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27th

Annual Report 2014 - 2015



BOARD OF DIRECTORS Kishore Chand Talwar Chairman & Managing Director
Nainy K. Tanna Wholetime Director
Ram Sanehi Director
Ayyaswami Sundaram Director

AUDITORS R. S. Agrawal & Associates
Chartered Accountants
Mumbai

COMPANY SECRETARY Debabrata Guha Chaudhury

BANKERS HDFC Bank Limited
Bank of Baroda

REGISTERED OFFICE 92-D, Govt. Industrial Estate,
Charkop, Kandivli (West),
Mumbai – 400 067

WORKS Plot Survey No. 62,74, & 75
Village - Devadal, Kaman
Taluka - Vasai,
Dist - Palghar

Unit No. 12-15, Sarswati Building,
Tungareshwar Industrial Estate,
Sativali, Vasai (East), Palghar

**REGISTRARS & SHARE
TRANSFER AGENTS** Bigshare Services Pvt. Ltd.,
E/2, Ansa Industrial Estate,
Sakivihar Road,
Sakinaka, Andheri (East)
Mumbai – 400 072

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 27th Annual General Meeting (AGM) of the Members of **REXNORD ELECTRONICS AND CONTROLS LIMITED** will be held on Wednesday, September 30, 2015 at 9.30 a.m. at Sangam Banquets, Plot No. 366-386, RSC 37, Mangalmurti Road, Opposite Mangal Murti Hospital, Gorai-II, Borivali (W), Mumbai - 400 092 to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Nainy Kunal Tanna, (DIN 00351762) who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other relevant provisions of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s. R. S. Agrawal & Associates, Chartered Accountants, Mumbai (Firm Registration Number 100156W with the Institute of Chartered Accountants of India), as Statutory Auditors of the Company, by resolution passed at the 26th AGM until the conclusion of 29th AGM, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 27th AGM until the conclusion of the 29th AGM on such remuneration as may be agreed upon by the Audit Committee/ Board of Directors in consultation with the Auditors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 5 and 14 of Companies Act, 2013 (‘the Act’), Schedule I made thereunder, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of Articles of Association pursuant to the Act primarily based on the Form of Table F under the Act, be and is hereby approved and adopted as new set of Articles of Association in the place of existing Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving full effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board and/or the Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

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

“RESOLVED THAT subject to Section 188, 177 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Equity Listing Agreement (as amended from time to time by the Securities and Exchange Board of India and the Stock Exchanges), and the Memorandum and Articles of Association of the Company, the consent of the Members be and is hereby accorded for the Company to enter into transactions with M/s. Excelum Enterprises for Sale & Purchase, payment of Commission on Sales (including Overseas Sales) and reimbursement of expenses for an aggregate value of ₹ 2 crores, on annual basis, on such terms and conditions as may be agreed by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or anyone or more Directors of the Company.”

For and on behalf of the Board
REXNORD ELECTRONICS AND CONTROLS LIMITED

KISHORECHAND TALWAR
(DIN: 00351751)

CHAIRMAN & MANAGING DIRECTOR

Registered Office:

92-D Govt. Ind. Estate,
Charkop, Kandivli (W),
Mumbai - 400 067
Dated: 26th May, 2015

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 21.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, setting out all material facts and the reasons for the proposed Special Resolutions are appended herein.
3. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
5. A statement giving the details of the Directors seeking reappointment, nature of their expertise in specific functional areas, names of the companies in which they hold directorships, memberships / chairmanships for Board / Committees, shareholding and relationship between Directors inter-se as stipulated in Clause 49 of the Listing Agreement with Stock Exchange, are provided in the Annexure.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

7. The Register of Members and the Share Transfer Books of the Company will remain closed from 25th September, 2015 to 29th September, 2015 (both days inclusive).
8. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
9. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar/Company.
11. The shares of the Company are listed on Stock Exchanges of Mumbai.
12. In view of Circular issued by the SEBI for appointing common agency for both the modes of transfers i.e. physical as well as Demat, the Company has already appointed M/s. BIG SHARE SERVICES PRIVATE LIMITED as Registrar & Transfer Agent for both the modes of transfer i.e. physical as well as Demat. Members are therefore requested to send their grievances to them for early disposal at the address given below.
13. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in Demat, this information should be passed on directly to their respective Depository Participants and not to the Company.
- M/s. BIG SHARE SERVICES PRIVATE LIMITED**
[Unit: Rexnord Electronics and Controls Limited]
E/2, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri [East], Mumbai - 400 072
Tel: 022-40430200
E-mail: info@bigshareonline.com
14. Relevant documents referred to in the Notice and in the Explanatory Statements are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
15. Members/Proxies holding their Shares in physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
16. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
17. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in Demat form, they must quote their Client ID and DP ID numbers.
18. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with the Depository Participant to enable us to send you the quarterly reports and other communications via email.
19. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
21. Voting through electronic means:
- SHAREHOLDER INSTRUCTIONS FOR E-VOTING**
- (i) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Securities Limited (CDSL). The detailed procedure to be followed in this regard has been given below. The members are requested to go through them carefully.
- (ii) The Board of Directors of the Company has appointed Mr. Mahesh Soni, Partner, GMJ & Associates, Company Secretaries, Mumbai as Scrutinizer to scrutinise the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (iii) The facility for voting through e-voting system shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through e-voting.
- (iv) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (v) The Company has engaged the services of Central Depository Services Limited (CDSL) as the Agency to provide e-voting facility.
- (vi) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 23, 2015.
- (vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 23, 2015 only shall be entitled to avail the facility of e-voting / remote e-voting.
- (viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. September 23, 2015 may obtain the User ID and password from **BIG SHARE SERVICES PRIVATE LIMITED** (Registrar & Transfer Agents of the company).
- (ix) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company (www.rexnordindia.in) and on the website of CDSL <https://www.evotingindia.com>. The results shall simultaneously be communicated to the Stock Exchange.
- (x) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **September 30, 2015**.
- (xi) The instructions for shareholders voting electronically are as under:
- The voting period begins at **9.00 a.m. (IST) on September 26, 2015 and ends at 5.00 p.m. (IST) on September 29, 2015**. 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) of September 23, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (i) Log on to the e-voting website www.evotingindia.com during the voting period
- (ii) Click on "Shareholders" tab
- (iii) Now, select the "**REXNORD ELECTRONICS AND CONTROLS LIMITED**" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN*	<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"> 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 (refer serial number pointed on the name and addresses Stickers / Postal Ballots / Form / Mail) in the PAN field. In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB#	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.
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"> 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.

(viii) After entering these details appropriately, click on “**SUBMIT**” tab.

(ix) Members holding shares in physical form will then reach directly 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 “**REXNORD ELECTRONICS AND CONTROLS LIMITED**”
- (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 changed 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 <https://www.evotingindia.co.in> and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 :

The Articles of Association ("AoA") of the Company is presently in force since incorporation. The existing Articles of Association was in line with the erstwhile Companies Act 1956, which is no longer in full conformity with the Companies Act, 2013 ('New Act'). The New Act is now largely in force and substantive sections of the New Act which deals with the general working of companies stand notified. With the coming into force of the New Act several articles of the existing Articles of Association of the Company require alteration / deletions. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles. It is thus expedient to adopt new set of Articles of Association (primarily based on Table F set out under the Companies Act, 2013), in place of existing Articles of Association of the Company instead of amending the Articles of Association by alteration/ incorporation of provisions of the Companies Act, 2013. Hence the Board of Directors has decided to adopt new set of Articles in place of existing Articles of Association of the Company and seek shareholders' approval for the same. In terms of section 5 and 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

Your approval is sought by voting in terms of the provisions of inter-alia, Section 14 of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014. A copy of the proposed set of new Articles of Association of the Company would be available for inspection, for the members at the Registered Office of the Company during the office hours on any working day, between 11.00 a.m. to 1.00 p.m.

None of the Directors / Key Managerial Personnel of the Company / their relatives is/are in any way, concerned or interested, financially or otherwise, in the Special Resolution, except as shareholders of the Company.

Item No. 5 :

The main business of the Company is manufacturing and sale of instrument cooling fans and shaded pole motors used for industrial purposes. The Company has entered into a Contractual Agreement with M/s. Excelum Enterprises for Sale & Purchase, payment of Commission on Sales (including Overseas Sales) and reimbursement of expenses for an amount not exceeding of ₹ 2 Crores on annual basis, on such terms and conditions as may be agreed to by the Board.

M/s. Excelum Enterprises is a Proprietary firm of Mr. Kunal Tanna being a relative of Mr. Kishore Chand Talwar and Mrs. Nainy K. Tanna, Directors of the Company, this transaction will require approval of the shareholders of the Company. Pursuant to the Section 188 of the Companies Act, 2013 and rules made thereunder, the approval of transactions is required by passing a Special Resolution at the General Meeting for appointment of any agent for purchase or sale of goods, materials or services or property where the amount exceeds 10% of the Turnover of the Company or ₹ 100 Crores, whichever is lower OR exceeds 10% of the net worth of the Company or ₹ 100 Crores whichever is lower.

For and on behalf of the Board
REXNORD ELECTRONICS AND CONTROLS LIMITED

KISHORECHAND TALWAR
(DIN: 00351751)
CHAIRMAN & MANAGING DIRECTOR

Registered Office:
92-D Govt. Ind. Estate,
Charkop, Kandivli (W),
Mumbai - 400 067
Dated: 26th May, 2015

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Name	Mrs. Nainy Kunal Tanna
Directors Identification Number (DIN)	00351762
Age	34 years
Qualification	M. Com., MBA in Marketing from NMIMS and Diploma in Export & Import
Expertise in Specific Area	Business Management & Marketing
Date of first Appointment on the Board of the Company	1 st August, 2001
Shareholding in Rexnord Electronics and Controls Limited	362200 shares
List of Directorship held in other companies	NIL
Membership/Chairmanships of Audit and Stakeholders Remuneration Committee	Refer to Voluntary Report on Corporate Governance

For and on behalf of the Board
REXNORD ELECTRONICS AND CONTROLS LIMITED

KISHORECHAND TALWAR
(DIN: 00351751)
CHAIRMAN & MANAGING DIRECTOR

Registered Office:
92-D Govt. Ind. Estate,
Charkop, Kandivli (W),
Mumbai - 400 067
Dated: 26th May, 2015

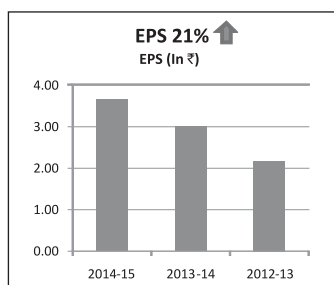
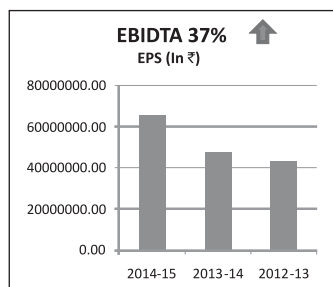
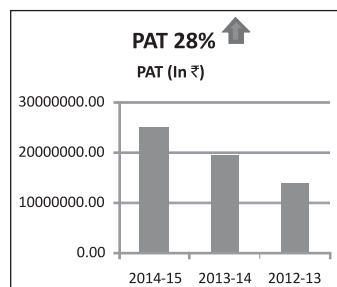
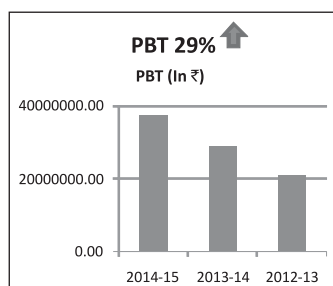
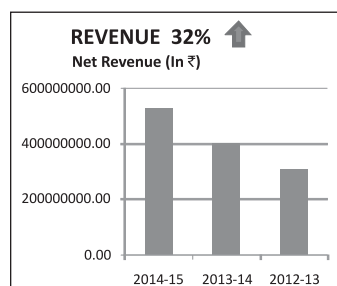
DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have great pleasure in presenting the 27th Annual Report together with the Audited Accounts for the year ended March 31, 2015.

1. FINANCIAL PERFORMANCE / HIGHLIGHTS:

(Amount in ₹)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Total revenue	528193369.30	400994598.99
Profit before depreciation and amortization	50136082.29	33115235.24
Depreciation and amortization	12692753.53	9572172.48
Profit before exceptional items & tax	37443328.76	23543062.76
Exceptional items	0.00	5498424.75
Profit before tax	37443328.76	29041487.51
Tax expense	12446257.49	9529482.00
Net profit after tax	24997071.27	19512005.51
Balance brought forward	59355978.49	39843972.98
Balance carried forward	83097099.97	59355978.49



2. OPERATIONAL REVIEW & STATE OF AFFAIRS:

Total revenue of your Company, during the year under review, increased at ₹ 528193369.30 as against the total revenue of ₹ 400994598.99 in the previous year. Your Company has been able to earn net profit after tax of ₹ 24997071.27 for the year as against the net profit after tax of ₹ 19512005.51 in the previous year.

The financial year ended 31st March 2015, was another successful year, where despite a challenging environment, our business grew well ahead of competition,

your Company based on its core strengths and sincere efforts of all the Rexnord team members, performed well. The company also ventured into a new product range of Energy Saving Fans and Motors in order to have an edge over the existing competition as well as display its core strengths to meet the emerging needs and aspirations of our consumers. The company aims to increase its global identity by creating unique branding techniques and thereby enhancing its distribution networks in Export market so that we can serve our consumers better with our wide range of product offerings. The Board expects better results for the current year.

3. DIVIDEND & TRANSFER TO RESERVES:

To consolidate the financial position of the Company, the Board does not propose any dividend for the year ended March 31, 2015. The Board does not propose to transfer any amount to General Reserves for the aforesaid financial year.

4. SHARE CAPITAL OF THE COMPANY:

During the Financial Year 2014-15, your Company has increased its Authorised Share Capital from ₹ 10,00,00,000/- to ₹ 15,00,00,000/-.

The Paid up Equity Share Capital, as at 31st March, 2015 was ₹ 7,57,86,000/- divided into 75,78,600 Equity shares, having face value of ₹ 10/- each fully paid up. During the year 2014-15, your Company has issued 46,78,800 warrants carrying an entitlement to subscribe to an equivalent number of equity shares of face value of ₹ 10/- on preferential basis. Out of the above, 10,98,300 warrants were converted into equal number of Equity Shares each at a price of ₹ 13.40 to Promoters & Non-Promoters. A detailed table containing the same is mentioned below:

Sr. No.	Name of the Applicant	Nos. of Warrants issued	Date of Conversion of Warrants into Equity	Nos. of Equity Shares allotted	Balance Warrants
1	Mr. Kishore Chand Talwar	25,00,000	13.12.2014	5,99,500	19,00,500
2	Mrs. Sharda Talwar	13,08,800	13.12.2014	2,88,800	10,20,000
3	Mr. Nandkishore Soni	2,20,000	-	-	2,20,000
4	Mr. Purushottam R. Soni	2,20,000	-	-	2,20,000
5	Pawan Kumar Soni HUF	2,20,000	-	-	2,20,000
6	Nandkishore Soni HUF	2,10,000	13.12.2014	2,10,000	Nil
	TOTAL	46,78,800		10,98,300	35,80,500

5. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

The Company does not have any subsidiaries, joint ventures or associate companies.

6. CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business activities during the financial year 2014-15.

7. BOARD OF DIRECTORS:

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Mrs. Nainy K. Tanna, Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

8. DECLARATION OF INDEPENDENT DIRECTORS:

Mr. Ram Sanahi and Mr. Ayyaswami Sundaram, both Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

9. DIRECTORS RESPONSIBILITY STATEMENT:

To the best of our knowledge and belief and according to the information and explanations obtained, Directors make the following statement in terms of Section 134 (3)(c) of the Companies Act, 2013 that:

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

- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. KEY MANAGERIAL PERSONNEL:

During the year under review, the Company has appointed the following persons as the Key Managerial Personnel.

Sr. No.	Name of the person	Designation
1.	Mr. Kishorechand Talwar	Managing Director
2.	Mr. Debabrata Guha Chaudhury	Company Secretary
3.	Mr. Kundan Talwar	Chief Financial Officer

11. COMMITTEES OF THE BOARD:

11.1 AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee comprising of Independent and Executive Directors constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and the Listing Agreement with the Stock Exchange. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board. The details of the terms of Audit Committee and other details are explained in the Voluntary Corporate Governance Report.

11.2 NOMINATION AND REMUNERATION COMMITTEE:

The Company has, during the year, renamed the existing Remuneration Committee to "Nomination and Remuneration Committee" which partly complies the requirement of Section 178 of the Companies Act, 2013 in respect of constitution of the committee. The company is in process of appointment of one more non-executive director to comply with the requirements. The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy lays down the criteria determining qualifications, positive attributes, independence of a director and other matters pursuant to the provisions of sub-section (3) of Section 178 of the Companies Act, 2013. The details of the policy are explained in the Voluntary Corporate Governance Report.

11.3 STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company has, during the year, renamed the existing Shareholders Grievance Committee to 'Stakeholders Relationship Committee' in order to align it with the provisions of Section 178 of the Companies Act, 2013. The Committee has been constituted to strengthen the investor relations and to inter-alia, look into issues relating to security holders grievances pertaining to transfer of shares, non- receipt of declared dividends, non-receipt of Annual Report, issues concerning de-materialization etc. The details regarding composition etc. are explained in the Voluntary Corporate Governance Report.

12. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a Vigil Mechanism / Whistle Blower policy to report genuine concerns, grievances, frauds and mismanagements, if any. The Vigil Mechanism /Whistle Blower policy has been posted on the website of the Company i.e. www.rexnordindia.in

13. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Whole-time Director was carried out by the Independent Directors at their meeting held on 13th February, 2015. The Board of Directors expressed their satisfaction with the evaluation process.

14. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The details of the number of meetings of the Board held during the Financial Year 2014-15 forms a part of the Voluntary Corporate Governance Report.

15. CODE OF CONDUCT:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors (including Independent Directors), Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. The Code has been posted on the Company's website i.e. www.rexnordindia.in

All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

16. FIXED DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not made loans or given guarantees or made any investments, during the financial year 2014-15, therefore, the provisions of section 186 of the Companies Act, 2013 are not attracted.

18. ISO CERTIFICATION:

The Company's products were awarded as ISO 9001:2008 Certification.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators or Courts that would impact the going status of the Company and its future operations.

20. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as Annexure 'A' and forms an integral part of this Report.

21. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business and comply with the provisions of Section 188 of the Companies Act, 2013. The disclosure in Form AOC-2 is given as per Annexure 'B'. Further, there are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large except as mentioned in Form AOC-2.

All related party transactions are placed before the Audit Committee and also before the Board for their approval in accordance with the Policy on Related Party Transactions formulated by the Board of Directors of the Company. Omnibus approval was obtained on quarterly basis for transactions which are of repetitive nature.

22. STATUTORY AUDITOR:

M/s. R. S. Agrawal & Associates, Chartered Accountants, (Firm Registration No 100156W) were appointed as the Statutory Auditors of the Company at the 26th AGM held on August 30, 2014 to hold office until the conclusion of the 29th AGM subject to ratification by the members at every AGM held thereafter. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. R. S. Agrawal & Associates that their appointment, if made, would be in conformity with the limits specified in the said Section and they are not disqualified.

The members are requested to ratify the appointment of M/s. R. S. Agrawal & Associates as statutory auditors of the Company from the conclusion of 27th AGM to 29th AGM of the Company.

23. SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the company has appointed M/s. GMJ & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit report as required under section 204 (1) of the Companies Act, 2013 is annexed herewith as Annexure 'C' and forms an integral part to this Report.

24. COST AUDIT:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rules made thereunder, Cost Audit is not applicable to the Company for the financial year 2014-15 and 2015-16.

25. AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:

The observations of the statutory auditors contained in their report have been adequately dealt with in the notes to the financial statements which are self-explanatory and, therefore, do not call for any further comments.

As required under Section 204 (1) of the Companies Act, 2013 the Company has obtained a Secretarial Audit Report. The Company would ensure in future that all the provisions are complied with the fullest extent.

26. ANTI-SEXUAL HARASSMENT POLICY:

The Company has constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. During the year under review, no complaints were reported.

27. RISK MANAGEMENT POLICY:

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner; your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

During the year, your Directors has framed a Risk Management Policy (a) to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management (b) to establish a framework for the company's risk management process and to ensure its implementation (c) to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices (d) to assure business growth with financial stability.

There are no risks which threaten the existence of the Company.

28. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal audit functions of the company are carried out by a firm of Chartered Accountants. The scope and authority of the Internal Audit function is defined by the Audit Committee. The Internal Auditors reports to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal auditors, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

29. DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialised form in either of the two Depositories. The Company has been allotted ISIN No. INE687C01012.

Shareholders' therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

30. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as under:

Efficient use of energy in all form has been a consistent corporate trust in the Company. Better maintenance of equipments, improved operating practice and installation of most modern machinery has resulted in lot of saving in energy cost and consumption of raw materials.

A. CONSERVATION OF ENERGY:

The Company is consistently doing research in the field of saving energy by implementing new cost-effective ideas. The steps taken during the year for conservation of energy are as under:

1. Due consideration has been given to energy consumption while procuring equipments.

2. As a responsible Corporate Citizen and in adherence to our climate change strategy, Company is continuously taking effective steps to conserve energy.
3. Except the emergency lights, all lights and electrical gadgets are turned off after working hours and on holidays at office premises of the Company to help in minimizing the energy consumption.
4. The steps taken by the company for utilizing alternate source of energy: The company is constantly exploring avenues for cost saving as an ongoing process.
5. The capital invested on energy equipments: To utilize the alternate source of energy, the company has initiated to set up a Boi-mass Gasifier at a capital cost of ₹ 1914662/-.

B. TECHNOLOGY ABSORPTION:

a) Research & Development

The Research & Development department of the Company has been arduously working to provide quality and value for money to the customer in keeping with market trends. Research and Development is being carried out in the following areas.

- Making design modifications in the products so as to simplify the manufacturing process and enhance productivity.
- Developing Jigs, Fixtures and devices to increase productivity.
- Improvements to tool design.
- Upgradation of machines.
- Design and development of special machines required for increasing capacity.
- Development of equipment required for testing product reliability at various stages.

b) Technology absorption, adaptation and innovation.

Technology for the manufacture of Instrument Cooling Fans of various sizes has been successfully absorbed.

C. FOREIGN EXCHANGE EARNED AND USED:

The particulars regarding foreign exchange earnings and expenditure appear at note nos. 34, 35 and 38 in the notes to the financial statements.

31. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure "D" to this Report.

None of the employees have drawn remuneration more than ₹ 5,00,000/- p.m., if employed for the part of the year and ₹ 60,00,000/- p.a., if employed throughout the Year.

32. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

It has always been the Company's endeavor to excel through better Corporate Governance and fair and transparent practices, many of which have already been in place even before they were mandated by the law of the land. The company voluntarily complies with the requirement of clause 49 of the Listing Agreement.

The Board of Directors of the Company had also evolved and adopted a Code of Conduct based on the principles of Good Corporate Governance and best management practices being followed globally. The Code is available on the website of the Company www.rexnordindia.in. A separate report on Corporate Governance and Management Discussion and Analysis Reports which is voluntarily adopted by the Company is included in this Annual Report as Annexure "E".

33. LISTING:

The Shares of the Company are listed on the Stock Exchange at Mumbai. The company has paid the listing fees for the year 2015-16 to the Stock Exchange at Mumbai.

34. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements related and the date of the report.

35. CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with the Companies (corporate social responsibility policy) Rules 2014, the net profit of the company was below ₹ 5 Crores during the last three immediately preceding financial years. Accordingly, the provisions of CSR policy were not applicable for the financial year 2014-15.

36. ENVIRONMENT AND SAFETY:

The Company is committed to:

- Maintain an organizational culture of Health, Safety & Environmental excellence by conducting its business in a manner that will promote consistent development.
- Safe work, resource conservation, waste management and emergency response measures for continual improvement in performance.
- Design, construct, operate & maintain its facilities while assuring the best material and service quality and operate in a way that mitigates and minimizes risks and hazards.
- Prevention of ill-health, injuries and pollution by adopting best practices, carrying out periodic risk assessments, reviews, inspections and providing awareness to employees and concerned stakeholders.

37. NEW SET OF ARTICLES OF ASSOCIATION:

In conformity of the provisions of the Companies Act, 2013, it is proposed to adopt new set of Articles of Association of the Company. Necessary Special Resolution is placed for member's approval.

38. ACKNOWLEDGMENT:

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

For and on behalf of the Board
REXNORD ELECTRONICS AND CONTROLS LIMITED

KISHORECHAND TALWAR
(DIN: 00351751)
CHAIRMAN & MANAGING DIRECTOR

Registered Office:

92-D Govt. Ind. Estate,
Charkop, Kandivli (W),
Mumbai - 400 067
Dated: 26th May, 2015

ANNEXURE TO DIRECTORS REPORT 2014-2015
ANNEXURE 'A'

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on 31st March 2015

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN:-	L31200MH1988PLC047946
ii) Registration Date:-	4 th July, 1988
iii) Name of the Company:-	REXNORD ELECTRONICS AND CONTROLS LIMITED
iv) Category / Sub-Category of the Company:-	Company limited by shares & Indian Non Government Company
v) Address of the Registered office and contact details:-	92-D GOVT IND. ESTATE CHARKOP, KANDIVLI (W), MUMBAI - 400 067
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. BIG SHARE SERVICES PRIVATE LIMITED [Unit: Rexnord Electronics and Controls Limited] E/2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri [East], Mumbai - 400 072 Tel.: 022-40430200 • E-mail: info@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing and sale of instrument cooling fans and shaded pole motors used for industrial purposes.	8414, 8473, 8501	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
NOT APPLICABLE.....				

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year (01.4.2014)				No. of Shares held at the end of the year (31.3.2015)				% Change during the year
		Demat	Physical	Total	% of the Total Shares	Demat	Physical	Total	% of the Total Shares	
A.	Promoters									
(1)	Indian									
a)	Individual / HUF	3011800	0	3011800	46.47	3900100	0	3900100	51.46	4.99
b)	Central/State Govt			0	0.00			0	0.00	0.00
c)	Bodies Corp.			0	0.00			0	0.00	0.00
d)	Bank / FI			0	0.00			0	0.00	0.00
e)	Any Other			0	0.00			0	0.00	0.00
	Sub Total (A) (1)	3011800	0	3011800	46.47	3900100	0	3900100	51.46	4.99
(2)	Foreign									
a)	NRIs - Individuals			0	0.00			0	0.00	0.00
b)	Other - Individuals			0	0.00			0	0.00	0.00
c)	Bodies Corp.			0	0.00			0	0.00	0.00
d)	Bank / FI			0	0.00			0	0.00	0.00
e)	Any Other			0	0.00			0	0.00	0.00
	Sub Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter (A) = (A) (1) + (A) (2)	3011800	0	3011800	46.47	3900100	0	3900100	51.46	4.99
B.	Public Shareholding									
(1)	Institutions									
a)	Mutual Funds/ UTI			0	0.00			0	0.00	0.00
b)	Bank / FI	1000	1000	2000	0.03	1000	1000	2000	0.03	0.00
c)	Central/State Govt			0	0.00			0	0.00	0.00
d)	Venture Capital fund			0	0.00			0	0.00	0.00
e)	Insurance companies			0	0.00			0	0.00	0.00
f)	FIs			0	0.00			0	0.00	0.00
g)	Foreign Venture Capital fund			0	0.00			0	0.00	0.00
h)	Any Other			0	0.00			0	0.00	0.00
	Sub Total(B)(1)	1000	1000	2000	0.03	1000	1000	2000	0.03	0.00
(2)	Non-Institutions									
a)	Bodies Corp.	134050	32000	166050	2.56	318894	32000	350894	4.63	2.07
b)	Individual shareholders holding									
	i) upto ₹ 1 lacs	964760	654020	1618780	24.98	942275	642820	1585095	20.91	-4.06
	ii) Excess of 1 Lacs	1327670	40900	1368570	21.12	1382948	10100	1393048	18.38	-2.74
c)	Clearing Member	2000		2000	0.03	30418		30418	0.40	0.37
d)	OCB		300000	300000	4.63		300000	300000	3.96	-0.67
e)	NRI	2300	9700	12000	0.19	8245	9700	17945	0.24	0.05
	Sub Total(B)(2)	2430780	1036620	3467400	53.50	2682780	994620	3677400	48.52	-4.98
	Total shareholding of Public Shareholding (B) = (B) (1) + (B) (2)	2431780	1037620	3469400	53.53	2683780	995620	3679400	48.54	-4.99
C.	Shares held by Custodians for GDRs & ADRs									
(1)	Promoters			0	0.00			0	0.00	0.00
(2)	Public Shareholding			0	0.00			0	0.00	0.00
	Total shareholding Shares held by Custodians for GDRs & ADRs (C) = (C) (1) + (C) (2)	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A + B + C)	5443580	1037620	6481200	100.00	6583880	995620	7579500	100.00	0.00

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (01.4.2014)			Shareholding at the end of the year (31.3.2015)			% Change 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)	Kishorechand Talwar	1852000	28.57	0.00	2451500	32.34	0.00	3.77
2)	Sharda Talwar	617600	9.53	0.00	906400	11.96	0.00	2.43
3)	Nainy Kunal Tanna	362200	5.59	0.00	362200	4.78	0.00	-0.81
4)	Kundan Talwar	180000	2.78	0.00	180000	2.37	0.00	-0.40
	TOTAL	3011800	46.47	0.00	3900100	51.46	0.00	4.99

iii) Changes in Promoters Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year (As on 01-04-2014)		Cumulative Shareholding during the year (As on 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	At the beginning of the year	3011800	46.47	3011800	46.47
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for the increase / decrease (e.g. allotment/Transfer/bonus/sweat equity etc.)	See details below	See details below	See details below	See details below
3	At the end of the year	3900100	51.46	3900100	51.46

Sr. No.	Name	Shareholdings		Date	Increase / Decrease in share-holding	Reason	Cumulative shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	Kishorechand Talwar	1852000	28.57	01.04.2014			0	0.00
				13.12.2014	599500	Allotment	2451500	32.34
		2451500	32.34	31.03.2015			2451500	32.34
2	Sharda Talwar	617600	9.53	01.04.2014			0	0.00
				13.12.2014	288800	Allotment	906400	11.96
		906400	11.96	31.03.2015			906400	11.96

iv) Shareholding pattern of top ten share holders (other than, Director Promoters and holdings of GDRs, ADRs)

