>		<b>112,290,411</b>	<b>102,534,227</b>
	<b>Earnings Per Equity Share:</b>			
	[Nominal value of Share ₹ 10 (March 31, 2014: ₹ 10)]			
	<b>Basic and Diluted (in ₹)</b>		26.37	24.08
	Summary of Significant Accounting Policies	2		

The Accompanying Notes are an integral part of the Financial Statements.

As per our attached report of even date

For and on behalf of the Board of Directors of Mazda Limited

For **APAJI AMIN & CO. LLP,**  
Chartered Accountants  
Firm Registration No. : 100513W / W100062

Sorab Mody  
**Managing Director**  
(DIN: 00498958)

Percy Avari  
**Whole-Time Director**  
(DIN: 00499114)

Mohib Khericha  
**Director**  
(DIN: 00010365)

**Tehmul Sethna**  
Partner  
Membership No.: 35476

Cyrus Bhagwagar  
**Chief Financial Officer**

Nishith Kayasth  
**Company Secretary**

Place : Ahmedabad  
Date : 30/05/2015

Place : Ahmedabad  
Date : 30/05/2015



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

Sr. No.	Particulars	Year Ended 31/03/2015 ₹	Year Ended 31/03/2014 ₹
<b>A.</b>	<b>Cash flow from operating activities</b>		
	Net Profit / (Loss) before extraordinary items and tax	<b>160,623,475</b>	147,940,094
	<i>Adjustments for:</i>		
	Depreciation and amortisation	<b>21,328,595</b>	13,527,682
	(Profit) / loss on sale / write off of assets	<b>431,967</b>	301,964
	Interest Income	<b>(3,197,589)</b>	(2,404,337)
	Loss on revaluation of Mutual Fund	-	212,554
	Donation	<b>131,000</b>	125,100
	Dividend Income	<b>(300,000)</b>	(811,382)
	(Gain)/Loss on Forward Contracts	<b>(1,332,607)</b>	4,642,802
	(Gain)/Loss on Sale of Investments	<b>(3,946,556)</b>	(10,424,049)
	Interest paid	<b>658,373</b>	549,651
	Security transaction Tax expenses	<b>112</b>	25,546
	Net unrealised exchange (gain) / loss	<b>(1,493,342)</b>	1,675,538
		<b>12,279,953</b>	7,421,069
	Operating profit / (loss) before working capital changes	<b>172,903,428</b>	155,361,163
	<i>Changes in working capital:</i>		
	<i>Adjustments for (increase) / decrease in operating assets:</i>		
	Trade receivables	<b>(5,106,515)</b>	22,065,495
	Short-term loans and advances	<b>9,121,842</b>	(16,764,538)
	Long-term loans and advances	<b>2,299,358</b>	(1,850,259)
	Inventories	<b>52,156,338</b>	(87,773,075)
	Other current assets	<b>(27,440,816)</b>	(15,793,008)
	<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
	Trade payables	<b>(19,538,700)</b>	67,826,276
	Other current liabilities	<b>10,197,502</b>	43,056,038
	Long-term provisions	<b>5,108,665</b>	(71,722)
	Short-term provisions -Employees benefit payable	<b>1,194,872</b>	(304,283)
	Net unrealised exchange gain / (loss )	<b>1,493,342</b>	(1,675,538)
		<b>29,485,888</b>	8,715,386
	Cash flow from extraordinary items		
	Donation	<b>(131,000)</b>	(125,100)
	Prior Period Adjustment	<b>(126,692)</b>	(143,926)
	Cash generated from operations	<b>202,131,624</b>	163,807,523
	Net income tax (paid) / refunds	<b>(45,664,915)</b>	(43,112,829)
	<b>Net cash flow from / (used in) operating activities (A)</b>	<b>156,466,709</b>	120,694,694





Sr. No.	Particulars	Year Ended 31/03/2015 ₹	Year Ended 31/03/2014 ₹
<b>B.</b>	<b>Cash flow from investing activities</b>		
	Capital expenditure on fixed assets, including capital advances	(44,052,259)	(13,258,290)
	Proceeds from sale of fixed assets	235,000	525,000
	Purchase of current investment	(195,000,000)	(340,811,383)
	Current Investments not considered as Cash and Cash equivalents		
	- Proceeds from sale	169,427,449	243,538,920
	- Interest received	2,320,272	1,403,610
	- Dividend Income	300,000	811,382
	<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(66,769,538)</b>	<b>(107,790,761)</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Net increase / (decrease) in working capital borrowings		
	Dividend Paid	(23,419,000)	(21,290,000)
	Dividend Distribution tax	(3,980,059)	(3,618,236)
	Interest paid	(658,373)	(549,651)
	Gain/(Loss) on Forward Contracts	1,332,607	(4,642,802)
	Proceeds from short term borrowings	(12,308,555)	15,292,936
	<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(39,033,380)</b>	<b>(14,807,753)</b>
	<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>50,663,791</b>	<b>(1,903,819)</b>
	Cash and cash equivalents at the beginning of the year	56,949,907	58,853,726
	Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	-
	<b>Cash and cash equivalents at the end of the year [Note No. 17]</b>	<b>107,613,698</b>	<b>56,949,907</b>

**Notes :**

- The cash flow statement has been prepared under the "Indirect Method" as set out in accounting standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- The previous year's figures have been regrouped wherever necessary to make them comparable with this year's figures.

As per our attached report of even date

For APAJI AMIN & CO. LLP,  
Chartered Accountants  
Firm Registration No. : 100513W / W100062

**Tehmul Sethna**  
Partner  
Membership No.: 35476

Place : Ahmedabad  
Date : 30/05/2015

For and on behalf of the Board of Directors of Mazda Limited

Sorab Mody  
**Managing Director**  
(DIN: 00498958)

Cyrus Bhagwagar  
**Chief Financial Officer**

Place : Ahmedabad  
Date : 30/05/2015

Percy Avari  
**Whole-Time Director**  
(DIN: 00499114)

Nishith Kayasth  
**Company Secretary**

Mohib Khericha  
**Director**  
(DIN: 00010365)



## NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

### 1 CORPORATE INFORMATION

Mazda Limited (the 'Company') is a public limited company incorporated in 1990 under provisions of the Companies Act, 1956. The Company is an Engineering company engaged in the business of manufacturing and sales of Vacuum Systems, Condensers, Steam Jet Ejectors, L.P. Heaters, H.P. Heaters, Evaporators and Pollution Control Equipments. The Company's Head Quarters and four manufacturing plants are located in Ahmedabad, Gujarat State. The Company sells its products in the domestic as well as export markets. The equity shares of the Company are listed on the Bombay Stock Exchange Limited(BSE) and Ahmedabad Stock Exchange Limited(ASE).

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Accounting

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

#### (b) Use of Estimates

The preparation of financial statements in conformity with GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

#### (c) Tangible Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises Purchase Price, Borrowing Costs if capitalization criteria are met and any other directly attributable cost of bringing the asset to its working condition for the intended use, net off of any trade discounts and rebates. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized. Capital assets under erection/installation are stated in the Balance Sheet as "Capital Work-in-Progress".

#### (d) Intangible Assets

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. They are amortized on a straight line basis over their estimated useful lives.

#### (e) Research and Development

Revenue expenditure pertaining to Research & Development is charged to revenue under respective heads of accounts in the year in which they are incurred. Capital Expenditure on Research & Development is shown as an addition to Fixed Assets.