Sr. No.	Name	Shareholdings		Date	Increase / Decrease in share-holding	Reason	Cumulative shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	Cosmos Trading Ltd.	300000	4.63	01.04.2014			0	0.00
		300000	3.96	31.03.2015			300000	3.96
2	LSE Securities Ltd.	2799	0.04	01.04.2014			0	0.00
		0	0.00	04.07.2014	-200	Transfer	2599	0.03
		0	0.00	29.08.2014	56842	Transfer	59441	0.78
		0	0.00	05.09.2014	49985	Transfer	109426	1.44
		0	0.00	12.09.2014	-50032	Transfer	59394	0.78
		0	0.00	19.09.2014	11968	Transfer	71362	0.94
		0	0.00	30.09.2014	40183	Transfer	111545	1.47
		0	0.00	03.10.2014	4701	Transfer	116246	1.53
		0	0.00	10.10.2014	12591	Transfer	128837	1.70
		0	0.00	24.10.2014	850	Transfer	129687	1.71
		0	0.00	31.10.2014	15074	Transfer	144761	1.91
		0	0.00	07.11.2014	-150	Transfer	144611	1.91
		0	0.00	14.11.2014	4970	Transfer	149581	1.97
		0	0.00	21.11.2014	22057	Transfer	171638	2.26
		0	0.00	28.11.2014	-20120	Transfer	151518	2.00
		0	0.00	05.12.2014	-13516	Transfer	138002	1.82
0	0.00	10.12.2014	-9338	Transfer	128664	1.70		

Sr. No.	Name	Shareholdings		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year 31.03.2015)	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
		0	0.00	12.12.2014	-5055	Transfer	123609	1.63
		0	0.00	19.12.2014	-2315	Transfer	121294	1.60
		0	0.00	31.12.2014	-12311	Transfer	108983	1.44
		0	0.00	02.01.2015	800	Transfer	109783	1.45
		0	0.00	09.01.2015	-4667	Transfer	105116	1.39
		0	0.00	16.01.2015	-500	Transfer	104616	1.38
		0	0.00	23.01.2015	-1600	Transfer	103016	1.36
		0	0.00	30.01.2015	-100	Transfer	102916	1.36
		0	0.00	13.02.2015	12044	Transfer	114960	1.52
		0	0.00	20.02.2015	-3800	Transfer	111160	1.47
		0	0.00	27.02.2015	-6304	Transfer	104856	1.38
		0	0.00	06.03.2015	-1988	Transfer	102868	1.36
		0	0.00	13.03.2015	-7481	Transfer	95387	1.26
		0	0.00	20.03.2015	-100	Transfer	95287	1.26
		0	0.00	27.03.2015	-91	Transfer	95196	1.26
		95196	1.26	31.03.2015	0		95196	1.26
3	Champalal B Bhansali	69200	1.07	01.04.2014			0	0.00
		0	0.00	14.11.2014	-20000	Transfer	49200	0.65
		0	0.00	21.11.2014	-15000	Transfer	34200	0.45
		0	0.00	28.11.2014	30400	Transfer	64600	0.85
		0	0.00	23.01.2015	-15000	Transfer	49600	0.65
		0	0.00	06.02.2015	-3000	Transfer	46600	0.61
		0	0.00	27.03.2015	4178	Transfer	50778	0.67
		50778	0.67	31.03.2015	0		50778	0.67
4	Nand kishore Soni (HUF)	0	0.00	01.04.2014			0	0.00
		0	0.00	20.02.2015	210000	Allotment	210000	2.77
		210000	2.77	31.03.2015	0		210000	2.77
5	Sitadevi Ravishankar Rathi	204079	3.15	01.04.2014			0	0.00
		0	0.00	18.07.2014	-4500	Transfer	199579	2.63
		0	0.00	25.07.2014	-10050	Transfer	189529	2.50
		0	0.00	01.08.2014	-54005	Transfer	135524	1.79
		0	0.00	08.08.2014	-803	Transfer	134721	1.78
		0	0.00	25.08.2014	-100000	Transfer	34721	0.46
		0	0.00	05.09.2014	-8000	Transfer	26721	0.35
		0	0.00	12.09.2014	-8000	Transfer	18721	0.25
		0	0.00	19.09.2014	-4400	Transfer	14321	0.19
		0	0.00	30.09.2014	-14321	Transfer	0	0.00
		0	0.00	31.03.2015	0		0	0.00
6	Savitridevi Pukhraj Bhansali	50000	0.77	01.04.2014			0	0.00
		0	0.00				50000	0.66
		50000	0.66	31.03.2015	0		50000	0.66
7	Ghanshyam Daga	38279	0.59	01.04.2014			0	0.00
		0	0.00	20.06.2014	-625	Transfer	37654	0.50
		0	0.00	19.12.2014	100	Transfer	37754	0.50
		37754	0.50	31.03.2015	0		37754	0.50
8	Dilip Dada Kole	43349	0.67	01.04.2014			0	0.00
		0	0.00	23.05.2014	1	Transfer	43350	0.57
		0	0.00	30.05.2014	500	Transfer	43850	0.58
		43850	0.58	31.03.2015	0		43850	0.58
9	Anant Jain	36234	0.56	01.04.2014			0	0.00
		0	0.00	18.04.2014	502	Transfer	36736	0.48
		0	0.00	25.04.2014	2100	Transfer	38836	0.51
		0	0.00	02.05.2014	6300	Transfer	45136	0.60
		0	0.00	09.05.2014	1100	Transfer	46236	0.61
		0	0.00	23.05.2014	150	Transfer	46386	0.61
		0	0.00	08.08.2014	2	Transfer	46388	0.61
		0	0.00	15.08.2014	2	Transfer	46390	0.61
		0	0.00	05.09.2014	2201	Transfer	48591	0.64
		48591	0.64	31.03.2015	0		48591	0.64
10	Mita Dipak Shah	42684	0.66	01.04.2014			0	0.00
		0	0.00	10.10.2014	-3325	Transfer	39359	0.52
		0	0.00	24.10.2014	8000	Transfer	47359	0.62
		0	0.00	07.11.2014	2043	Transfer	49402	0.65
		0	0.00	19.12.2014	598	Transfer	50000	0.66
		50000	0.66	31.03.2015	0		50000	0.66

v) Shareholding of Director and Key Managerial Personnel

Sr. No.	Name	Shareholdings		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014) / end of the year (31.03.2015)	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	Kishorechand Talwar	1852000	28.57	01.04.2014	599500	Allotment	0	0.00
				13.12.2014			2451500	32.34
		2451500	32.34	31.03.2015			2451500	32.34
2	Nainy Kunal Tanna	362200	5.59	01.04.2014	0		362200	4.78
		362200	4.78	31.03.2015				
3	Debabrata G. Chaudhury	0	0.00	01.04.2014	0		0	0.00
		0	0.00	31.03.2015				
4	Kundan Talwar	180000	2.78	01.04.2014	0		180000	2.37
		180000	2.37	31.03.2015				

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	45,305,587.61	41,576,505.00	–	86,882,092.61
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	340,179.19	111,883.00	–	452,062.19
Total (i+ii+iii)	45,645,766.80	41,688,388.00	–	87,334,154.80
Change in Indebtedness during the financial year				
• Addition	13,500,000.00	186,305,713.00	–	199,805,713.00
• Reduction	17,441,126.88	173,044,181.00	–	190,485,307.88
Net Change	(3,941,126.88)	13,261,532.00	–	9,320,405.12
Indebtedness at the end of the financial year				
i) Principal Amount	41,364,460.73	54,838,037.00	–	96,202,497.73
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	297,630.29	166,745.00	–	464,375.29
Total (i+ii+iii)	41,662,091.02	55,004,782.00	–	96,666,873.02

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Kishore Chand Talwar (Chairman & Managing Director)	Mrs. Nainy K. Tanna (Whole-time Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28,04,200	27,08,392	55,12,592
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	–	–	–
	(c) Profits in lieu of salary under	–	–	–
2	Stock Option	–	–	–
3	Sweat Equity	–	–	0.00
4	Commission	–	–	–
	as % of profit	–	–	–
	others, specify...	–	–	–
5	Others, please specify	–	–	–
	Total (A)	28,04,200	27,08,392	55,12,592
	Ceiling as per the Act	84,00,000	84,00,000	1,68,00,000

B. Remuneration to other directors: NIL

Sr. No.	Particulars of Remuneration	Name of the Director		Total Amount
		Mr. Ram Sanehi	Mr. Ayyaswami Sundaram	
1	Independent Directors			
	• Fee for attending board committee meetings	60,000.00	60,000.00	120,000.00
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total (1)	60,000.00	60,000.00	120,000.00
2	Other Non-Executive Directors			
	• Fee for attending board committee meetings	-	-	-
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B) = (1+2)	60,000.00	60,000.00	120,000.00
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

C. Remuneration to key managerial personnel other than MD / MANAGER / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. DEBABRATA G. CHAUDHURY (Company Secretary)	Mr. KUNDAN K. TALWAR (Chief Financial Officer)	
1	Gross salary	120,000.00	2,196,282.00	2,316,282.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
2	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
3	Stock Option	-	-	-
4	Sweat Equity	-	-	-
	Commission			
	as % of profit			
5	others, specify...	-	-	-
	Others, please specify			
	Total	120,000.00	2,196,282.00	2,316,282.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE 'B'

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis : NIL
2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details	Details
1	Name (s) of the related party & nature of relationship	M/s. EXCELUM ENTERPRISES A proprietorship concern of Mr. Kunal Tanna the spouse of Mrs. Nainy Tanna	MR. KUNDAN TALWAR Son of Mr. Kishore Chand Talwar and brother of Mrs. Nainy K. Tanna
2	Nature of contracts / arrangements / transaction	Sales/Purchase & Commission and reimbursement of expenses	Lease Rent
3	Duration of the contracts / arrangements / transaction	Repetitive during the year	Repetitive during the year
4	Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 74.64 Lacs	₹ 1.20 Lacs
5	Date of approval by the Board & EGM	Board Meeting – May 1, 2014 and EGM dated 10 th December 2014	Board Meeting dated May 1, 2014
6	Amount paid as advances, if any	Nil	Nil

ANNEXURE 'C'

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST 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,
M/s. Rexnord Electronics and Controls Limited
92-D Govt. Ind. Estate Charkop,
Kandivli (West),
Mumbai - 400 067.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Rexnord Electronics and Controls Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 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 maintained by the Company, for the financial year ended on 31st March, 2015 according to the provisions of:

- i. The Companies Act, 2013 and the rules made thereunder;
- 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 applicable;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") viz
 - 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 and
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- vi. We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations with respect to;
 - a. Factories Act, 1948

- b. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, compensation etc.;
- c. Acts as prescribed under prevention and control pollution;
- d. Acts as prescribed under Environment protection;
- e. Acts as prescribed under Direct Tax and Indirect Tax;
- f. Industrial (Development & Regulation) Act, 1951.
- g. Acts as prescribed under Shop and Establishment Act of various local authorities;
- h. Other Acts as applicable.

We have also examined compliance with the applicable clauses of The Listing Agreements entered into by the Company with BSE Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the year. *The composition of Nomination and Remuneration Committee is not in conformity with the provisions of Section 178 of the Companies Act, 2013.*

Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

Majority decision is carried through while the dissenting members view, if any, are captured and recorded as part of the minutes.

We further report that 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.

For **GMJ & ASSOCIATES**

Company Secretaries

Sd/-

[MAHESH SONI]
PARTNER

FCS: 3706 COP: 2324

Place : Mumbai

Date : May 26, 2015.

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.

ANNEXURE I

To,
The Members,
M/s. Rexnord Electronics and Controls Limited
92-D Govt. Ind. Estate Charkop,
Kandivli (West),
Mumbai - 400 067.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the 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 processes 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 and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures 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 **GMJ & ASSOCIATES**

Company Secretaries

Sd/-

[MAHESH SONI]
PARTNER

FCS: 3706 COP: 2324

Place : Mumbai

Date : May 26, 2015.

ANNEXURE 'D' TO DIRECTORS REPORT 2014-2015

Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014				
1. The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2014-15				
Director's Name	Ratio to median Remuneration			
Mr. Kishorechand Talwar	16.92:1			
Mrs. Nainy Kunal Tanna	16.34:1			
Mr. Ram Sanehi	00.36:1			
Mr. Ayyaswami Sundaram	00.36:1			
2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2014-15 compared to 2013-14 means part of the year				
Director's / CFO / CEO / CS / Mgr Name	% age increase in remuneration			
Mr. Kishorechand Talwar	86.95%			
Mrs. Nainy Kunal Tanna	80.56%			
Mr. Ram Sanehi	0.00%			
Mr. Ayyaswami Sundaram	0.00%			
Mr. Debabrata G. Chaudhury	0.00%			
Mr. Kundan Talwar	127.72%			
3. Percentage increase in the median remuneration of employees in the financial year 2014-15 compared to 2013-14 : 13.50%				
4. Number of permanent employees on the rolls of the company : 72 employees as on 31.03.2015				
5. Explanation on the relationship between average increase in remuneration and the company performance : The Profit before tax for the financial year ended March 31, 2015 increased by 29% whereas the increase in median remuneration was 13.50% in line with the performance of the Company				
6. Comparison of the remuneration of Key Managerial Personnel against the performance of the company: The total remuneration of Key Managerial Personnel increased by 94% from ₹ 4044469.00 in 2013-14 to ₹ 7828874.00 in 2014-15 whereas the Profit before tax increased by 29% to 37443328.76 in 2014-15 (29041487.51 in 2013-14)				
7. Variation in				
Details	31.03.2015	31.03.2014		
Market Capitalization 23.20/07.15 (in ₹)	175844400	46340580		
Price Earning Ratio	6.37	2.38		
Percentage Increase/ Decrease of Market Quotations	224% (Increase)			
Net worth of the Company (in ₹)	162618021.75	124159680.27		
8. Average percentile increase in salaries of Employees other than managerial personnel : 27%				
9. Comparison of each remuneration of Key Managerial Personnel against the performance of the company :				
Name of the Key Managerial Personnel	Remuneration for the years ended			Reason against performance of the Company
	31.03.2015	31.03.2014	% age Change	
Mr. Kishorechand Talwar	2804200.00	1500000.00	86.95%	Profit before tax increase by 29% and Profit after tax increased by 28% in financial year 2014-15
Mrs. Nainy Kunal Tanna	2708392.00	1500000.00	80.56%	
Mr. Debabrata G. Chaudhury	120000.00	80000.00	0.00%	
Mr. Kundan Talwar	2196282.00	964469.00	127.72%	
10. Key parameter for any variable component of remuneration availed by the Director: Considered by the Board of Directors based on the the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.				
11. Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year : - Not Applicable				

ANNEXURE 'E'

MANAGEMENT DISCUSSION AND ANALYSIS & CORPORATE GOVERNANCE REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENT:

Your company operates across the following major market sectors :

- (a) Industry OEM (b) Distribution Channel (c) Exports

The main business of the Company is manufacturing and sale of instrument cooling fans and shaded pole motors used for industrial purposes. The industry is directly related to the growth of the user industry in which the products find applications. The instrument cooling fans and shaded pole motors are mainly used in the computer hardware equipments, power supply equipments, textile machines, refrigeration industry, injection molding machines, photocopying machines etc.

OPPORTUNITIES, THREATS, OUTLOOK, RISKS AND CONCERNS:

During the year 2014, the global economy struggled to gain momentum. According to World Bank's Economic Prospects report released in January 2015, global growth in year 2014 was placed at 2.6%. The report mentions rise in economic activity in United States while Euro area continues to give mixed signals and China seems to be undergoing a carefully managed slowdown. Sharp decline in oil prices since mid 2014 is expected to support economic activity especially in oil importing developing economies. Overall, the report expects global economic growth in year 2015 at 3.0%, that is only slightly higher than year 2014. At home in India, after slowing to sub 5% in financial year 2013-14, Indian economy is showing signs of moderate growth momentum during the current fiscal year 2014-15. Going forward the nation has high expectations that the current government at the Centre will take measures to boost the Indian economy in short and medium term. The key focus area would be to revive the investment cycle. Policies and reforms to make, 'Make in India' campaign successful would play an important role in powering the economic growth. In general, there are expectations that economic growth in financial year 2015 will be better than year 2014. The recent World Bank report forecasts India's GDP growth at around 6.4% in financial year 2015.

Competition:

Competitive intensity in the Fan and Motor industry is gradually increasing as described below:

- 1) With expectations of long-term positive development of Indian economy, some global and Chinese brands are expanding their manufacturing base in India.
- 2) Some of the brands manufactured in China are imported and sold in the country at very low prices
- 3) Due to weak implementation of IPR in India, counterfeit products continue to pose unhealthy competition to reputed brands like ours.

At the same time we are convinced that Indian customers have faith in our brand due to excellent quality of our products and due to our ability to offer value added services. We, therefore stay focused on our long-term strategy to invest in and offer best in-class engineered solutions to our customers.

Your company has strong presence in Indian market. Some of the initiatives taken by your company to secure long-term success in industrial business are as follows:

- 1) We have invested in advanced technology to produce Energy Saving Fans and Motors to provide Low cost and high efficiency products.
- 2) We have set a basis for development and production of high performance Fans and Motors for meeting the ever changing demand of customers.
- 3) The technical competence of our engineers is the key success factor for your organization. Our comprehensive understanding of customer's business and his processes, deep know-how of key equipment and applications help us in designing and providing efficient and sustainable solutions far beyond a mere supply of products to our customers.
- 4) The Company is regularly investing in modernization and up gradation of its production facilities which poised the Company to take maximum advantage of demand of its products.
- 5) The Company will continue its focus on better cost management, reducing inefficiency, improving supply chain and improving productivity so that it can continue to improve its operating performance.

The company's operations are predominantly comprise of only one business segment - Instrument Cooling Fans / Motors.

EXPORTS:

During the year, revenue from exports grew by 85% due to extension of product scope and due to favorable impact of exchange rates. Further development in export business is influenced by global economic outlook. Your company continues to focus on realizing global levels of quality and productivity to remain competitive in these markets.

1. We continue to develop new products and expand our portfolio to get increased share with our customers in focus sectors.
2. We continued to expand our channel reach globally to facilitate brand recognition. Our initiative to enhance technical competence of our channel partners adds to our strength. Based on positive economic outlook for year 2015 and our successful strategy to invest in continued expansion of manufacturing and engineering footprint, your company is determined to maintain its growth approach.
3. We also aim at increasing brand awareness by participating in Trade Shows and through intensified advertisement at a global level.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal audit functions of the company are carried out by a firm of Chartered Accountants. The scope and authority of the Internal Audit function is defined by the Audit Committee. The Internal Auditors reports to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal auditors, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

FINANCIAL AND OPERATIONAL PERFORMANCE:

During the year under review, the Company has achieved total revenue of ₹ 528193369.30 as against total revenue of ₹ 400994598.99 in the previous year. The Company has earned profit before tax of ₹ 37443328.76 during the year as against the profit before tax of ₹ 29041487.51 in the previous year.

The challenges described above could not affect the Company much and your Company was able to register net profit of ₹ 24997071.27 as against net profit of last year ₹ 19512005.51 in spite of global recessionary trends. During the current financial year, the Company is working for increasing its top line and bottom line.

HUMAN RESOURCES:

Your Company takes great pride in the commitment, competence and vigour shown by its workforce in all realms of business. The Company continues to take new initiatives to further align its HR policies to meet the growing needs of its business. People development continues to be a key focus area at Rexnord. Your Company has implemented many in house training programs to keep them abreast of the latest developments in the industry and economy. To establish direct link between performance and reward, your Company has been steadily increasing the weightage of actual performance in remuneration packages.

The Company has, under its employment 72 officers and other staff including executive directors.

The Focus of the Company for the next financial year is:**✓ Market Leadership**

To provide quality, reliability and good value in the products we sell. To be sensitive and responsive to changing customer needs right from product development stage to after-sales-service. To aim to become market leaders in whatever we take up.

✓ Price Competitiveness

To improve our competitiveness by constantly enhancing the performance of our manufacturing, development, marketing and administrative functions. We would like to improve our profits by higher market share rather than by higher margin.

✓ Customer Satisfaction

To develop the right relationship between the Company and all its customers so that customer's needs are met simply and effectively.

CAUTIONARY STATEMENT:

Statement in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement due to external factors. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis, of any subsequent developments, events or information.

VOLUNTARY REPORT ON CORPORATE GOVERNANCE:

CORPORATE GOVERNANCE AND STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is about commitment to values and ethical business conduct. It is about how an organization is managed. The Company firmly believes in and has consistently practiced good Corporate Governance for the past several years for the efficient conduct of its business and in meeting its obligations towards all its stakeholders including amongst others, shareholders, customers, employees and the community in which the Company operates.

Rexnord Electronics and Controls Limited [Rexnord] is committed to adhere to the corporate governance code as prescribed by the SEBI and has accordingly implemented various aspects of the code.

Roles of various constituents of Corporate Governance in the Company

a) Board of Directors (Board):

The Directors of the Company are in a fiduciary position, empowered to oversee the management functions with a view to ensure its effectiveness and enhancement of stakeholder value. The Board reviews and approves management's strategic business plan & business objectives and monitors the Company's strategic direction.

b) Chairman & Managing Director (CMD):

The CMD is the Chairman of the Board and also the Chief Executive Officer of the Company. His primary role is to provide leadership to the Board and the Corporate Management Committee for realizing the approved strategic business plan and business objectives. He presides over the meetings of the Board and the Shareholders.

c) Non-Executive Directors (NED):

The Non-Executive Directors play a vital role in improving the Board effectiveness with their independent judgment on issues of strategy, performance, resources, standards of conduct etc., besides providing the Board with valuable inputs.

2. BOARD OF DIRECTORS

The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served. The Chairman & Managing Director is assisted by the executive and non-executive directors.

As on March 31, 2015 the structure of the Board of the Company maintained an optimum mix of Executive, Non-Executive and Independent Directors and the same is in conformity with the listing requirements. The Board's current strength is 4 members, who are eminent personalities from various walks of life having rich experience in the field of marketing, finance, industry, business and management.

Besides the Chairman, who is an Executive Director, the Board comprises of 1 Woman Executive Director and 2 Non-Executive, Independent Directors.

The details of composition of the Board, category, attendance of Directors at Board Meetings and last Annual General Meeting, number of other directorships and other committee memberships are given below:

Number of Board Meetings

The Board meets at regular intervals to discuss and decide on various issues, including strategy related matters pertaining to the business of the Company. The tentative calendar of Board Meetings is circulated to the Directors in advance to facilitate them and to ensure their active participation at the Meetings of the Company. Apart from this, the approval of the Board is obtained through Circulation of Resolution to all the Directors in case some urgent/special situation arises. Such Circular Resolution is also confirmed at the next Board Meeting.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge its functions effectively. Where it is not practicable to attach the relevant information as a part of agenda papers, the same are tabled at the Meeting of the Board.

During the year 2014-2015, the Board met 14 (Fourteen) times. Details of these Meetings are as follows:-

Sr. No.	Date of Board Meeting
1.	01/05/2014
2.	30/05/2014
3.	03/06/2014
4.	19/07/2014
5.	14/08/2014
6.	30/08/2014
7.	23/09/2014
8.	15/10/2014
9.	11/11/2014
10.	14/11/2014
11.	13/12/2014
12.	23/12/2014
13.	29/12/2014
14.	13/02/2015

The Company has held at least one Board meeting in every three months. The maximum gap between any two meetings was less than four months, as stipulated under Clause 49.

As mandated by Clause 49, none of the Directors are members of more than 10 Board level committees, nor are they Chairman of more than five committees in which they are members.

Table 1 gives the details of the Board as on March 31, 2015.

Sr. No.	Name of Director	Category	No. Of Board Meeting attended during the year 2014-15	Attendance at last AGM held on 30 th August, 2014	No. Of Other Directorships of Companies Held As on 31 st March, 2015		No. of Membership of Outside Committees Held As on 31 st March, 2015	
					Public	Private	Mem.	Chmn
1.	Mr. K.C. Talwar	Executive (CMD)	14	Yes	-	-	-	-
2.	Mrs. Nainy K. Tanna	Executive (WTD)	14	Yes	-	-	-	-
3.	Mr. Ram Sanehi	Non Executive and Independent	12	-	-	-	-	-
4.	Mr. Ayyaswami Sundaram	Non Executive and Independent	12	Yes	-	1	-	-

CMD stands for Chairman & Managing Director, WTD stands for Whole-time Director

Information placed before Board of Directors

The Board has complete access to all information with the Company.

All Board meetings are governed by a structured agenda which is backed by comprehensive background information. Inter-alia, the following information is regularly provided to the Board, as part of the agenda papers well in advance of the Board meetings, or is tabled in the course of the Board meeting.

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results for the company and its operating divisions or business segments.

- Minutes of meetings of audit committee and other committees of the board.
- The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- Details of any joint venture or collaboration agreement.
- Any transactions that involves substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Related party transactions
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board has an effective post meeting follow up procedure. The Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the Company, prepared by the Company, as well as steps taken by the Company to rectify instances of non-compliance.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has framed a policy for familiarization programme for Independent Directors and the same is disclosed on the website of the Company i.e. www.rexnordindia.in

3. COMMITTEES OF BOARD:

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees of Directors with specific terms of reference / scope. The committees operate as empowered agents of the Board. The inputs and details required for the decision is provided by the operating managers. The Minutes of the Meeting of all Committees of the Board are placed before the Board for discussions / noting.

Details of the Committees of the Board and other related information are as follows:

3.1 AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee comprising of three Directors. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013. All the members have financial and accounting knowledge.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors of the Company. The Committee focuses its attention on monitoring the financial reporting system within the Company, considering Quarterly & Annual Financial Results of the Company and submitting its observations to the Board of Directors before its adoption by the Board, review of the internal audit report & internal

control system, audit methodology and process, major accounting policies and practice, compliance with accounting standards. Committee also reviews the legal compliance reporting system.

The terms of reference of the Audit Committee are as under:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 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 the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit functions
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;

- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management, if any;
- Management letters / letters of internal control weaknesses issued by the statutory auditors, if any;
- Internal audit reports relating to internal control weaknesses, if any.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Head of the Finance and Accounts Department, representative of the Statutory Auditors and other executives as are considered necessary, attend meetings of the Audit Committee.

The Committee met 6 times during the year on 01/05/2014, 30/05/2014, 14/08/2014, 11/11/2014, 14/11/2014 and 13/02/2015.

Attendance record at the meetings of the Audit Committee of Directors during Financial Year 2014-15:

The names of members of committee and their attendance are as follows:

Name of the Members	Status	No. of Meetings Attended
Mr. Ayyaswami Sundaram	Chairperson	6
Mrs. Nainy K. Tanna	Member	6
Mr. Ram Sanehi	Member	6

The Chairperson of the Committee was present at the Annual General Meeting held on 30/08/2014 to attend the shareholder's queries.

3.2 NOMINATION AND REMUNERATION COMMITTEE:

The Company has, during the year, renamed the existing Remuneration Committee to "Nomination and Remuneration Committee" which partly complies the requirement of Section 178 of the Companies Act, 2013 in respect of constitution of the committee. The Nomination and Remuneration Committee currently comprises of Mr. Ayyaswami Sundaram, Independent Director as Chairperson, Mrs. Nainy K. Tanna and Mr. Ram Sanehi as Members. The company is in process of appointment of one more non-executive director to comply with the requirements. All matters relating to review and approval of compensation payable to the executive and non-executive directors are considered by the Nomination and Remuneration Committee and necessary recommendations are made by the Committee to the Board for the approval within the overall limits approved by the Members and as per Schedule V to the Companies Act, 2013.

The Company pays remuneration to its Chairman and Managing Director & Wholetime Director by way of Salary, perquisites and allowances. Salary is paid within the range as approved by the Shareholders and as per Schedule V to the Companies Act, 2013.

Given below are the details of remuneration paid to Directors during the Financial Year 2014-15:

Name of the Director	Designation	Salary & Allowances	Sitting Fees	Perquisites
Mr. Kishorechand Talwar	Chairman & Managing Director	2804200.00	-	-
Mrs. Nainy Kunal Tanna	Whole-time Director	2708392.00	-	-
Mr. Ram Sanehi	Independent Director	-	60000.00	-
Mr. Ayyaswami Sundaram	Independent Director	-	60000.00	-

The Company does not have any stock option plans and hence such instrument does not form part of the remuneration package payable to any Executive Director and / or Non-Executive Director.

During the period under review, none of the directors were paid any performance linked incentive.

The Committee met twice during the financial year. The Committee reviewed the increment in remuneration and performance of the Directors both Non-Executive and Executive Directors and also the senior managerial personnel including Key Managerial Personnel during the year.

3.3 SHAREHOLDING OF NON-EXECUTIVE INDEPENDENT DIRECTORS

The shareholding in the Company by the Non-Executive Independent Directors in their own name is NIL.

3.4. RISK MANAGEMENT POLICY:

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner; your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

During the year, your Directors has framed a Risk Management Policy (a) to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management (b) to establish a framework for the company's risk management process and to ensure its implementation (c) to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices (d) to assure business growth with financial stability.

3.5 STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of Directors of the Company has constituted a 'Stakeholders Relationship Committee' in order to align it with the provisions of Section 178 of the Companies Act, 2013. The Committee has been constituted to strengthen the investor relations and to inter-alia, resolve the grievances of security holders pertaining to transfer of shares, non- receipt of declared dividends, non-receipt of Annual Report, issues concerning dematerialization etc.

The Company has designated the e-mail ID info@rexnordindia.com exclusively for the purpose of registering complaint by investors electronically. This e-mail ID is displayed on the Company's website i.e. www.rexnordindia.in.

During the year 2014-15, the attendance of the 'Stakeholders Relationship Committee' is given below:

Name of the Members	Designation	No. of Meetings attended
Mr. Ayyaswami Sundaram	Chairperson	4
Mr. Ram Sanehi	Member	4
Mrs. Nainy K. Tanna	Member	4

Mr. Anand Patkar, Finance Manager is the Compliance Officer and attended all the meetings of the Committee held during the year.