#### (f) Depreciation

In respect of fixed assets (other than capital work-in-progress) acquired during the year, depreciation /amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life based on an evaluation. The useful life of the asset is determined as prescribed in Schedule II to the Companies Act, 2013.

#### (g) Impairment of Assets

The company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indications exist, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to Profit and Loss Account. If at the Balance Sheet date there is an indication that previously assessed impairment losses no longer exist, than such loss is reversed and the asset is restated to that effect.

**(h) Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term. All leases are cancellable in nature and subject to renewal each year.

**(i) Investments**

Investments, which are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

**(j) Inventories**

Inventories include raw materials, bought out components, work-in-progress and manufactured finished goods.

(i) **Finished products:** Finished products produced by the Company are valued at lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads and Excise duty has been charged on finished goods.

(ii) **Work in Progress:** Work in Progress is valued at cost of direct materials, labour and other Manufacturing overheads up to estimated stage of process.

(iii) **Raw materials and stores & spares:** Raw materials and stores and spares are valued at Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost is determined using First in First out (FIFO) method.

**(k) Revenue Recognition**

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery :

**(i) Sale of Goods**

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of goods. Excise Duty deducted from turnover (gross) are the amount that is included in the amount of turnover (gross) and not the entire amount of liability arised during the year. Excise duty is accounted on the basis of both, payments made in respect of goods cleared and also provision made for goods lying in bonded warehouse. VAT and Sales Tax are charged to Revenue.

**(ii) Interest**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(iii) Export Incentives**

Export Incentives are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**(iv) Other Income**

Revenue in respect of other income is recognized when no significant uncertainty as to measurability or collectability exists.

**(v) Services**

Income from services is recognized when the services are rendered.

**(vi) Dividend**

Dividend Income is recognized when the right to receive dividend is established.

**(l) Expenditure during Construction period**

Expenditure during construction period is included under capital work-in- progress and the same is allocated to the respective fixed assets on completion of construction.



**(m) Foreign Currency Transaction**

- (i) Initial Recognition:** Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- (ii) Conversion:** At the year end, monetary items denominated in foreign currencies other than those covered by forward contracts are converted into rupee equivalents at the year-end exchange rates.
- (iii) Forward Exchange Contracts:** In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expense over the period of the contract.
- (iv) Exchange Differences:** All exchange differences arising on settlement/Conversion of foreign Currency transactions are recognized in the Profit and Loss Account.

**(n) Retirement and Other Employee Benefits**

**(i) Gratuity**

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

**(ii) Leave Encashment**

Provision for Leave Encashment, which are expected to be availed and encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of leave encashment as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Leave encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

**(iii) Provident Fund :**

Contributions to Defined Contribution schemes such as Provident Fund, etc. are charged to the Profit and Loss account as incurred. The contributions are made to a government administered Provident Fund towards which the Company has no further obligations beyond its monthly contributions.

**(o) Income Taxes**

Tax Expense comprises of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred Income Taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred Income Taxes reflect the impact of Timing Differences between Taxable Income and Accounting Income originating during the Current Year and reversal of timing differences for the earlier years. Deferred Tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.



**(p) Earnings Per Share**

The Company reports basic Earning Per Share (EPS) in accordance with Accounting Standard 20 on Earning Per Share.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus and preferential issue.

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

**(q) Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statement comprise cash on hand, cash at bank, cash on deposits with banks and corporations, short-term investments with an original maturity of three months or less and remittances in transit. The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

**(r) Derivative Instruments**

The company uses foreign exchange forward to hedge its risks associated with foreign currency fluctuations. The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income during the same period in which transaction occurs. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year. The Company does not enter into forward contracts for trading or speculation purpose.

**(s) Provisions and Contingent Liabilities**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A Contingent Liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**(t) Borrowing Costs**

Borrowing costs that are attributable to the acquisitions or construction of fixed assets/ qualifying assets for expansion/new project are capitalized to respective fixed assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to revenue in the year in which they are incurred.

**(u) Research & Development Expenses**

Revenue expenditure on Research and Development is charged off in the year in which it is incurred. Capital expenditure on Research and Development is included under Fixed Assets.

**(v) Segment Reporting - Identification of Segment**

The Company's operating businesses are organized and managed separately according to the nature of products and activities, with each segment representing a strategic business unit that has different products and activities. The Company's operation predominantly relates to manufacture of Engineering Goods and the manufacturing of food products. The analysis of geographical segments is based on the geographical location of the customers where they are classified as Domestic and Overseas. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".



## NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

### 3 SHARE CAPITAL

	March 31, 2015		March 31, 2014	
	No.	₹	No.	₹
<b>Authorised Shares</b>				
Equity Shares of ₹ 10 each	5,000,000	50,000,000	5,000,000	50,000,000
	5,000,000	50,000,000	5,000,000	50,000,000
<b>Issued, Subscribed and Fully Paid-up Shares</b>				
Equity Shares of ₹ 10 each fully paid- up	4,258,000	42,580,000	4,258,000	42,580,000
<b>TOTAL</b>	<b>4,258,000</b>	<b>42,580,000</b>	<b>4,258,000</b>	<b>42,580,000</b>

(a) **Reconciliation of the shares outstanding at the beginning and at the end of the year**

	March 31, 2015		March 31, 2014	
	No.	₹	No.	₹
<b>Equity Shares</b>				
At the Beginning of the year	4,258,000	42,580,000	4,258,000	42,580,000
<b>Outstanding at the End of the year</b>	<b>4,258,000</b>	<b>42,580,000</b>	<b>4,258,000</b>	<b>42,580,000</b>

(b) The Company has only one class of equity shares having a par value of ₹ 10 per share. Each equity shareholder is entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) **Details of shareholders holding more than 5% Shares in the Company**

	March 31, 2015		March 31, 2014	
	No. of shares	% Holding in the Class	No. of shares	% Holding in the Class
<b>Equity Shares</b>				
Sorab R. Mody	1,183,156	27.79	1,178,572	27.68
Shanaya Mody Khatua	425,622	10.00	425,622	10.00
Croll Reynolds International Inc.	289,500	6.80	289,500	6.80
	<b>1,898,278</b>	<b>44.59</b>	<b>1,893,694</b>	<b>44.48</b>

(d) For current financial year the Dividend Proposed to be distributed to equity shareholders ₹ 6.00 Per Share (Previous Year ₹ 5.50 Per Share) as final dividend. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

(e) There are no shares allotted as fully paid up during the period of five years immediately preceding the reporting date i.e. 31/03/2015.