Details of Investors Complaints received during the year:

Nature of Complaints	No. of complaints received/ resolved during the year 2014-15
Non receipt of Annual Report	3
Non receipt of Dividend Warrant	2
Total	5

There were no complaints pending as on 31st March, 2015

4. GENERAL BODY MEETINGS:

- Location and time, where last 3 AGM's held:

The last three Annual General Meetings were held as under:

Financial Year ended on	Date	Time	Venue
31.03.2012	28.09.2012	11.00 A.M.	Registered Office
31.03.2013	18.07.2013	10.00 A.M.	Registered Office
31.03.2014	30.08.2014	9.30 A.M.	Sangam Banquets, Plot No. 366-386, RSC 37, Mangalmurti Road, Opposite Mangal Murti Hospital, Gorai-II, Borivali (West), Mumbai - 400 092

List of EGM held during the year 2014-15:

Financial Year ended on	Date	Time	Venue
31.03.2015	10.12.2014	9:30 A.M.	Sangam Banquets, Plot No. 366-386, RSC 37, Mangalmurti Road, Opposite Mangal Murti Hospital, Gorai-II, Borivali (West), Mumbai – 400 092

ii. Whether any Special Resolution passed in previous 3 AGM's :

Date of AGM	Description of Special Resolution
28.09.2012	No Special Resolution was passed
18.07.2013	No Special Resolution was passed
30.08.2014	(i) Special Resolution under 180(1)(c) for borrowing (ii) Special Resolution under 180(1)(a) for creation of security (iii) Special resolution for re-appointment of Mr. Kishorechand Talwar as Chairman and Managing Director of the Company. (iv) Special resolution for appointment of Mrs. Nainy K. Tanna as Whole-Time Director of the Company. (v) Special Resolution under sections 23, 42, 62 to offer, issue and allot warrants on preferential basis.

iii. Whether any Special Resolution passed last year through Postal Ballot – details of voting pattern: No special resolution was required to be put through postal ballot last year.

iv. Person who conducted the postal ballot exercise: Not Applicable

v. Whether any special resolution is proposed to be conducted through postal ballot: No

vi. Procedure for Postal Ballot: Not Applicable

5. DISCLOSURES:

I. Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large :

There were no transactions of material nature other than reported in Form AOC-2 that have been entered into by the Company with the promoters, directors, their relatives and the management and in any Company in which they are interested, that may have potential conflict with the interest of the Company.

II. Details of non-compliances, penalties etc. imposed on the Company by SEBI or Stock Exchange or any other statutory authority on any matter related to capital market, during the last three years:

The Company has complied with the requirements of the Stock Exchange, SEBI, and other Statutory Authorities on all matters relating to Capital Markets during the last three years.

III. Vigil Mechanism /Whistle Blower Policy:

Pursuant to Section 177 (9) of the Companies Act, 2013 and Clause 49 of the Listing Agreement the Company has adopted a Vigil Mechanism/Whistle Blower Policy. The Company believes in professionalism, transparency, integrity and ethical behaviour and had thus established a 'Whistle Blower Policy' to facilitate employees to report concerns of any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. No employee of the company has been denied access to the Audit Committee of the Board of Directors.

IV. Details of compliance with mandatory requirement and adoption of non mandatory requirement of this clause:

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchange except composition of Nomination and Remuneration Committee and has implemented the following non mandatory requirements:

1. The Board:

The Company has an Executive Chairperson and hence the requirement to reimbursement of expenses to a Non-Executive Chairperson does not arise.

2. Shareholders Rights:

The Company furnishes the quarterly and half yearly results on receipt of a request from the shareholders.

3. Audit Qualifications / Observations:

It is always the company's endeavour to present unqualified financial statements. There are no audit qualifications in the company's financial statement for the year under review except the non-compliance of provisions of section 178 of the Companies Act, 2013 in respect of composition of Nomination and Remuneration Committee.

4. Separate posts of Chairman and CEO:

The Chairman & Managing Director and CEO of the Company is Mr. Kishorechand Talwar. Pursuant to the first proviso to the Section 203(1) of the Companies Act, 2013, the Company has complied with the provisions of the Act.

5. Reporting of Internal Auditor:

The Internal Auditor is directly reporting to Audit Committee

6. MEANS OF COMMUNICATION:

i. Quarterly results: Results are submitted to Stock Exchange, published in newspapers and uploaded on the Company's website.

ii. Newspapers wherein results normally published: Navshakti and Free Press Journal

iii. Any website where displayed : www.rexnordindia.in

iv. Whether it also displays official news releases : No official release was made

v. The presentations made to institutional investors or to the analysts : No presentations were made during the year

7. GENERAL SHAREHOLDERS INFORMATION:

7.1 ANNUAL GENERAL MEETING

ANNUAL GENERAL MEETING : 27th Annual General Meeting.

DAY & DATE : Wednesday, 30th September, 2015.

TIME : 9.30 a.m.

VENUE : Sangam Banquets, Plot No. 366-386, RSC 37, Mangalmurti Road, Opposite Mangal murti Hospital, Gorai-II, Borivali (West), Mumbai – 400 092.

7.2 FINANCIAL CALENDER:

* Financial reporting for the quarter ended June 30, 2015: Mid of August, 2015.

* Financial reporting for the quarter ended Sept. 30, 2015: Mid of November, 2015.

* Financial reporting for the quarter ended Dec. 31, 2015: Mid of February, 2016.

* Financial reporting for the year ended March 31, 2016: Audited Results by end of May, 2016.

7.3 DATE OF BOOK CLOSURE: 25th September, 2015 to 29th September, 2015 (both days inclusive)

7.4 DIVIDEND PAYMENT DATE: NOT APPLICABLE

7.5 LISTING ON STOCK EXCHANGES:

The Company's Shares are listed on the Stock Exchange of Mumbai. The annual listing fee for the year 2015-16 has been paid.

7.6 STOCK CODE:

Scrip Name : Rexnord Electronics and Controls Ltd.

Scrip Code : 531888

Electronic Mode : INE687C01012

7.7 MARKET PRICE DATA: HIGH, LOW DURING EACH MONTH IN LAST FINANCIAL YEAR AND PERFORMANCE IN COMPARASION TO BSE SENSEX:

Month	Company's Share		BSE Sensex	
	High (₹)	Low (₹)	High	Low
April, 2014	7.50	7.05	22939.31	22197.51
May, 2014	9.93	7.51	25375.63	22277.04
June, 2014	14.50	9.20	25725.12	24270.20
July, 2014	14.40	11.61	26300.17	24892.00
August, 2014	18.30	10.72	26674.38	25232.82
September, 2014	26.02	18.75	27354.99	26220.49
October, 2014	24.35	20.15	27894.32	25910.77
November, 2014	33.30	24.25	28822.37	27739.56
December, 2014	26.00	20.2	28809.64	26469.42
January, 2015	33.30	22.05	29844.16	26776.12
February, 2015	36.00	26.55	29560.32	28044.49
March, 2015	32.80	22.00	30024.74	27248.45

7.8 REGISTRAR AND TRANSFER AGENTS:

M/S. BIG SHARE SERVICES PRIVATE LIMITED,
[Unit: Rexnord Electronics and Controls Limited]
E/2, Ansha Industrial Estate, Sakivihar Road,
Saki Naka, Andheri [East], Mumbai - 400 072
Tel: 022-40430200
Email: info@bigshareonline.com

7.9 SHARE TRANSFER SYSTEMS:

Share Transfer Requests are received at the registered office of the Company as well as directly at RTAs office. RTA does the verification and processing of documents. In order to comply with the requirements of SEBI Circular Nos.CIR/MIRSD/8/2012 dated July 5, 2012 to effect transfer of shares within 15 days, the RTA has been authorised to process, approve and effect transfer of shares on behalf of the Company at fortnightly intervals. The share certificates duly endorsed for transfer are returned to shareholders within stipulated time of 15 days.

7.10 SHAREHOLDING PATTERN AS ON MARCH 31, 2015:

Category	No. of shares held	% of shareholding
Promoters & Promoter Group	39,00,100	51.46
Mutual Funds/UTI	-	-
Financial Institutions/Banks	2,000	0.03
Bodies Corporate	3,50,894	4.63
Indian Public	30,08,561	39.69
NRI/OCBs	3,17,945	4.19
Total	75,79,500	100

7.11 DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2015

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	3743	604983	7.98
501-1000	334	287281	3.79
1001-2000	149	239158	3.15
2001-3000	68	175588	2.32
3001-4000	22	80187	1.06
4001-5000	19	92542	1.22
5001-10000	30	218836	2.89
10001 & above	44	5880925	77.59
Total	4409	7579500	100

7.12 DEMATERIALISATION OF SHARES:

As on March 31, 2015, 65,83,880 Shares representing 86.86% of total Equity Shares were held in dematerialized form with NSDL and CDSL.

7.13 LIQUIDITY:

Average Monthly Trading of the Company's Shares on BSE during the year

- (i) Number of Trades: 753.91
- (ii) Number of Shares: 140749 Equity Shares

7.14 OUTSTANDING GDRS / ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The company had not issued any GDRs and ADRs. The Company had issued 46,78,800 warrants carrying an entitlement to subscribe to an equivalent number of Equity Shares of face value of ₹ 10/- each within a period of 18 months from the date of issue. Out of which 10,98,300 warrants have been converted into Equity Shares during the year 2014-2015. The balance warrants may be converted into Equity Shares which will increase the Equity Share Capital of the Company to that extent on conversion of Warrants into Equity Share Capital.

7.15 PLANT LOCATIONS:

- (i) Plot Survey No. 62, 74 & 75
Village –Devadal, Kaman
Taluka Vasai, Palghar
- (ii) Unit No. 12-15, Sarswati Building,
Tungareshwar Industrial Estate,
Sativali, Vasai (East), Palghar

7.16 ADDRESS FOR CORRESPONDANCE:

REXNORD ELECTRONICS AND CONTROLS LIMITED
92D, Government Industrial Estate, Charkop,
Kandivali (West), Mumbai - 400067
E-mail : info@rexnordindia.com
Telephone No. 022-39911800

8. CODE OF CONDUCT & DECLARATION

The Company has adopted a Code of Conduct for the Directors, Senior Management Personnel and Employees of the Company. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the code for the effective period. Certificate from the Managing Director affirming compliance of the said code by all the Board members and members of senior management of the Company to whom the code is applicable is annexed separately to this report.

9. CEO / CFO CERTIFICATION

As required under clause 49 of the listing agreement, a certificate duly signed by Mr. K. C. Talwar, Charman and Managing Director and Mr. Kundar Talwar, Chief Financial Officer has been obtained and is annexed to this report.

10. MANAGEMENT DISCUSSIONS & ANALYSIS

Management Discussion and Analysis Report is given in a separate section forming part of the Directors' Report in this Annual Report.

11. STEPS FOR PREVENTION OF INSIDER TRADING

In compliance of the SEBI (Prevention of Insider Trading) Regulations as amended in 2002, the Company has issued comprehensive guidelines advising and cautioning management staff and other relevant business associates on the procedure to be followed while dealing in equity shares of the Company, and disclosure requirements in this regard.

Further, in compliance with the requirements of the Regulation 8 & Regulation 9 of the amended SEBI (Prohibition of Insider Trading) Regulations, 2015 read with SEBI Circular dated May 11, 2015; the Board of Directors at its meeting held on May 26, 2015 formulated and adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to regulate, monitor and report trading by its employees and other connected persons. These are being uploaded on the official website of the Company.

For and on behalf of the Board
REXNORD ELECTRONICS AND CONTROLS LIMITED

KISHORECHAND TALWAR
(DIN: 00351751)

CHAIRMAN & MANAGING DIRECTOR

Registered Office:

92-D Govt. Ind. Estate,
Charkop, Kandivli (W),
Mumbai - 400 067
Dated: 26th May, 2015

ANNEXURE TO CORPORATE GOVERNANCE REPORT

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirements of the amended clause 49 of the Listing Agreement, this is to confirm that all the members of the Board and the senior managerial personnel have affirmed compliance with the code of conduct for the year ended 31st March, 2015.

Kishore Chand Talwar
(DIN: 00351751)
Chairman & Managing Director

Place : Mumbai

Dated : May 26, 2015

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

The Board of Directors
Rexnord Electronics and Controls Limited
92-D, Govt. Industrial Estate,
Charkop, Kandivli (West),
Mumbai - 400 067

We, the undersigned, in our capacity as Chief Executive Officer and Chief Financial Officer of **Rexnord Electronics and Controls Limited** ("the Company"), to the best of our knowledge and belief certify that:

- a. We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2015 and that to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) these statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept the responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the 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 internal controls, if any, of which we are aware and the steps taken or proposed to take to rectify these deficiencies.

- d. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) 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.

Kishore Chand Talwar
Chairman & Managing Director

Kundan Talwar
Chief Financial Officer

Place : Mumbai

Dated : May 26, 2015

INDEPENDENT AUDITORS' REPORT

To
The Members of
REXNORD ELECTRONICS AND CONTROLS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Rexnord Electronics and Controls Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 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 Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the 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 control, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 there under.

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 misstatement.

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 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 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 financial statements.

Opinion

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

Emphasis of Matter

We draw attention to note no. 41 to the financial statements which describes the non compliance to the provisions of section 178 of the Companies Act, 2013 with regard to composition of the Nomination and Remuneration Committee of the Company.

Our opinion is not modified in respect of this matter.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have 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.
 - b) 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.
 - c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) 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 our 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 – Refer Note 26 (i) (c) to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **R.S. AGRAWAL & ASSOCIATES**
Chartered Accountants
(Firm Registration No. 100156W)

R. S. Agrawal
Partner
Membership No. 033216

Place : Mumbai

Dated : May 26, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT – 31st MARCH 2015

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

particulars of amounts of income tax as at 31st March 2015 which have not been deposited on account of dispute are as follows:

In terms of information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) the Company has maintained records, showing particulars including quantitative details and situation of its fixed assets; and
 - (b) as explained to us, all the fixed assets have been physically verified by the management at reasonable intervals during the year. We were informed that no material discrepancy have been noticed by the management on such verification as compared to the aforesaid records of fixed assets.
- (ii) (a) as certified by the management, physical verification of inventories was conducted by the management at the close of the year;
 - (b) the procedures, as explained to us, of physical verification of inventories followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business; and
 - (c) the Company is maintaining proper records of inventory. As certified by the management, there were no material discrepancies noticed on physical verification of inventories as compared to book records and the same have been properly dealt with in the books of account.
- (iii) (a) the Company has, during the year, not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of clauses (a) and (b) of paragraph 3 (iii) of the Order are not applicable.
- (iv) in our opinion there are adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of inventory and fixed assets and for the sale of goods. During the course of audit, no continuing failure to correct major weakness in internal control system, has been noticed.
- (v) as explained to us, the Company has not accepted any deposit from public.
- (vi) The Central Government has not specified the maintenance of cost records under sub section (1) of Section 148 of the Act for any of the products of the Company for the year under audit.
- (vii) (a) on the basis of books and records examined by us, amount deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. There are no arrears of undisputed statutory dues as at the last day of financial year concerned, outstanding for a period of more than six months from the date they became payable *except Central Sales Tax ₹ 26255.00.*
 - (ii) on the basis of books and records examined by us, there are no dues of sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with appropriate authorities on account of any dispute. The

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Non Credit of TDS	47308/-	2006-07*	Rectification Application with the Assessing Officer
The Income Tax Act, 1961	Non Credit of TDS	154019/-	2008-09*	Rectification Application with the Assessing Officer
The Income Tax Act, 1961	Disallowance of deduction	327610/-	2009-10*	Appeal with the Income Tax Appellate Tribunal
The Income Tax Act, 1961	Non allowance of MAT Credit	344100/-	2013-14*	Rectification Application with the Assessing Officer

*Assessment Year

- (iii) on the basis of books and records examined by us, there are no amounts which were required to be transferred to the investor education and protection fund by the Company in accordance with the relevant provisions of the Companies Act 1956 and rules made there under.
- (viii) the Company has neither accumulated losses at the end of the financial year nor has it incurred cash losses, both in the financial year under report and in the immediately preceding financial year.
- (ix) on the basis of selective checks carried out during the course of audit, we are of the opinion that the Company has not defaulted in the repayment of dues to banks and financial institutions. There are no dues payable to the debenture holders.
- (x) the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore provisions of paragraph 3 (x) of the Order are not applicable to the Company.
- (xi) in our opinion, the term loan was applied for the purpose for which it was obtained.
- (xii) based on the audit procedures performed and the information and explanations given to us by the management, no fraud on or by the Company has been noticed or reported during the course of our audit.

For R.S. AGRAWAL & ASSOCIATES
Chartered Accountants
(Firm Registration No. 100156W)

R. S. Agrawal
Partner
Membership No. 033216

Place : Mumbai

Dated : May 26, 2015

BALANCE SHEET AS AT 31ST MARCH 2015

(Amount in ₹)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	75786000.00	64803000.00
Reserves and surplus	3	86832021.75	59356680.27
Money Received against Share Warrants		15324675.00	0.00
		177942696.75	124159680.27
Non-current liabilities			
Long-term borrowings	4	22277490.14	28346525.01
Deferred tax liabilities (net)	5	9031380.00	8219174.00
Long-term provisions	6	1224135.00	1054262.00
		32533005.14	37619961.01
Current liabilities			
Short-term borrowings	7	54838037.00	41576505.00
Trade payables	8	76122448.34	75590261.91
Other current liabilities	9	34806921.27	25360164.03
Short-term provisions	10	1987014.70	442910.81
		167754421.31	142969841.75
TOTAL		378230123.20	304749483.03
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	161083548.97	144395699.58
Intangible assets	11	436339.00	754713.00
Capital work in progress	11	1327043.00	0.00
		162846930.97	145150412.58
Long-term loans and advances	12	1303621.77	1112696.21
		164150552.74	146263108.79
Current assets			
Inventories	13	109598816.57	71475820.06
Trade receivables	14	60772940.71	42028091.74
Cash and bank balances	15	34541460.55	40002666.47
Short-term loans and advances	16	6406351.18	4704907.97
Other current assets	17	2760001.45	274888.00
		214079570.46	158486374.24
TOTAL		378230123.20	304749483.03
Contingent liabilities and commitments (To the extent not provided for)	26		
Significant accounting policies	1		

The accompanying notes form part of the financial statements

As per our attached report of even date

For R. S. Agrawal & Associates
Chartered Accountants
(Firm Registration No. 100156W)

R. S. Agrawal
Partner
Membership No. 033216

Place : Mumbai
Dated : May 26, 2015

For and on behalf of the Board of Directors

Kishore Chand Talwar
Chairman & Managing Director
DIN 00351751

Ayyaswami Sundaram
Director
DIN 02997721

Debabrata Guha Chaudhury
Company Secretary

Place : Mumbai
Dated : May 26, 2015

Nainy K. Tanna
Wholtime Director
DIN 00351762

Kundan Talwar
Chief Financial Officer

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

(Amount in ₹)

Particulars	Note No.	For the year ended 31.03.2015	For the year ended 31.03.2014
Revenue from operations (gross)	18	568441310.45	440807629.72
Less: Excise duty		<u>42480364.00</u>	<u>40883439.00</u>
Revenue from operations (net)		525960946.45	399924190.72
Other income	19	<u>2232422.85</u>	<u>1070408.27</u>
Total Revenue		528193369.30	400994598.99
Expenses:			
Cost of materials consumed	20	326414155.54	229557620.23
Purchases Stock in trade		3245207.00	0.00
Changes in inventories of finished goods and work in progress	21	(19230445.58)	67777.57
Employee benefits expense	22	27805152.00	23792806.82
Finance costs	23	15124933.54	14547711.41
Depreciation and amortisation expense	11	12692753.53	9572172.48
Other expenses	24	<u>124698284.51</u>	<u>99913447.72</u>
Total expenses		490750040.54	377451536.23
Profit before exceptional items and tax		<u>37443328.76</u>	<u>23543062.76</u>
Exceptional items:			
Creditor for capital goods written back		<u>0.00</u>	<u>5498424.75</u>
Profit before tax		<u>37443328.76</u>	<u>29041487.51</u>
Tax expense:			
Current tax		11035438.00	7800976.00
Less: MAT credit entitlement		<u>0.00</u>	<u>0.00</u>
Net current tax		11035438.00	7800976.00
Deferred tax		1410819.00	1695563.00
Tax adjustment for earlier years		<u>0.49</u>	<u>32943.00</u>
		<u>12446257.49</u>	<u>9529482.00</u>
Profit after tax for the year		<u>24997071.27</u>	<u>19512005.51</u>
Earning per equity share	25		
Basic		3.64	3.01
Diluted		3.44	3.01
Significant accounting policies	1		

The accompanying notes form part of the financial statements

As per our attached report of even date

For R. S. Agrawal & Associates
Chartered Accountants
(Firm Registration No. 100156W)

R. S. Agrawal
Partner
Membership No. 033216

Place : Mumbai
Dated : May 26, 2015

For and on behalf of the Board of Directors

Kishore Chand Talwar
Chairman & Managing Director
DIN 00351751

Ayyaswami Sundaram
Director
DIN 02997721

Debabrata Guha Chaudhury
Company Secretary

Place : Mumbai
Dated : May 26, 2015

Nainy K. Tanna
Wholtime Director
DIN 00351762

Kundan Talwar
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in ₹)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
A) CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	37443328.76	29041487.51
Adjustments for		
Depreciation and amortization	12692753.53	9572172.48
(Profit)/loss on sale/discarding of fixed assets (net)	2798398.86	5525.00
Creditors for capital goods written back	0.00	(5498424.75)
Unrealised exchange (gain)/ loss	386179.64	(1414990.12)
Interest income	(1889517.85)	(1048928.27)
Dividend income	0.00	0.00
Interest and other borrowing costs	13797018.66	12675404.94
Operating profit before working capital changes	65228161.60	43332246.79
Adjustments for :		
Trade and other receivables	(22976446.38)	7325363.44
Inventories	(38122996.51)	(390845.51)
Trade and other payables	7865551.58	21408770.33
Cash generated from operations	11994270.29	71675535.05
Direct taxes paid	(9487155.60)	(8495540.69)
Cash flow before extraordinary items	2507114.69	63179994.36
Extraordinary items	0.00	0.00
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	2507114.69	63179994.36
B) CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase) / sale of fixed assets (net)	(35042233.57)	(16561346.49)
(Purchase)/ sale of investments	0.00	0.00
(Increase)/ decrease in deposits	22657.00	432598.00
(Increase)/ decrease in bank fixed deposits	(4500000.00)	(1111869.53)
Interest income	1698913.40	1141067.71
Dividend income	0.00	0.00
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	(37820663.17)	(16099550.31)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital, premium & warrants	30041895.00	0.00
Proceeds from long term borrowings	13500000.00	9978004.00
Repayment of long term borrowings	(17441126.88)	(15105421.62)
Proceeds from short term borrowings	186305713.00	98518492.00
Repayment of short term borrowings	(173269433.00)	(95516971.00)
Change in working capital borrowings from banks	0.00	(3743210.67)
Interest and other borrowing costs	(13784705.56)	(12770162.90)
Dividend paid	0.00	0.00
NET CASH FROM/ (USED IN) FINANCING ACTIVITIES	25352342.56	(18639270.19)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(9961205.92)	28441173.86
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	29502666.47	1061492.61
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	19541460.55	29502666.47

Notes:

- The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard 3 on "Cash Flow Statement" prescribed in the Companies (Accounting Standards) Rules, 2006.
- Refer Note no. 15 for details of cash and cash equivalents.
- All figures in brackets reflects cash outflow.
- Figures of the previous year have been regrouped wherever necessary.

As per our attached report of even date

For R. S. Agrawal & Associates
Chartered Accountants
(Firm Registration No. 100156W)

R. S. Agrawal
Partner
Membership No. 033216

Place : Mumbai
Dated : May 26, 2015

For and on behalf of the Board of Directors

Kishore Chand Talwar
Chairman & Managing Director
DIN 00351751

Ayyaswami Sundaram
Director
DIN 02997721

Debabrata Guha Chaudhury
Company Secretary

Place : Mumbai
Dated : May 26, 2015

Nainy K. Tanna
Wholtime Director
DIN 00351762

Kundan Talwar
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A) Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP includes mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees except per share data and where mentioned otherwise.

In the opinion of the management, all the adjustments which are necessary for a fair presentation have been included. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. The Company has identified its operating cycle as 12 months.

B) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles ("GAAP") in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amount of revenue and expenses during the reported period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

C) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

D) Fixed Assets

Tangible Assets

Tangible fixed assets are stated at cost of acquisition (except in cases of revalued asset which is stated at revalued amount) less accumulated depreciation and impairment losses if any. The cost of acquisition includes subsequent improvement thereto inclusive of taxes, duties (net of cenvat), freight and other incidental expenses relating to acquisition, improvement and installation.

Intangible Assets

Intangible assets include software and are stated at their cost of acquisition less accumulated amortization and impairment losses if any. An intangible asset is recognized, where it is probable that the future economic benefit attributable to the assets will flow to the Company and where its cost can be reliably measured.

Capital Work in Progress

The cost incurred for fixed assets, the construction/installation of which is not completed, are included under "capital work-in-progress" and the same are classified and added to the respective assets on the completion.

E) Depreciation and amortization

Depreciation on all the tangible assets is provided for on straight line method based on the useful lives of assets as prescribed under part C of Schedule II of the Act.

Intangible assets (Software) are amortized over their respective useful lives on a straight line basis, commencing from the date the assets is available to the Company for its use.

Depreciation in respect of addition to fixed assets is provided on pro-rata basis from the date from which such assets are ready for intended use.

Depreciation on fixed assets sold, discarded or demolished during the year is provided at their respective rates up to the date on which such assets are sold, discarded or demolished.

F) Impairment

In accordance with AS 28 'Impairment of Assets' the carrying amounts of the Company's assets are reviewed at each Balance Sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. Impairment loss is recognized in the Statement of Profit and Loss or against revaluation surplus, where applicable.

G) Investments

Non-current (long term) investments are valued and stated at cost. Provision for diminution in the value of investments is made only when, in the opinion of management, there is decline, other than temporary, in the carrying value of such investments.

Current investments are valued at cost or market value whichever is lower.

H) Inventories

- Inventories are valued at lower of cost and net realizable value.
- Cost of inventories is assigned by using the FIFO formula.
- Goods in transit, if any are stated at actual cost incurred upto the date of the balance sheet.

I) Revenue Recognition

Sales are inclusive of excise duty and charges received from the customers except the export sales, which is accounted without the excise duty. In conformity with the requirements of Accounting Standard 9 "Recognition of Revenue" the sales are presented in the financial statements as Sales less Excise Duty.

Interest income is recognized using the time proportion method, based on underlying interest rates.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (Contd.)

J) Employee Benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, ex-gratia, leave, etc. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year.

Post-employment benefits

Defined contribution plans

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined benefit plans

Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current period and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Balance Sheet date.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

K) Borrowing Costs

The Company capitalises interest and other costs incurred by it in connection with funds borrowed for the acquisition of fixed assets. Where specific borrowings are identified to a fixed asset or a new unit, the Company uses the interest rates applicable to that specific borrowing as the capitalisation rate. Capitalisation of borrowing costs ceases when all the activities necessary to prepare the fixed assets for their intended use are substantially complete. Other borrowing costs are charged to statement of profit and loss.

L) Segment Reporting

Segments are identified in accordance with the Accounting Standard 17 "Segment Reporting" taking into account the organizational structure as well as differing risks and returns. The business segment is disclosed as primary segment.

M) Foreign Currency Transactions

- All the transactions including transactions of acquiring fixed assets, in foreign currency are recorded by applying the exchange rates at the date of the transactions.
- Monetary items denominated in foreign currency remaining unsettled at the end of the year, are reported using the closing rates. The exchange difference arising as a result of the above is recognised in the statement profit and loss.
- In case the monetary items are covered by the foreign exchange contracts, the difference between the year end rate and the exchange rate at the date of the inception of the forward exchange contract is recognised as exchange difference.
- In respect of hedging transactions, the premium/discount represented by difference between the exchange rate at the date of the inception of the forward exchange contract and forward rate specified in the contract is amortised as expense or income over the life of the contract.

N) Taxation

Income tax expense comprises Current Tax and Deferred Tax charge or credit. Provision for current tax is made on the assessable income at the rate applicable to the relevant assessment year. The deferred Tax Assets and Deferred Tax Liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of unabsorbed depreciation and deferment of allowances under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred Tax assets on account of other timing differences are recognized, only to the extent there is a reasonable certainty of its realization. At each balance sheet date the carrying amount of deferred tax assets are reviewed to reassure realization.

O) Earning per share

The basic earnings per equity share are computed by dividing the net profit or loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

P) Leases

Lease rentals payable under operating leases are recognized in the statement of profit and loss on a straight line basis over the term of the lease.

Q) Customs & Excise Duties

The custom duty payable, on imported materials lying at the custom bonded warehouses at the end of the year and excise duty payable, in respect of goods manufactured but not cleared from the factory premises at the end of the year, are neither included in expenses nor included in the valuation of the inventories of such materials / goods. Such duties are accounted for on actual payment on clearance of such materials/goods. This practice has no impact on the profits of the Company.

R) Cenvat Credit

Cenvat credit available on raw materials and packing materials, as per the provisions of Cenvat Credit Rules, has been accounted for by reducing the cost of respective material accounts. Cenvat credit available on capital goods, as per the provisions of Cenvat Credit Rules, has been accounted for by reducing the cost of such capital goods. Cenvat credit available on the input services as per the provisions of Cenvat Credit Rules has been accounted for by reducing the cost of such input services.

S) Export Incentive

The benefits, on account of entitlement to import duty free raw material under the Advance License Scheme in respect of goods already exported, are not valued and brought into the books in the year of export. The raw materials are recorded at cost at which they are procured in the year of import.

The benefits under FMS/FPS/Incremental Export Incentivisation Scheme and Duty Drawback Scheme are recognized when the exports are made.

T) Provisions and Contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is so longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognized in the period in which the change occurs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in ₹)

Particulars	As at 31.03.2015		As at 31.03.2014	
	Numbers	Amount (₹)	Numbers	Amount (₹)
NOTE 2: SHARE CAPITAL				
Authorised				
Equity shares of ₹ 10/- each	15000000	150000000.00	10000000	100000000.00
Total		<u>150000000.00</u>		<u>100000000.00</u>
Issued, subscribed and paid-up				
Equity shares of ₹ 10/- each fully paid up	7579500	75795000.00	6481200	64812000.00
Less: calls in arrears by others		9000.00		9000.00
Total		<u>75786000.00</u>		<u>64803000.00</u>

2.a Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

Particulars	Numbers	Amount (₹)	Numbers	Amount (₹)
At the beginning of the year	6481200	64812000.00	6481200	64812000.00
Add : Equity shares issued on conversion of share warrants	1098300	10983000.00	0	0.00
At the end of the year	7579500	75795000.00	6481200	64812000.00

2.b The company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of preferential amounts, in proportion of their shareholding.