	AS AT 31/03/2015 ₹	AS AT 31/03/2014 ₹
<b>4 RESERVES AND SURPLUS</b>		
<b>(a) Capital Reserve</b>		
Balance as per Last Financial Statements	424,937	424,937
<b>Closing Balance</b>	424,937	424,937
<b>(b) Security Premium Account</b>		
Balance as per Last Financial Statements	30,000,000	30,000,000
<b>Closing Balance</b>	30,000,000	30,000,000
<b>(c) Capital Buyback Reserve</b>		
Balance as per Last Financial Statements	4,168,000	4,168,000
<b>Closing Balance</b>	4,168,000	4,168,000
<b>(d) General Reserve</b>		
Balance as per Last Financial Statements	87,010,750	74,510,750
Add: Transferred from Statement of Profit and Loss	12,500,000	12,500,000
<b>Closing Balance</b>	99,510,750	87,010,750
<b>(e) Surplus in Statement of Profit and Loss Account</b>		
<b>Balance as per Last Financial Statements</b>	668,497,750	605,862,582
<b>Less:</b> Depreciation on transition to schedule II of the companies Act, 2013 on tangible fixed assets with nil remaining useful life.	5,647,356	-
<b>Add:</b> Profit for the year	112,290,411	102,534,227
	775,140,805	708,396,809
<b>Less: Appropriations:</b>		
Proposed Final Dividend		
- On Equity Shares [₹6.00 per share (March 31, 2014: ₹5.50)]	25,548,000	23,419,000
Tax on Proposed Final Dividend	5,230,869	3,980,059
Transfer to General Reserve	12,500,000	12,500,000
<b>Net Surplus in the Statement of Profit and Loss</b>	731,861,936	668,497,750
<b>GRAND TOTAL</b>	865,965,623	790,101,437
<b>5 DEFERRED TAX LIABILITIES (NET) - NON CURRENT</b>		
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	20,561,620	20,619,722
Provision for employee benefits	-	665,006
<b>Gross Deferred Tax Liabilities</b>	20,561,620	21,284,728
<b>Deferred Tax Asset</b>		
Provision for employee benefits	1,890,575	-
<b>Gross Deferred Tax Assets</b>	1,890,575	-
<b>Deferred Tax Liabilities (Net)</b>	18,671,045	21,284,728



	AS AT 31/03/2015 ₹	AS AT 31/03/2014 ₹
<b>6 LONG TERM PROVISIONS</b>		
<b>Provision for Employee Benefits</b>		
Provision for Leave Encashment	2,245,718	354,164
Provision for Gratuity	3,217,111	-
	<b>5,462,829</b>	<b>354,164</b>
<b>7 SHORT-TERM BORROWINGS</b>		
Secured Borrowings From Banks:		
Packing Credit Facilities (PCFC) (secured) *	27,116,914	39,425,469
	<b>27,116,914</b>	<b>39,425,469</b>
<p>* Cash credit facility, Export Packing Credit facility from the State Bank of India are secured by the Pledge/Hypothecation of stock, book debts and equitable mortgage of the assets of the company and co-lateral security of premise owned by Mr. Sorab Mody, situated at Odhav GIDC and also personally guaranteed by Mr. Sorab Mody, who is the Managing Director of the company.</p>		
<b>8 TRADE PAYABLES</b>		
Dues to Related Parties (Note 33)	5,163,456	3,676,194
Other Payables (Refer Note 36 for details of Dues to Micro & Small Enterprises)	119,618,049	140,644,011
	<b>124,781,505</b>	<b>144,320,205</b>
<b>9 OTHER CURRENT LIABILITIES</b>		
Advance from Customers	33,069,569	47,907,171
Unclaimed Dividends	1,424,460	1,387,551
Deffered Premium Account	1,327,691	343,961
Forward Contracts	48,503,832	22,823,326
Statutory dues including Provident Fund & Tax deducted at Source	5,179,036	4,734,861
Other Payable	101,481	2,211,697
	<b>89,606,071</b>	<b>79,408,567</b>
<p>There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at March 31, 2015.</p>		
<b>10 SHORT TERM PROVISIONS</b>		
Employee Benefits Payable	20,230,283	19,035,411
Provision for Wealth Tax (net of advances)	11,707	33,722
Provision For Income-tax (net of Advances)	3,603,616	-
Proposed Dividend	25,548,000	23,419,000
Tax on Proposed Dividend	5,230,869	3,980,059
	<b>54,624,475</b>	<b>46,468,192</b>



**11 TANGIBLE ASSETS**

	Gross Block			Accumulated Depreciation				Net Block			
	Balance as at April 1, 2014	Additions	Disposals	Balance as at March 31, 2015	Balance as at April 1, 2014	Charge for the year	Adjustment recorded against surplus balance in Statement of P & L	Disposals	Balance as at March 31, 2015	Balance as at March 31, 2014	Balance as at March 31, 2015
Buildings	116,778,609	847,705	-	117,626,314	21,459,912	3,650,595	-	-	25,110,507	95,318,697	92,515,807
Plant and Machineries	101,309,655	5,503,697	-	106,813,352	32,280,209	6,939,377	1,396,991	-	40,616,577	69,029,446	66,196,775
Furniture, Fixtures	14,651,216	238,428	-	14,889,644	7,354,001	1,567,736	185,748	-	9,107,485	7,297,215	5,782,159
Vehicles	13,404,381	528,678	1,902,191	12,030,868	7,032,203	176,7304	81324	1020637	7,860,194	6,372,178	4,170,674
Computers	14,524,806	498,124	-	15,022,930	11,032,656	1,684,963	703,170	-	13,420,789	3,492,150	1,602,141
Office Equipment	8,942,710	226,926	23,460	9,146,176	4,375,165	1,250,154	1,958,408	5,742	7,577,985	4,567,545	1,568,191
Patterns	69,505	577,484	-	646,989	26,058	19,872	-	-	45,930	43,447	601,059
Electrical Installation	15,255,188	-	-	15,255,188	6,242,972	1,503,007	1,523,235	-	9,269,214	9,012,216	5,985,974
	<b>284,936,070</b>	<b>8,421,042</b>	<b>1,925,651</b>	<b>291,431,461</b>	<b>89,803,176</b>	<b>18,383,008</b>	<b>5,848,876</b>	<b>1,026,379</b>	<b>113,008,681</b>	<b>195,132,894</b>	<b>178,422,780</b>
Capital Work-In-Progress	-	2,280,053	-	2,280,053	-	-	-	-	-	-	2,280,053
<b>GRAND TOTAL</b>	<b>284,936,070</b>	<b>10,701,095</b>	<b>1,925,651</b>	<b>293,711,514</b>	<b>89,803,176</b>	<b>18,383,008</b>	<b>5,848,876</b>	<b>1,026,379</b>	<b>113,008,681</b>	<b>195,132,894</b>	<b>180,702,833</b>
<i>Previous Year's Figures</i>	<i>276,659,929</i>	<i>10,908,263</i>	<i>2,632,122</i>	<i>284,936,070</i>	<i>79,259,060</i>	<i>12,349,273</i>	<i>-</i>	<i>1,805,157</i>	<i>89,803,176</i>	<i>197,400,869</i>	<i>195,132,894</i>

**12 INTANGIBLE ASSETS**

	Gross Block			Accumulated Amortisation				Net Block			
	Balance as at April 1, 2014	Additions	Disposals	Balance as at March 31, 2015	Balance as at April 1, 2014	Charge for the year	Adjustment recorded against surplus balance in Statement of P & L	Disposals	Balance as at March 31, 2015	Balance as at March 31, 2014	Balance as at March 31, 2015
Licences & Commercial Rights	-	30,995,000	-	30,995,000	-	1,982,224	-	-	1,982,224	-	29,012,776
Computer software	8,834,177	2,588,469	-	11,422,646	5,765,083	963,363	(201,520)	-	6,526,926	3,069,094	4,895,720
<b>Total</b>	<b>8,834,177</b>	<b>33,583,469</b>	<b>-</b>	<b>42,417,646</b>	<b>5,765,083</b>	<b>2,945,587</b>	<b>(201,520)</b>	<b>-</b>	<b>8,509,150</b>	<b>3,069,094</b>	<b>33,908,496</b>
Intangible Assets under Development	1,469,750	-	-	1,469,750	-	-	-	-	-	1,469,750	1,469,750
<b>GRAND TOTAL</b>	<b>10,303,927</b>	<b>33,583,469</b>	<b>-</b>	<b>43,887,396</b>	<b>5,765,083</b>	<b>2,945,587</b>	<b>(201,520)</b>	<b>-</b>	<b>8,509,150</b>	<b>4,538,844</b>	<b>35,378,246</b>
<i>Previous Year's Figures</i>	<i>7,953,900</i>	<i>2,350,027</i>	<i>-</i>	<i>10,303,927</i>	<i>4,586,674</i>	<i>1,178,409</i>	<i>-</i>	<i>-</i>	<i>5,765,083</i>	<i>3,367,226</i>	<i>4,538,844</i>