2.c Shareholders holding more than 5% of share capital at the end of the year :

Name of shareholders	Numbers	% of Holding	Numbers	% of Holding
1 Shri Kishore Chand Talwar	2451500	32.34	1852000	28.57
2 Smt. Sharda Talwar	906400	11.96	617600	9.53
3 Smt. Nainy Kunal Tanna	362200	4.78	362200	5.59

NOTE 3: RESERVES AND SURPLUS

Revaluation reserve		701.78		701.78
At the beginning and at the end of the year				
Surplus in Statement of Profit and Loss:				
Balance at the beginning of the year	59355978.49		39843972.98	
Add: Profit (loss) after tax for the year	24997071.27		19512005.51	
	<u>84353049.76</u>		<u>59355978.49</u>	
Less : Adjustment relating to fixed assets (net of deferred tax) (Refer note no. 11 (ii))	1255949.79		0.00	
Balance at the end of the year		<u>83097099.97</u>		<u>59355978.49</u>
Securities Premium account				
Balance at the beginning of the year	0.00		0.00	
Add : on account of issue of equity shares on conversion of share warrants	3734220.00		0.00	
Balance at the end of the year		<u>3734220.00</u>		<u>0.00</u>
Total		<u>86832021.75</u>		<u>59356680.27</u>

NOTE 4: LONG-TERM BORROWINGS

Secured loans:				
Term loans				
From banks		22277490.14		28273797.01
From other parties		0.00		72728.00
Total		<u>22277490.14</u>		<u>28346525.01</u>

Secured Loans:

A Terms of repayment of secured loans

Name of the banks / other parties	HDFC Bank Limited	HDFC Bank Limited	HDFC Bank Limited	HDFC Bank Limited
Type of loan	Term Loan	Term Loan	Term Loan	Term Loan
Loan account no.	3350311	3416348	80495653	3477527
Amount sanctioned (₹)	37400000.00	10000000.00	12500000.00	10000000.00
Sanction date	24/06/2010	30/01/2012	28/11/2012	27/07/2013
Interest rate	Base Rate +2.50%	Base Rate +2.50%	Base Rate +2.50%	Base Rate +2.50%
Total No. of EMIs	65	59	36	60
No. of EMIs paid	50	36	27	13
No. of balance EMIs to be paid	15	23	9	47
Current EMI amount (Principal and interest)	853599.00	232683.00	418470.00	228253.00*
Maturity profile (Principal):				
2015-16	9311035.19	2360234.66	3569136.71	1793608.15
2016-17	2395203.93	2189570.27	0.00	2029471.17
2017-18	0.00	0.00	0.00	2294796.28
2018-19	0.00	0.00	0.00	2330740.65

* one EMI of ₹ 102216/- and balance 58 EMIs of ₹ 228253/-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

NOTE 4: LONG-TERM BORROWINGS (continued)

A Terms of repayment of secured loans (continued)

(Amount in ₹)

Name of the banks / other parties	HDFC Bank Limited	HDFC Bank Limited	Kotak Mahindra Prime Limited
Type of loan	Term Loan	Vehicle Loan	Vehicle Loan
Loan Account No.	81185004	29165164	CF-6056364
Amount sanctioned (₹)	10000000.00	3500000.00	1758238.00
Sanction Date	03/06/2014	01/08/2014	31/05/2010
Interest rate	Base Rate +2.50%	10.25%	8.723%
Total No. of EMIs	60	84	59
No. of EMIs paid	4	8	57
No. of balance EMIs to be paid	56	76	2
Current EMI amount (Principal and interest)	233196.00*	58065.00	36762.00
Maturity profile (Principal):			
2015-16	1597568.63	382659.25	72728.00
2016-17	1892334.10	423786.96	0.00
2017-18	2139730.45	469334.97	0.00
2018-19	2419470.40	519778.47	0.00
2019-20	1732725.77	575643.55	0.00
2020-21	0.00	637512.94	0.00
2021-22	0.00	227390.23	0.00

* 5 EMIs of ₹ 99998/- and balance 55 EMIs of ₹ 233196/-

B Nature of security:

(I) Term loans from HDFC Bank Limited are :

- primarily secured by hypothecation of stocks, book debts and plant & machineries of the company ;
- further secured by way of equitable mortgage of land and building at Plot No. 92-D Government Industrial Estate, Charkop, Kandivli (W), Mumbai 400067;
- further collaterally secured by way of equitable mortgage of Residential Flats at 802A and 802B, Beach Classic, J.P. Road, Versova, Andheri (W) Mumbai 400061 belonging to Shri Kishore Chand Talwar, Smt. Sharda Talwar and Shri Kundan Talwar and a plot of land at Survey No. 62, 74, 75, 20 Village Devdal (Sagpada), Kaman, Vasai (E), Palghar 401202 belonging to Shri Kundan Talwar; and
- also personally guaranteed by Chairman & Managing Director, Wholetime Director and two relatives of the Chairman & Managing Director of the Company.

(II) All the vehicle loans are secured by hypothecation of specific vehicles acquired from the loans.

As at 31.03.2015

As at 31.03.2014

NOTE 5: DEFERRED TAX LIABILITIES (NET)

Deferred tax liabilities:

Depreciation

9544059.00

8678094.00

Deferred tax assets:

Deferment of allowances as per the Income Tax Act 1961

512679.00

458920.00

Total

9031380.00

8219174.00

NOTE 6: LONG-TERM PROVISIONS

Provision for employee benefits (Refer note no. 28)

1224135.00

1054262.00

Total

1224135.00

1054262.00

NOTE 7: SHORT-TERM BORROWINGS

Secured loans:

Working capital loans

From a bank

0.00

0.00

Unsecured loans:

Buyers credit in foreign currency

From banks

54838037.00

35406505.00

Loan from related parties (Refer note no. 30)

0.00

6170000.00

Total

54838037.00

41576505.00

Secured Loans:

Nature of security:

Working capital loans from HDFC Bank Limited are :

- primarily secured by hypothecation of stocks, book debts and plant & machineries of the company ;
- further secured by way of equitable mortgage of land and building at Plot No. 92-D Government Industrial Estate, Charkop, Kandivli (W), Mumbai - 400 067;
- further collaterally secured by way of equitable mortgage of Residential Flats at 802A and 802B, Beach Classic, J.P. Road, Versova, Andheri (W) Mumbai 400061 belonging to Shri Kishore Chand Talwar, Smt. Sharda Talwar and Shri Kundan Talwar and a plot of land at Survey No. 62, 74, 75, 20 Village Devdal (Sagpada), Kaman, Vasai (E), Palghar 401202 belonging to Shri Kundan Talwar; and
- also personally guaranteed by Chairman & Managing Director, Wholetime Director and two relatives of the Chairman & Managing Director of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	As at 31.03.2015	(Amount in ₹) As at 31.03.2014
NOTE 8: TRADE PAYABLES		
Micro and small enterprises (Refer note no. 32)	3493265.00	3613907.00
Others*	72629183.34	71976354.91
Total	76122448.34	75590261.91
* Other trade payables include acceptances	27794311.00	22622759.00
NOTE 9: OTHER CURRENT LIABILITIES		
Current maturities of long term debts (Refer note no. 4)	19086970.59	16959062.60
Interest accrued but not due on borrowings	464375.29	452062.19
Creditors for capital expenditure	1263215.00	526729.00
Advances from customers	8864354.56	3056137.00
Other payables		
Statutory dues	883753.00	684562.00
Accrued expenses	4244252.83	3681611.24
Total	34806921.27	25360164.03
NOTE 10: SHORT-TERM PROVISIONS		
Provision for employees benefits (Refer note no. 28)	242013.00	246192.00
Provision for taxation (net of taxes paid)	1745001.70	196718.81
Total	1987014.70	442910.81
NOTE 11: FIXED ASSETS		

(Amount in ₹)

PARTICULARS	GROSS BLOCK (At Cost)				DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 31.03.2014	Additions during the year	Sold/ discarded during the year	Total as at 31.03.2015	Provided upto 31.03.2014	Dep adjusted against the reserves	Provided for the Year	Written back during the year	Total upto 31.03.2015	Total as at 31.03.2015	Total as at 31.03.2014
TANGIBLE ASSETS											
Leasehold land	4579200.00	0.00	0.00	4579200.00	0.00	0.00	0.00	0.00	0.00	4579200.00	4579200.00
Factory buildings	101129075.38	3831097.00	0.00	104960172.38	9168289.61	886568.21	3913103.00	0.00	13967960.82	90992211.56	91960785.77
Residential flats	1964381.00	0.00	0.00	1964381.00	311355.00	0.00	34834.00	0.00	346189.00	1618192.00	1653026.00
Plant and machineries	80310303.16	19337674.37	30965125.63	68682851.90	56652286.77	1113.01	2902326.00	29280170.07	30275555.71	38407296.19	23658016.39
Moulds and dies	40388566.30	3531496.50	4885747.57	39034315.23	32022877.81	15.56	1369892.00	4618055.85	28774729.52	10259585.71	8365688.49
Furniture and fixtures	5376433.98	151516.71	0.00	5527950.69	2591275.62	12662.92	394900.00	0.00	2998838.54	2529112.15	2785158.36
Office equipments	4980484.63	509426.05	2615644.08	2874266.60	2303092.31	415707.21	118805.03	2446189.25	1461415.30	1412851.30	2677392.32
Vehicles	8835155.51	6521416.00	2827813.51	12528758.00	3635877.00	0.00	1581758.00	1344887.00	3872748.00	8656010.00	5199278.51
Computers	3504019.01	433360.00	1779328.69	2158050.32	2600114.20	122851.80	443988.00	1762021.69	1404932.31	753118.01	903904.81
Factory equipments	4014621.97	323380.94	1028197.06	3309805.85	1401373.04	415644.08	472565.50	855748.82	1433833.80	1875972.05	2613248.93
Total tangible assets	255082240.94	34639367.57	44101856.54	245619751.97	110686541.36	1854562.79	12302171.53	40307072.68	84536203.00	161083548.97	144395699.58
INTANGIBLE ASSETS											
Computer software - acquired	1296502.00	72208.00	48300.00	1320410.00	541789.00	0.00	390582.00	48300.00	884071.00	436339.00	754713.00
Total intangible assets	1296502.00	72208.00	48300.00	1320410.00	541789.00	0.00	390582.00	48300.00	884071.00	436339.00	754713.00
Total as at 31.03.2015	256378742.94	34711575.57	44150156.54	246940161.97	111228330.36	1854562.79	12692753.53	40355372.68	85420274.00	161519887.97	145150412.58
Total as at 31.03.2014	239479251.45	16977091.49	77600.00	256378742.94	101725668.88	0.00	9572172.48	69511.00	111228330.36	145150412.58	137753582.57
Capital work in progress										1327043.00	0.00

- 11 (i) Cost of factory building include ₹ 1000.00 (previous year ₹ 1000.00) being cost of shares in the Kandivli Co-operative Industrial Estate Limited.
- 11 (ii) Pursuant to the requirements of the Companies Act, 2013 ("the Act") the Company has revised the depreciation rates based on the estimated economic useful lives of the fixed assets as prescribed by the Schedule II to the Act from 1st April 2014. Accordingly the unamortized carrying value is being depreciated / amortized over the revised / remaining useful lives. In respect of fixed assets whose useful life is already exhausted as on 1st April 2014, depreciation of ₹ 1255949.79 (net of deferred tax) has been adjusted in opening balance of the Statement of Profit and Loss in accordance with the requirements of the Schedule II of the Act.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	As at 31.03.2015	(Amount in ₹) As at 31.03.2014
NOTE 12: LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital advances	422217.77	237402.21
Security deposits	881404.00	875294.00
Total	<u>1303621.77</u>	<u>1112696.21</u>
NOTE 13: INVENTORIES		
(Refer note no. 1 (H))		
Raw Materials and components including packing materials*	70835122.27	52168145.04
Work in progress (Refer note no. 36)	28505294.33	16157046.04
Finished goods	9807856.27	2925658.98
Stores and spares	450543.70	224970.00
Total	<u>109598816.57</u>	<u>71475820.06</u>
* Includes stock in transit	0.00	7808213.00
NOTE 14: TRADE RECEIVABLES		
Unsecured, considered good		
Debts outstanding for a period exceeding six months from the date they are due for payments	1256711.27	109484.11
Other debts	59516229.44	41918607.63
Total	<u>60772940.71</u>	<u>42028091.74</u>
NOTE 15: CASH AND BANK BALANCES		
Cash and cash equivalents:		
Balances with banks		
In cash credit account	17357266.66	26320047.60
In current accounts	1919122.89	2613156.87
Cash on hand	265071.00	569462.00
	<u>19541460.55</u>	<u>29502666.47</u>
Other bank balances:		
In fixed deposit account with maturity less than 12 months	2500000.00	0.00
Fixed deposits with banks held as margin money for letter of credit issued		
With maturity period less than 12 months (lien for margin money ₹ 12326979.00, previous year ₹ 10368341.00)	12500000.00	10500000.00
Total	<u>15000000.00</u>	<u>10500000.00</u>
	<u>34541460.55</u>	<u>40002666.47</u>
NOTE 16: SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Security deposits to others	59366.00	88133.00
Advances to suppliers	1137217.88	1320620.36
Loan to employee	91500.00	105466.00
Cenvat credit receivable	2127205.00	1696457.50
Balance with excise department	0.00	43795.00
Export benefit receivable	175131.00	46827.50
Prepaid expenses	2812058.30	1389865.61
Other receivables	3873.00	13743.00
Total	<u>6406351.18</u>	<u>4704907.97</u>
NOTE 17: OTHER CURRENT ASSETS		
Interest accrued on fixed deposits	222320.45	31716.00
Export Benefits in Duty Credit Scrips Receivable	2062673.00	243172.00
FMS/FPS duty credit scrips entitlements	475008.00	0.00
Total	<u>2760001.45</u>	<u>274888.00</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in ₹)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
NOTE 18: REVENUE FROM OPERATIONS		
Sale of products*	562650192.54	438307413.99
Other operating revenue		
Scrap sales	3110263.91	2096512.23
Export incentives	2680854.00	403703.50
	<u>5791117.91</u>	<u>2500215.73</u>
Total	<u>568441310.45</u>	<u>440807629.72</u>
*Sales of Products		
Instrument cooling fans	303872007.70	272034564.17
Shaded pole motors	239508646.15	155837478.15
Components	19269538.69	10435371.67
NOTE 19: OTHER INCOME		
Interest Income :		
On fixed deposits with banks	1812029.00	1042528.27
On security deposits	61388.85	0.00
On staff loans	16100.00	6400.00
	<u>1889517.85</u>	<u>1048928.27</u>
Discount on purchase of FPS/FMS entitlements	342905.00	21480.00
Total	<u>2232422.85</u>	<u>1070408.27</u>
NOTE 20: COST OF MATERIALS CONSUMED*		
(Raw materials and components including packing materials)		
Opening stock	52168145.04	51860565.19
Add : Cost of purchases	345081132.77	229865200.08
Less: Closing stock	70835122.27	52168145.04
Total	<u>326414155.54</u>	<u>229557620.23</u>
*Cost of materials consumed		
Aluminium ingots	56658614.77	41228740.30
Ball bearings	8605995.96	7531965.03
Copper wires	62545728.38	48462079.93
Plastic powders	17180754.66	15418942.31
Rotor lamination	20409259.42	12514833.06
Stator lamination	45256988.05	28060373.19
Others	115756814.30	76340686.41
NOTE 21: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Opening stocks:		
Finished goods	2925658.98	6514388.02
Work in progress	16157046.04	12636094.57
	<u>19082705.02</u>	<u>19150482.59</u>
Less: Closing stocks:		
Finished goods	9807856.27	2925658.98
Work in progress	28505294.33	16157046.04
	<u>38313150.60</u>	<u>19082705.02</u>
Total	<u>(19230445.58)</u>	<u>67777.57</u>
NOTE 22: EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	22780946.00	20131690.00
Contribution to provident and other funds	889150.00	642808.00
Staff welfare expenses	4135056.00	3018308.82
Total	<u>27805152.00</u>	<u>23792806.82</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in ₹)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
NOTE 23: FINANCE COSTS		
Interest expense on:		
Borrowings	6110102.99	6010768.17
Others	2833409.20	3339927.60
Other Borrowing Costs	4853506.47	3324709.17
Net loss(gain) on foreign currency transactions	1327914.88	1872306.47
Total	15124933.54	14547711.41
NOTE 24: OTHER EXPENSES		
Manufacturing expenses		
Consumption of stores and spares	1551508.72	1318225.77
Processing and labour charges	57456443.00	50515165.00
Power and fuel	14369368.05	9021203.00
Rent	120000.00	388083.00
Repairs to :		
factory buildings	6474591.00	5801194.00
machineries	2763004.50	1302095.00
mould & dies	1295056.00	902094.00
others	1649636.00	9294700.00
Inward transportation and freight	814374.00	572274.00
Administrative and other expenses		
Auditors' remuneration (Refer note no. 27)	690190.00	674216.00
Communication expenses	1773463.61	1869071.55
Directors' sitting fees	120000.00	120000.00
Electricity expenses	398410.00	362550.00
Net loss on exchange rate fluctuations	787812.32	1392346.67
Insurance	642514.72	519317.00
Loss on sale of fixed assets (net)	2798398.86	5525.00
Professional charges	2664607.00	1302256.00
Repairs and maintenance	1890485.50	2635665.24
Rates and taxes	554832.00	933314.00
Travelling and conveyance	8515284.17	6677038.12
Sundry balances written off/back (net)	259796.60	184398.40
Miscellaneous expenses	5397465.71	4101855.02
Selling and distribution expenses		
Advertisement and business promotion	7496145.75	5533168.95
Commission and brokerage	2572225.00	1107147.00
Outward transportation and freight	1642672.00	1369602.00
Rebate and discount	0.00	16326.00
Total	124698284.51	99913447.72