	AS AT 31/03/2015 ₹	AS AT 31/03/2014 ₹
<b>13 LONG-TERM LOANS AND ADVANCES (Usesecured, Cosidered good unless otherwise stated)</b>		
<b>Capital Advances</b>	<b>39,000,000</b>	39,000,000
<b>Total (A)</b>	<b>39,000,000</b>	39,000,000
<b>Security deposit against Property</b>		
Related Parties	5,000,000	5,000,000
Other deposites	3,333,137	3,395,492
<b>Total (B)</b>	<b>8,333,137</b>	8,395,492
<b>Other Loans and Advances</b>		
Advance Income Tax (Net of Provision)	-	1,573,539
Gratuity (Net of Provision)	-	2,310,639
Loans to employees	881,825	808,189
<b>Total (C)</b>	<b>881,825</b>	4,692,367
<b>Total ( A + B + C)</b>	<b>48,214,962</b>	52,087,859

	March 31, 2015		March 31, 2014	
	Nos.	₹	Nos.	₹
<b>14 CURRENT INVESTMENTS (at lower of Cost or Market Value)</b>				
<b>(a) Mutual Funds (Quoted)</b>				
<b>Units of ₹ 10 Each , unless otherwise specified</b>				
Morgan Stanley Short Term Bond Fund	-	-	1511921.501	20,000,000
Kotak FMP Series 145 Growth	2500000.000	25,000,000	2500000.000	25,000,000
Birla Sunlife Income Plus-Growth	-	-	366228.721	19,787,448
BNP Paribas Bond Fund- Subscription	1153526.716	15,000,000	1153526.716	15,000,000
BNP Paribas Fixed Term Fund Series 26	-	-	2000000.000	20,000,000
BNP Paribas Medium Term Income Fund	2000000.000	20,000,000	2000000.000	20,000,000
BNP Paribas Flexi Debt Fund Growth	243989.323	5,000,000	243989.323	5,000,000
DSP Black Rock Income Opportunities Fund	2053024.016	40,000,000	1562209.608	30,000,000
Franklin India Corporate Bond Opportunities	1801827.774	25,000,000	-	-
HDFC Corporate Debt Opp. Fund	971685.096	10,000,000	-	-
ICICI Prudential Equity Income Fund (Qtrly Div.)	2500000.000	25,000,000	-	-
ICICI Prudential Ultra Short Term Fund- Growth	-	-	2355823.536	30,000,000
MF IDFC Super Saver Income Fund	739844.159	25,000,000	-	-
MF JM Arbitrage Advantage Fund Bonus Op. Reg. Plan	915245.354	-	-	-
MF JM Arbitrage Advantage Fund - Direct Option	453713.327	10,000,000	-	-
Kotak Income Opportunities Fund	-	-	790301.421	10,000,000
Kotak Medium Term Fund	3823660.370	40,000,000	-	-
Kotak Monthly Income Plan	953079.878	20,000,000	-	-
Pramierca Credit Opportunities Fund	4125.243	5,000,000	4125.243	5,000,000
Reliance Regular Savings Fund Debt	2436329.842	40,000,000	1859588.659	30,000,000
Religare Invesco MF- Collection A/c	-	-	4766.945	5,000,000
Templeton Short Term Income Plan	8357.270	20,000,000	8357.270	20,000,000
Templeton Ultra Short Bond Fund-Growth	-	-	2609163.524	40,693,558
<b>TOTAL (A)</b>		<b>325,000,000</b>		<b>295,481,006</b>



	March 31, 2015		March 31, 2014	
	Nos.	₹	Nos.	₹
<b>(b) Equity shares</b>				
Chartered Capital and Investment Limited (Quoted)	45732	1,627,749	45732	1,627,749
Bombay Mercantile Co-Op Banks Ltd (Unquoted)	100	3,000	100	3,000
<b>TOTAL (B)</b>		1,630,749		1,630,749
<b>TOTAL (A+B)</b>		326,630,749		297,111,755
	March 31, 2015		March 31, 2014	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate Value of Quoted Investment	326,627,749	359,047,312	297,108,755	311,065,110
Aggregate Value of Unquoted Investment	3,000	-	3,000	-
	326,630,749	359,047,312	297,111,755	311,065,110
	AS AT 31/03/2015 ₹		AS AT 31/03/2014 ₹	
<b>15 INVENTORIES</b> [Valued at lower of cost and net realisable value]				
Raw Materials and Packing Materials -Engineering	85,223,069		98,807,974	
Raw Materials and Packing Materials - Food division	12,838,729		17,493,254	
Work-in-Progress - Engineering	69,721,637		99,621,052	
Work-in-Progress- Food division	-		309,582	
Finished Goods- Engineering	22,311,252		31,253,542	
Stores and Spares -Engineering	3,439,884		2,643,775	
Goods in Transit	4,438,270		-	
	<b>197,972,841</b>		<b>250,129,179</b>	
<b>16 TRADE RECEIVABLES</b>				
Unsecured, considered good				
Outstanding for a period exceeding six months from the date they are due for payment (A)	34,343,172		20,900,512	
<b>Other receivables</b>				
Dues from Related Parties (Note 33)	32,281,714		25,905,722	
other debtors	158,365,770		173,077,907	
(B)	190,647,484		198,983,629	
<b>TOTAL (A+B)</b>	<b>224,990,656</b>		<b>219,884,141</b>	
<b>17 CASH AND BANK BALANCE - CURRENT</b>				
<b>Cash and Cash Equivalents</b>				
Cash on Hand	626,121		500,416	
Bank Balances with Schedule Banks:				
In Current Accounts	64,826,289		16,821,054	
In Unpaid Dividend A/c	1,424,460		1,387,551	
In Exchange Earners Foreign Currency account	8,057,740		7,419,210	
Fixed Deposits with banks (against bank Gurantee)	32,679,088		30,821,676	
	<b>107,613,698</b>		<b>56,949,907</b>	



	AS AT 31/03/2015 ₹	AS AT 31/03/2014 ₹
<b>18 SHORT-TERM LOANS AND ADVANCES</b>		
<b>Advances recoverable in Cash or Kind</b>		
Advance to Suppliers-unsecured considered good	1,528,561	4,302,519
<b>Total (A)</b>	1,528,561	4,302,519
<b>Other Loans and Advances</b>		
Prepaid expenses	4,109,487	3,166,822
Loans to employees	645,162	512,370
Balances with Statutory Authorities	46,676,693	54,100,035
<b>Total (B)</b>	51,431,342	57,779,226
<b>Total (A + B)</b>	52,959,903	62,081,745
<b>19 OTHER CURRENT ASSETS</b>		
<b>Others</b>		
Forward Contract Receivable	50,825,230	23,384,414
Interest accrued on Deposits	3,519,342	2,642,025
	54,344,572	26,026,439
	<b>2014 - 15</b>	<b>2013 - 14</b>
	₹	₹
<b>20 REVENUE FROM OPERATIONS</b>		
Sale of Goods		
Domestic	919,584,882	778,989,063
Exports	334,796,433	308,751,057
Sale of Services		
Domestic		
Consultancy Income	525,000	500,000
Equipment Repairs income	3,526,095	4,436,075
Exports		
Equipment Repairs income	886,824	924,771
Other Operating revenues		
Packing Charges Income	-	3,134,848
Export incentive income	4,430,095	3,668,716
Sale of Scrap	6,290,326	5,263,627
Other Income -Miscellaneous	383,412	592,439
Sale of License	2,843,580	-
Income from cancellation of order	-	13,651,714
<b>Revenue from Operations (Gross)</b>	1,273,266,647	1,119,912,310
Less: Excise Duty *	95,178,004	90,001,598
<b>Revenue from Operations (Net)</b>	1,178,088,643	1,029,910,712
* Excise Duty on Sales amounting to ₹ 951.78 lacs (March 31, 2014: ₹ 900.02 lacs) has been reduced from sales in Statement of Profit and Loss. Excise Duty amounting to ₹ 9.07 lacs (March 31, 2014: ₹ 7.90 lacs) has been considered as manufacturing expense under the head of Excise & Customs duty in Note 24 of financial statements.		



	2014 - 15 ₹	2013 - 14 ₹
<b>Sale of Finished Goods</b>		
Vacuum Systems	453,059,284	365,129,860
Condenser	84,638,779	88,050,250
Heaters	27,442,100	25,581,000
Vacuum Pumps	29,984,642	37,215,949
Pollution Control Equipments	9,391,860	3,856,290
Chill Vactor	3,591,250	2,694,000
Rotajectors	5,048,738	7,406,640
Evaporators	324,319,094	298,216,943
Thermo Compressors	48,570,063	18,325,577
B Cool (Food Division)	113,529,191	106,265,878
Others (Including Spares)	59,628,310	44,996,135
	<b>1,159,203,311</b>	<b>997,738,522</b>
<b>21 OTHER INCOME</b>		
<b>Interest income</b>		
From Bank	3,036,654	2,076,019
From Others	313,674	328,318
<b>Income from Current Investments</b>		
Dividend Income	300,000	811,382
Net Gain on sale of Investments	3,946,556	10,424,048
<b>Other Non-operating Income (net of expenses directly attributable to)</b>		
Apprentice Stipend Income	-	255,546
Exchange Differences (Net)	3,478,114	5,663,731
Profit On Forward Contracts	1,332,607	-
Premium income on forward contract	2,047,899	453,156
	<b>14,455,504</b>	<b>20,012,201</b>
<b>22 COST OF RAW MATERIALS CONSUMED</b>		
Inventory at the beginning of the Year	118,945,003	99,757,150
Add: Purchases	580,671,863	650,350,075
	<b>699,616,866</b>	<b>750,107,225</b>
Less: Inventory at the end of the Year	101,501,682	118,945,003
<b>Cost of Raw Materials and Packing Materials Consumed</b>	<b>598,115,184</b>	<b>631,162,222</b>

	2014 - 15 ₹	2013 - 14 ₹
<b>Consumption of Raw Materials</b>		
<b>Engineering</b>		
(a) Round Bar	15,038,273	14,002,031
(b) Pipes & Tubes	110,630,139	118,265,802
(c) Plates	119,970,329	114,860,902
(d) Profiles & Circles	27,210,740	36,400,404
(e) Flanges	30,799,721	28,965,917
(f) Stop Valves	37,654,080	29,842,011
(g) Instruments	61,115,329	74,869,331
(h) Bought Outs & Others	120,771,099	142,539,570
<b>Food Division</b>		
(i) Raw Material	49,160,022	45,378,607
(j) Packing Material	25,765,452	26,037,647
	<b>598,115,184</b>	<b>631,162,222</b>
<b>Inventories of Raw Materials</b>		
<b>Engineering</b>		
(a) Round Bar	4,683,502	5,870,511
(b) Pipes & Tubes	15,853,913	24,647,814
(c) Plates	28,128,376	26,954,038
(d) Profiles & Circles	556,466	964,726
(e) Flanges	4,533,765	6,526,851
(g) Stop Valves	12,035,256	9,700,896
(h) Instruments	5,357,423	7,886,213
(i) Bought Outs & Others	17,514,252	18,900,700
<b>Food Division</b>		
(j) Raw Material	5,636,762	8,263,349
(k) Packing Material	7,200,007	9,229,905
(l) Bought Outs & Others	1,960	-
	<b>101,501,682</b>	<b>118,945,003</b>
<b>23 (INCREASE)/DECREASE IN INVENTORIES</b>		
Inventory at the end of the Year		
Work-in-progress	69,721,637	99,930,634
Goods-in-transit	4,438,270	-
Finished Goods	22,311,252	31,253,542
<b>(A)</b>	<b>96,471,159</b>	<b>131,184,176</b>
Inventory at the beginning of the Year		
Work-in-progress	99,930,634	34,787,050
Finished Goods	31,253,542	27,811,904
<b>(B)</b>	<b>131,184,176</b>	<b>62,598,954</b>
<b>TOTAL (B – A)</b>	<b>34,713,017</b>	<b>(68,585,222)</b>



	2014 - 15 ₹	2013 - 14 ₹
<b>24 MANUFACTURING EXPENSES</b>		
Factory Consumables	12,805,516	11,112,347
Power and Fuel	7,334,608	8,371,962
Labour Charges	85,837,246	72,063,511
Inspection and Testing Charges	4,483,493	3,332,577
Excise & Custom duty	1,089,732	3,979,594
Inward Freight and Carting Charges	5,797,434	5,257,676
Lease & Rent	3,524,600	3,043,182
Repairs and Maintenance - Plant & Machineries	2,565,494	2,524,940
Other Manufacturing Expense	1,208,650	1,461,548
	<b>124,646,773</b>	<b>111,147,337</b>
<b>25 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	112,326,720	100,099,504
Contribution to Provident and Other Fund	3,894,727	2,630,397
Gratuity Expense (Note 34)	7,477,750	2,347,050
Staff Welfare Expenses	2,741,641	2,554,784
	<b>126,440,838</b>	<b>107,631,735</b>
<b>26 FINANCE COSTS</b>		
Loss on Forward Contracts	-	4,642,802
Interest on PCFC	658,373	549,637
Other borrowing cost	4,314,584	4,237,344
	<b>4,972,957</b>	<b>9,429,783</b>
<b>27 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of tangible assets	18,383,008	12,349,273
Amortisation of intangible assets (Refer note no. 11 & 12)	2,945,587	1,178,409
	<b>21,328,595</b>	<b>13,527,682</b>



	2014 - 15 ₹	2013 - 14 ₹
<b>28 OTHER EXPENSES</b>		
Rent, Rates and Taxes	10,322,825	6,608,398
Insurance	9,287,536	8,932,943
Repairs and Maintenance - Buildings	1,152,644	779,969
- Others	3,664,864	2,980,023
Travelling and Conveyance	8,961,558	11,952,467
Loss on revaluation of Mutual Fund	-	212,552
Communication Costs	2,442,723	2,240,213
Research & Development Expense	9,324,875	4,554,202
Printing and Stationery	829,758	1,068,350
Technical Consultancy Charges	5,733,149	-
Legal and Professional Fees	9,622,363	7,805,511
Directors' Sitting Fees	1,485,000	368,000
Payment to Auditor (Refer details below)	1,099,000	883,500
Expenditure on Corporate Social Responsibility (CSR) Activities	3,200,000	-
Donations	131,000	125,100
Electricity Expense Office	782,335	603,956
Loss on Sale of Fixed Assets (Net)	431,967	301,964
Debit/ Credit balance written off	5,322,675	3,060,708
Other administrative expenses	11,689,749	11,192,802
Commission on Sales	5,599,057	8,918,008
Freight and Forwarding on Sales	21,197,865	15,245,396
Advertisements and Business Promotions	1,221,092	1,215,693
Equipment repairs Expense	666,638	4,388,245
Sales Tax Expense	2,680,626	3,783,067
Other Selling and Marketing Expenses	4,854,010	448,217
	<b>121,703,308</b>	<b>97,669,282</b>
<b><u>Payment to Auditor:</u></b>		
As Auditor:		
Audit Fee	700,000	600,000
Tax Audit Fee	250,000	200,000
Limited Review of Quarterly Results	17,500	17,500
In Other Capacity:		
Other Services (Certification Fees)	131,500	66,000
	<b>1,099,000</b>	<b>883,500</b>



	2014 - 15 ₹	2013 - 14 ₹
<b>29 RESEARCH AND DEVELOPMENT EXPENDITURE</b>		
Capital Expenditure	2,515,025	-
Revenue Expenditure	9,324,875	4,753,210
	<b>11,839,900</b>	<b>4,753,210</b>
<b>The details of revenue expenditure incurred on research and development are as under:</b>		
Material / Consumable / Spares	143,591	199,008
Consultancy charges	-	612,563
Salaries and other benefits to employees (R&D)	7,719,507	3,177,721
Repairs & Maintenance (R&D)	35,635	101,953
Travelling & Conveyance	189,014	308,541
Other Research & Development Expense	1,237,128	353,424
	<b>9,324,875</b>	<b>4,753,210</b>
<b>30 COMMITMENTS</b>		
<b>(a) Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for [Net of advance ₹ 1630.46 Lacs (March 31, 2014: ₹ 1250.00 Lacs)]	163,046,440	125,000,000
	<b>163,046,440</b>	<b>125,000,000</b>
<b>31 CONTINGENT LIABILITIES NOT PROVIDED FOR</b>		
Claims against the company not acknowledged as debts:		
<b>Income Tax:</b>		
- In respect of matters decided against the Company, for which the Company is in appeal with higher authorities.	1,347,900	519,580
	<b>1,347,900</b>	<b>519,580</b>
<b>32 EARNINGS PER SHARE (EPS)</b>		
<b>Net Profit as per Statement of Profit and Loss</b>	<b>112,290,411</b>	<b>102,534,227</b>
Opening number of Equity Shares	Nos. 4,258,000	4,258,000
Equity Shares issued during the year	Nos. -	-
<b>Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS</b>	Nos. 4,258,000	4,258,000
<b>Basic and Diluted Earnings Per Share (in ₹)</b>	<b>26.37</b>	<b>24.08</b>
Nominal Value of Shares (in ₹)	10.00	10.00

### 33 INFORMATION IN RESPECT OF RELATED PARTIES

#### (i) List of Related Parties and their Relationships

As Per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below :

##### i) List of Related Parties and Nature of Relationship

- a) Key Management Personnel**  
Mr. Sorab R. Mody, Managing Director  
Mr. Percy X. Avari , Whole-Time Director  
Mrs. Shanaya Mody Khatua, Whole-Time Director
- b) Relatives of Key Management Personnel**  
Mrs. Sheila S. Mody  
Mrs. Khushnum Percy Avari
- c) Enterprises Having Significant Influence**  
H.T.Engineering (Gujarat) Pvt. Ltd.  
Croll Reynolds Co. Inc New Jersey, U.S.A

#### (ii) Related Party Transactions

Following are the transactions and amount outstanding with related parties as defined under Accounting Standard-18 on "Related Parties Disclosure" as defined under the Companies (Accounting Standards Rules), 2006 :

Particulars	Key Management Personnel		Relative of Key Management Personnel		Enterprises Having Significant Influence (EHSI)		Total	
	2014-15	2013-14	2014-15	2013-2014	2014-15	2013-14	2014-15	2013-14
(a) <b>Sale of Finished Goods</b>	-	-	-	-	<b>186,570,815</b>	139,626,657	<b>186,570,815</b>	139,626,657
<i>The Clean Air Group</i>	-	-	-	-	17,654,123	-	17,654,123	-
<i>Croll Reynolds Co. Inc New Jersey, U.S.A</i>	-	-	-	-	168,916,692	139,626,657	168,916,692	139,626,657
(b) <b>Sitting Fees for Board Meetings</b>	-	-	<b>500,000</b>	<b>98,000</b>	-	-	<b>500,000</b>	<b>98,000</b>
<i>Mrs. Sheila S. Mody</i>	-	-	500,000	98,000	-	-	500,000	98,000
(c) <b>Labour Charges</b>	-	-	-	-	<b>2,999,489</b>	2,012,361	<b>2,999,489</b>	2,012,361
<i>H.T. Engineering (Guj) Pvt Ltd</i>	-	-	-	-	2,999,489	2,012,361	2,999,489	2,012,361
(d) <b>Equipment Repairs Expese</b>	-	-	-	-	<b>82,114</b>	140,740	<b>82,114</b>	140,740
<i>Croll Reynolds Co. Inc New Jersey, U.S.A</i>	-	-	-	-	82,114	140,740	82,114	140,740
(e) <b>Receiving of Materials and Services</b>	-	-	-	-	<b>34,536,243</b>	27,274,034	<b>34,536,243</b>	27,274,034
<i>Croll Reynolds Co. Inc New Jersey, U.S.A</i>	-	-	-	-	11,637,229	-	11,637,229	-
<i>H.T. Engineering (Guj) Pvt Ltd</i>	-	-	-	-	22,899,014	24,415,504	22,899,014	24,415,504
(f) <b>Purchase of Capital Goods</b>	-	-	-	-	-	635,029	-	635,029
<i>H.T. Engineering (Guj) Pvt Ltd</i>	-	-	-	-	-	635,029	-	635,029
(g) <b>Other Income (Equipment Repairs)</b>	-	-	-	-	<b>886,824</b>	794,236	<b>886,824</b>	794,236
<i>Croll Reynolds Co. Inc New Jersey, U.S.A</i>	-	-	-	-	886,824	794,236	886,824	794,236
(h) <b>Rent Paid</b>	<b>4,380,000</b>	<b>4,380,000</b>	-	-	-	-	<b>4,380,000</b>	<b>4,380,000</b>
<i>Mr. Sorab R. Mody</i>	4,380,000	4,380,000	-	-	-	-	4,380,000	4,380,000
(i) <b>Commission on Profit</b>	<b>6,267,288</b>	<b>6,860,959</b>	-	-	-	-	<b>6,267,288</b>	<b>6,860,959</b>
<i>Mrs. Shanaya Mody Khatua</i>	1,566,822	1,372,192	-	-	-	-	1,566,822	1,372,192
<i>Mr Percy X. Avari</i>	1,566,822	1,372,192	-	-	-	-	1,566,822	1,372,192
<i>Mr. Sorab R. Mody</i>	3,133,644	4,116,575	-	-	-	-	3,133,644	4,116,575
(j) <b>Remuneration Paid</b>	<b>14,784,000</b>	10,657,200	-	-	-	-	<b>14,784,000</b>	10,657,200
<i>Mr. Sorab R. Mody</i>	4,928,000	3,552,400	-	-	-	-	4,928,000	3,552,400
<i>Mr Percy X. Avari</i>	4,928,000	3,552,400	-	-	-	-	4,928,000	3,552,400
<i>Mrs. Shanaya Mody Khatua</i>	4,928,000	3,552,400	-	-	-	-	4,928,000	3,552,400

#### (iii) Balances at the end of the Year

Particulars	Key Management Personnel		Relative of Key Management Personnel		Enterprises Having Significant Influence (EHSI)		Total	
	2014-15	2013-14	2014-15	2013-2014	2014-15	2013-14	2014-15	2013-14
(a) <b>Trade Receivables</b>	-	-	-	-	<b>32,281,714</b>	25,905,722	<b>32,281,714</b>	25,905,722
<i>Croll Reynolds Co. Inc.</i>	-	-	-	-	32,281,714	25,905,722	32,281,714	25,905,722
(b) <b>Trade Payables</b>	-	-	-	-	<b>5,163,456</b>	3,676,194	<b>5,163,456</b>	3,676,194
<i>H.T ENGINEERING(GUJ) PVT LTD</i>	-	-	-	-	4,940,361	3,474,656	4,940,361	3,474,656
<i>- Material</i>	-	-	-	-	223,095	201,538	223,095	201,538
<i>- Labour charges</i>	-	-	-	-	-	-	-	-
(c) <b>Office Rent Deposit</b>	<b>5,000,000</b>	5,000,000	-	-	-	-	<b>5,000,000</b>	<b>5,000,000</b>
<i>Security Deposit to Mr. Sorab Mody</i>	5,000,000	5,000,000	-	-	-	-	5,000,000	5,000,000
(d) <b>Sitting Fees payable</b>	-	-	<b>27,000</b>	-	-	-	<b>27,000</b>	-
<i>Mrs. Sheila S. Mody</i>	-	-	27,000	-	-	-	27,000	-
(e) <b>Rent Payable</b>	<b>238,272</b>	747,228	-	-	-	-	<b>238,272</b>	<b>747,228</b>
<i>Mr. Sorab R. Mody</i>	238,272	747,228	-	-	-	-	238,272	747,228

### 34 DETAILS OF EMPLOYEE BENEFITS

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the plan.

	Leave Pay		Gratuity	
	2014-2015 ₹	2013-2014 ₹	2014-2015 ₹	2013-2014 ₹
<b>STATEMENT OF PROFIT AND LOSS</b>				
<b>Net employee benefit expense (recognised in employee cost):</b>				
Current Service Cost	1,392,712	1,276,546	2,249,343	2,061,726
Interest Cost on Benefit Obligation	583,023	478,690	2,323,203	1,932,296
Expected Return on plan Assets	(728,383)	(652,511)	(2,844,330)	(2,386,998)
Net Actuarial (Gain) / Loss recognised in the year	952,996	(575,946)	5,749,534	740,027
<b>Net Benefit Expense</b>	<b>2,200,348</b>	<b>526,779</b>	<b>7,477,750</b>	<b>2,347,051</b>
<b>BALANCE SHEET</b>				
Details of provision	9,254,095	6,783,174	37,714,357	28,007,481
Defined Benefit Obligation	8,163,821	7,471,247	34,497,247	30,318,120
Plan Asset / (Liability)	1,090,274	(688,073)	3,217,110	(2,310,639)
<b>Changes in the present value of the defined benefit obligation are as follows:</b>				
Opening Defined Benefit Obligation	6,783,173	6,202,549	28,007,481	24,458,041
Current Service Cost	1,392,712	1,276,546	2,249,343	2,061,726
Interest Cost on Benefit Obligation	583,023	478,690	2,323,203	1,932,296
Benefits paid	(479,290)	(585,581)	(1,196,856)	(1,205,063)
Actuarial (Gains) / Losses on Obligation	974,477	(589,031)	6,331,187	760,481
<b>Closing Defined Benefit Obligation</b>	<b>9,254,095</b>	<b>6,783,173</b>	<b>37,714,358</b>	<b>28,007,481</b>

The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation is to be settled.

The principle assumption used in determining Gratuity Obligation for the Company's plan are shown below:

	%	%	%	%
Discount Rate	9.10	9.10	7.80	9.10
Increase in compensation cost	5.50	5.50	5.50	5.50

Amounts for the Current Year and Previous Year are as follows:

Defined Benefit Obligation	9,254,095	6,783,173	37,714,358	28,007,481
Surplus / (Deficit)	(9,254,095)	(6,783,173)	(37,714,358)	(28,007,481)

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The leave pay is payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement an attaining superannuation age.


**35 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES**

	Currency Type	March 31, 2015		March 31, 2014	
		Foreign Currency Amount	Indian Currency Amount	Foreign Currency Amount	Indian Currency Amount
<b>Derivative Instruments</b>					
Forward Contract to sell US\$	USD	651,700	42,728,326	162,400	9,624,194
Forward Contract to sell GBP	GBP	83,400	8,096,902	126,100	13,199,132
		<b>735,100</b>	<b>50,825,228</b>	288,500	22,823,326

	March 31, 2015 ₹	March 31, 2014 ₹
<b>Unhedged Foreign Currency Exposures</b>		
Receivables	<b>60,546,982</b>	69,384,389
Advance From Customers	<b>12,749,199</b>	9,277,357
Advance to Suppliers	<b>190,389</b>	1,849,799
Balance in EEFC Bank Account	<b>8,057,740</b>	7,419,210
PCFC Account	<b>27,116,914</b>	39,425,469
	<b>108,661,224</b>	127,356,224

**36 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006**

(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;

- Principal amount due to Micro & Small Enterprises

<b>3,385,866</b>	13,173,382
<b>3,385,866</b>	13,173,382

Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

**37 EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)**

Exports Sales earning

**313,448,837** 302,737,958

Amount from cancellation of order

- 13,651,714

Equipment Repairs Income

**886,824** 924,771

**314,335,661** 317,314,443

**38 VALUE OF IMPORTS ON CIF BASIS**

Raw and Packing Materials

**20,409,045** 30,854,663

Capital Goods

**34,190,868** 73,918

Others

- 121,312

**54,599,913** **31,049,893**



	2014 - 15 ₹	2013 - 14 ₹
<b>39 EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS) *</b>		
Travelling Expenses	768,997	1,646,785
Subscriptions & Registration Fees	966,245	419,620
Repair & Maintenance expense	1,001,380	782,068
Professional & Consultancy Charges	6,514,786	1,674,373
Sales Promotion Expense	60,810	-
Sales Commission Expense	-	525,823
Bank Charges	764,562	587,919
	<b>10,076,780</b>	<b>5,636,588</b>
* Net of tax deducted at source, wherever applicable		
<b>40 DIVIDEND REMITTANCES IN FOREIGN CURRENCY</b>		
On 2,89,500 Equity Shares of ₹ 10 each to one non-resident shareholder:		
- For the year ended March 31, 2015	1,592,250	-
- For the year ended March 31, 2014	-	1,447,500

**41 IMPORTED AND INDIGENEOUS MATERIALS CONSUMED**

	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	% of Total Consumption		₹	₹
<b>(i) Raw Materials</b>				
(a) Imported	3.28	4.56	19,616,864	28,757,164
(b) Indigenous	96.72	95.44	578,498,320	602,405,058
	<b>100.00</b>	<b>100.00</b>	<b>598,115,184</b>	<b>631,162,222</b>

**42 OPERATING LEASE:**

The Company has entered into operating lease arrangements for Factory Sheds and Office Buildings. Lease agreement on Operating Lease arrangements, debited to the Profit & Loss Account and future minimum lease payments in respect of cancellable operating leases are summarized below:

	March 31, 2015 ₹	March 31, 2014 ₹
Lease Payment debited to the Profit & Loss Account	7,488,838	6,790,097
<b>Further Minimum Lease Payments in Respect of non-cancelable leases</b>		
(i) Amounts due within one year from the date of balance-sheet	2,390,405	2,298,016
(ii) Amounts due later than one year and not later than five years from the date of balance-sheet	4,243,099	3,946,954

**43** In the opinion of the Board of Directors, the aggregate value of Current Assets, Current Liabilities, Loans and Advances on its realization will not be less than the amount at which these are stated in the Balance Sheet. Balances are subject to confirmation, are included in Sundry Debtors, Sundry Creditors and Other Advances.

**44 SEGMENT REPORTING:**

In accordance with the Accounting Standard-17 (AS-17) 'Segment Reporting' issued by the Institute of Chartered Accountants of India, the details are as under :

- i) The Company's operation predominantly relates to manufacture of Engineering Goods like Vacuum Products, Evaporators, pollution Control Equipments and also involved in the manufacturing of food products like food colour, various fruit jams & fruit mix powders etc.
- ii) The Secondary segment is geographical, determined and based on the location of the Customers. Customers are classified as Domestic and Overseas.



- iii) Fixed Assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as allocation of assets and liabilities to segments is currently not practicable.

**Primary segment Information:**

Particulars	As at and for the year ended 31 March, 2015			As at and for the year ended 31 March, 2014		
	Engineering Products	Food Products	Total	Engineering Products	Food Products	Total
Revenues	1,061,449,328	116,639,315	1,178,088,643	942,916,894	107,791,718	1,050,708,612
Identifiable Operating Expenses	819,778,016	103,556,472	923,334,488	686,945,001	88,780,999	775,726,000
Segmental Operating Income	241,671,312	13,082,843	<b>254,754,155</b>	255,971,893	19,010,719	274,982,612
Unallocable Finance Cost			4,972,957			9,429,797
Unallocable Expenses			96,714,765			117,756,647
Unallocable Income			(7,430,350)			-
Total Profit before Tax			<b>160,496,783</b>			147,796,168
Taxes			48,206,372			45,261,941
Net Profit for the Year			<b>112,290,411</b>			102,534,227

**Secondary segment Information:**

Particulars	As at and for the year ended 31 March, 2015			As at and for the year ended 31 March, 2014		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Revenues	857,133,261	320,955,382	1,178,088,643	740,006,129	310,702,483	1,050,708,612
Identifiable Operating Expenses	705,702,015	211,933,890	917,635,905	569,182,765	206,543,235	775,726,000
Segmental Operating Income	151,431,246	109,021,492	<b>260,452,738</b>	170,823,364	104,159,248	274,982,612
Unallocable Finance Cost			4,972,957			9,429,797
Unallocable Expenses			102,579,882			117,756,647
Unallocable Income			(7,596,884)			-
Total Profit before Tax			<b>160,496,783</b>			147,796,168
Taxes			48,206,372			45,261,941
Net Profit for the Year			<b>112,290,411</b>			102,534,227

- 45 Pursuant to the enactment of the Companies Act, 2013, the company has applied estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated/amortised over the revised/remaining useful lives. The written down valued of fixed assets whose lives have expired as at April 2014 have been adjusted net of tax, in the Profit and Loss Account.

**46 CORPORATE SOCIAL RESPONSIBILITY**

As mandated by Section 135 of the Companies Act, 2013, the company has constituted a CSR Committee. The company has identified areas for its CSR activities as specified in Schedule VII of the Companies Act, 2013 and incurred expenses as disclosed in Note 28 to these financial statements towards such activities.

- 47 Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our attached report of even date

**For APAJI AMIN & CO. LLP,**  
Chartered Accountants  
Firm Registration No. : 100513W / W100062

**Tehmul Sethna**  
Partner  
Membership No.: 35476

Place : Ahmedabad  
Date : 30/05/2015

For and on behalf of the Board of Directors of Mazda Limited

Sorab Mody <b>Managing Director</b> (DIN: 00498958)	Percy Avari <b>Whole-Time Director</b> (DIN: 00499114)	Mohib Khericha <b>Director</b> (DIN: 00010365)
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Cyrus Bhagwagar <b>Chief Financial Officer</b>	Nishith Kayasth <b>Company Secretary</b>
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Place : Ahmedabad  
Date : 30/05/2015



## MAZDA LIMITED

CIN: L29120GJ1990PLC014293

Registered office: C/1-39/13/16, GIDC, Naroda, Ahmedabad- 382 330

Form No. MGT-11

### PROXY FORM

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

Name of the member(s):	
Registered address:	
E-mail Id:	
Folio no/ Client Id:	
DP ID:	

I/ We, \_\_\_\_\_ being the member(s) of \_\_\_\_\_ shares of MAZDA LIMITED, hereby appoint

- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him
- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him
- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the company, to be held on Tuesday, 1<sup>st</sup> September, 2015 at 9:30. a.m at Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
1.	Adoption of the financial statements of the company for the year ended 31 <sup>st</sup> March, 2015 and the reports of the Directors and Auditors thereon		
2.	Declaration of dividend on equity shares for the year ended on 31 <sup>st</sup> March, 2015		
3.	Re-appointment of Mr. Samuel W. Croll - III retiring by rotation		
4.	Re-appointment of Mrs. Houtoxi F. Contractor retiring by rotation		
5.	Appoint auditors and fix their remuneration		
6.	Approval to the ratified remuneration of the Cost Auditor for the financial year 2015-16		
7.	Approval of Related Party Transactions		

Signed this \_\_\_\_\_ day of August, 2015

Signature of Shareholder : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Affix  
₹ 1/-  
Revenue  
Stamp

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







**MAZDA LIMITED**

CIN: L29120GJ1990PLC014293

**Registered office:** C/1-39/13/16, GIDC, Naroda, Ahmedabad- 382 330

**ATTENDANCE SLIP**

Folio No.: \_\_\_\_\_ DP ID: \_\_\_\_\_

Client ID: \_\_\_\_\_ No. of shares: \_\_\_\_\_

\_\_\_\_\_  
(Name of Member/ Proxy/ Representative in BLOCK letters)

I/We hereby record my/our presence at the 25<sup>th</sup> ANNUAL GENERAL MEETING of the company held at the Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330, on Tuesday, 1<sup>st</sup> September, 2015.

\_\_\_\_\_  
Member's/ Proxy's Signature  
(To be signed at the time of handling over this slip)

**NOTES:**

1. Members/ Proxy holders are requested to bring their copies of Annual Report with them at the Meeting.
2. Please carry with you this attendance slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.
3. This attendance slip is valid only if equity shares are held on the date of the Meeting.





To,

*If undelivered, please return to:*

**MAZDA LIMITED**

**Mazda House, 650/1, Panchwati 2<sup>nd</sup> Lane, Ambawadi, Ahmedabad - 380 006.**