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

		2014-2015	(Amount in ₹) 2013-2014
NOTE 25: EARNING PER EQUITY SHARE			
Net profit / (loss) after tax	₹	24997071.27	19512005.51
Weighted average number of shares used in computing basic earnings per share	Numbers	6870119	6481200
Effect of potential equity shares on allotment of shares on conversion of warants	Numbers	391161	0
Weighted average number of shares used in computing basic earnings per share	Numbers	7261280	6481200
Basic earnings per share	₹	3.64	3.01
Diluted earnings per share		3.44	3.01
NOTE 26: CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)			
		As at 31.03.2015	(Amount in ₹) As at 31.03.2014
(i) Contingent liabilities:			
(a) Letter of credit issued by the bankers of the company		7848865.72	18578767.18
(b) Export sales bills discounted with the bankers of the company		19737468.80	11468000.88
(c) Disputed demand in the matters of Income tax		873037.00	528937.00
(d) Bonds/Undertakings given under duty exemption under advance licence scheme pending fulfilment of export obligation.		106350000.00	66950000.00
(ii) Contingent commitments			
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).		367605.95	221255.72
NOTE 27: PAYMENT TO AUDITORS*			
		2014-2015	(Amount in ₹) 2013-2014
Statutory audit fees		300000.00	230000.00
Tax audit fees		125000.00	90000.00
Cost audit fees		0.00	72416.00
Sales tax audit fees		50000.00	45000.00
Certification work		179250.00	85000.00
Taxation matters		0.00	70000.00
Other services		0.00	60000.00
Out of pocket expenses		35940.00	21800.00
		<u>690190.00</u>	<u>674216.00</u>
* excluding service tax wherever cenvat credit taken			
NOTE 28: EMPLOYEE BENEFITS EXPENSE			
The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the companies (Accounting Standards) Rules 2006, are given below:			
		2014-2015	(Amount in ₹) 2013-2014
(a) Defined contribution plan			
Contribution to defined contribution plan recognised, charged off for the year, are as under:			
Employer's contribution to provident fund		481305.00	263517.00
(b) Defined benefit plan:			
<u>Compensated absences:</u>			
₹ 105998.00 (previous year ₹ 129051.00) is charged off to the statement of profit and loss for the cost of compensated absences for the year.			
<u>Gratuity:</u>			
The employee's gratuity scheme is non -fund based. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.			
I) Reconciliation of defined benefit obligation		2014-2015	(Amount in ₹) 2013-2014
Present value of defined benefit obligation at start of year		1171403.00	801340.00
Current service cost		255308.00	255046.00
Interest cost		93712.00	73162.00
Benefits paid		244323.00	0.00
Actuarial loss /(gain)		84050.00	41855.00
Past service cost		0.00	0.00
Present value of defined benefit obligation at end of the year		1360150.00	1171403.00
II) Net liability / (asset) recognised in the balance sheet		2014-2015	(Amount in ₹) 2013-2014
Present value of defined benefit obligation		1360150.00	1171403.00
Fair value of plan assets		0.00	0.00
Net liability / (asset)		1360150.00	1171403.00
Less: Unrecognised past service cost		0.00	0.00
Liability / (asset) recognised in the balance sheet		1360150.00	1171403.00
Of which short term defined benefit obligation at end of the year		136015.00	117141.00
III) Expenses recognized during the year		2014-2015	(Amount in ₹) 2013-2014
Current service cost		255308.00	255046.00
Interest cost		93712.00	73162.00
Actuarial loss / (gain)		84050.00	41855.00
Employer expense		433070.00	370063.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

IV) Actuarial assumptions				2014-2015	2013-2014
Salary growth rate				6.00%	7.00%
Discount rate				8.00%	9.13%
Withdrawal / attrition rate				3% p.a. to 1% p.a.	10% p.a. to 2%
				Age related on graduated scale	p.a. Age related on graduated scale
Mortality Rate				IALM 2006-08 (Ult.)	IALM 2006-08 (Ult.)
Expected average remaining working life (years)				16 years	18 years
V) Experience Adjustments					
	2014-15	2013-2014	2012-2013	2011-12	2010-11
Defined benefit obligation	1360150.00	1171403.00	801340.00	721166.00	677800.00
Fair value of plan assets	-	-	-	-	-
Surplus/ (deficit)	NA	NA	NA	NA	NA
Experience adjustment on plan liabilities: (Gain)/ Loss	84050.00	41855.00	(64872.00)	(84454.00)	187667.00
Experience adjustment on plan assets: (Gain)/ Loss	NA	NA	NA	NA	NA

The estimates of future salary growth considered in the actuarial valuation taken into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

NOTE 29: SEGMENT REPORTING

The segment reporting as required under Accounting Standard 17 "Segment Reporting" is not applicable to the company as the company's operations are predominantly comprises of only one business segment - Instrument cooling fans/ motors.

NOTE 30: RELATED PARTY DISCLOSURES:

- I) Names of related parties and description of relationships
- Individuals owning directly or indirectly, an interest in the voting power of the Company that gives him significant influence over the Company.
Shri Kishore Chand Talwar
 - Key management personnel :
Shri Kishore Chand Talwar (Chairman & Managing Director)
Smt. Nainy K. Tanna (Wholetime Director)
 - Relatives of persons referred in a) and b) above
Smt. Sharda Talwar (Wife of Chairman and Managing Director of the company)
Shri Kundan Talwar (Son of Chairman and Managing Director of the company)
Shri Kunal Tanna (Spouse of Smt. Nainy K. Tanna, Wholetime Director of the company)
Excelum Enterprises (A proprietary concern of Shri Kunal Tanna)
- II) Transactions during the year and balances outstanding as at year end with the related parties are as follows:

Particulars	Volume of Transactions		Balances as on	
	2014-15	2013-14	31.03.2015 Debit / (Credit)	31.03.2014
Revenue:				
Sales				
Excelum Enterprises	3293400.00	0.00	0.00	0.00
Expenses:				
Purchases				
Excelum Enterprises	667244.00	0.00	(20756.00)	0.00
Director's remuneration				
Shri Kishore Chand Talwar	2804200.00	1500000.00	(154500.00)	(94800.00)
Smt. Nainy K. Tanna	2708392.00	1500000.00	(172800.00)	(100800.00)
Salary				
Shri Kundan Talwar	2196282.00	964469.00	(95800.00)	(60000.00)
Shri Kunal Tanna	0.00	2156792.00	0.00	(147300.00)
Smt. Sharda Talwar	1865063.00	1103972.00	(111500.00)	(77000.00)
Rent				
Shri Kundan Talwar	120000.00	120000.00	(486190.00)	(366190.00)
Professional charges for marketing including service tax				
Excelum Enterprises	3082368.00	0.00	(281490.00)	0.00
Reimbursement of expenses				
Shri Kishore Chand Talwar	2468.00	89349.30	0.00	0.00
Smt. Sharda Talwar	0.00	8749.48	0.00	0.00
Smt. Nainy K. Tanna	271115.98	203436.41	0.00	0.00
Shri Kunal Tanna	0.00	271761.91	0.00	0.00
Shri Kundan Talwar	78078.80	60300.78	(6957.00)	0.00
Excelum Enterprises	421045.58	0.00	(36000.00)	0.00
Allotment of share capital with premium				
Shri Kishore Chand Talwar	8033300.00	0.00	0.00	0.00
Smt. Sharda Talwar	3869920.00	0.00	0.00	0.00
Allotment of share warrants				
Shri Kishore Chand Talwar	8309175.00	0.00	0.00	0.00
Smt. Sharda Talwar	4804500.00	0.00	0.00	0.00
Short term borrowings:				
Unsecured loan taken / (Repayment)				
Shri Kishore Chand Talwar	4000000.00	600000.00	0.00	(3640000.00)
	(7640000.00)	(600000.00)		
Smt. Nainy K Tanna	(2530000.00)	(500000.00)	0.00	(2530000.00)

Note : Related party relationship is identified by the Company and relied upon by the auditors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

NOTE 31: LEASES

The company has taken various residential premises / industrial galas under operating lease or on leave and license basis. These are generally not non-cancellable and for a period ranging between 11 months and above and are renewable at mutual consent on mutually agreeable terms. The company has given refundable interest free security deposits in accordance with the agreed terms. The rent paid in accordance with these agreements is debited to the statement of profit and loss for the year.

NOTE 32: DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Based on the information available, there are certain vendors who have confirmed that they are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as micro and small enterprises. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

		(Amount in ₹)	
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year		
	– principal amount	3493265.00	3613907.00
	– interest thereon	45240.00	3230.00
2	The amount of interest paid in terms of section 16, along with the amount of the payment made to the suppliers beyond the appointed day:		
	– principal amount	25133190.00	5355280.00
	– interest thereon	0.00	0.00
3	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the act.	396440.00	108839.00
4	The amount of interest accrued and remaining unpaid.	679402.00	237722.00
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues about are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this act.	441680.00	112069.00

NOTE 33: TAXATION MATTERS:

- The sales tax assessments of the company have been completed upto financial year 2006-2007 for its Daman unit and upto financial year 2011-12 for its Kandivali unit.
- The income tax assessments of the company have been completed upto assessment Year 2012-2013.

NOTE 34: C. I. F. VALUE OF IMPORTS:

		(Amount in ₹)	
		2014-2015	2013-2014
Raw Materials and components including packing materials		201285568.28	101504312.01
Stores & Spares		101753.00	211342.00
Capital goods		15235827.00	2076892.00

NOTE 35: EXPENDITURE IN FOREIGN CURRENCY

		(Amount in ₹)	
		2014-2015	2013-2014
Interest		1343290.97	840241.00
Exhibition charges		0.00	352155.80
Foreign travelling		2589159.13	1229773.01
Commission		2310529.00	228488.00

NOTE 36: CLOSING WORK IN PROGRESS

		(Amount in ₹)	
		As at 31.03.2015	As at 31.03.2014
Alluminium brackets		322565.95	282204.40
Alluminium housing		9920284.91	6808175.24
Alluminium Impeller		790712.17	502740.92
Copper clip & springs		2072316.30	1211029.96
Motors		5371058.93	1574118.38
Mounting brackets		287127.72	467556.63
Plastic Impeller		1129357.08	1604765.96
Rotor diecast		6309947.51	2429305.78
Shafts		672109.15	314762.17
Others		1629814.61	962386.60
		28505294.33	16157046.04

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

NOTE 37: TOTAL VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL, SPARE PARTS, COMPONENTS CONSUMED AND % OF EACH TO TOTAL CONSUMPTION

	2014-2015		2013-2014	
	Consumption in ₹	% to total consumption	Consumption in ₹	% to total consumption
(a) Raw materials:				
Indigenous	134629692.58	41.25%	113277322.23	49.35%
Imported	191784462.96	58.75%	116280298.00	50.65%
Total consumption and %	326414155.54	100.00%	229557620.23	100.00%
(b) Spare parts and components:				
Indigenous	1469747.74	94.73%	1064791.77	80.77%
Imported	81760.98	5.27%	253434.00	19.23%
Total consumption and %	1551508.72	100.00%	1318225.77	100.00%

NOTE 38: EARNING IN FOREIGN CURRENCY

	2014-2015	2013-2014
FOB value of exports realised	108529409.54	53619843.29

NOTE 39: UNHEDGED FOREIGN CURRENCY EXPOSURE

	As at 31.03.2015		As at 31.03.2014	
	US \$	Amount in ₹	US \$	Amount in ₹
Receivables	61757.71	3791305.82	75525.69	4449212.39
Payables	1031047.31	65595232.00	768718.51	46838020.00

NOTE 40: ISSUE OF SHARE WARRANTS, THEIR CONVERSION AND UTILIZATION OF ITS PROCEEDS

- (a) (i) The Company, during the year, has allotted 3478800 Warrants at a price of ₹ 13.40 per warrant carrying an entitlement to subscribe to an equivalent number of equity shares of face value of ₹ 10/- each within 18 months from the date of allotment of warrants to promoter/promoter group and non promoter group in accordance of Regulations for Preferential Issue contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended, on 23rd September 2014 and received 25% of issue price as warrant allotment money aggregating to ₹ 1,16,53,980. The company has utilized this proceeds for its working capital requirements and other corporate purposes in accordance with the object of the issue.
- (ii) Out of the above warrants, the Company has allotted 1098300 equity shares on conversion of 1098300 warrants on 13th December 2014 and realized the balance 75% allotment money aggregating to ₹ 11037915. The Company has utilized this proceed for its working capital requirements and other corporate purposes in accordance with the objects of the said Issue.
- (b) The Company, further during the year, has allotted 1200000 Warrants at a price of ₹ 24.50 per warrant carrying an entitlement to subscribe to an equivalent number of equity shares of face value of ₹ 10/- each within 18 months from the date of allotment of warrants to promoter/promoter group in accordance of Regulations for Preferential Issue contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended, on 23rd December 2014 and received 25% of issue price as warrant allotment money aggregating to ₹ 73,50,000. The company has utilized this proceeds for its working capital requirements and other corporate purposes in accordance with the object of the issue.

NOTE 41: The Company is in process of appointing professional directors to compose the Nomination and Remuneration Committee in conformity with the provisions of the Section 178 of the Companies Act, 2013.

NOTE 42: (i) As per the consistent practice followed by the company in earlier years, the excise duty payable in respect of goods manufactured during the year but not cleared from factory premises at the end of year, are neither included in expenses nor considered in valuation of the inventories of such goods which is contrary to the guidance note "Accounting Treatment for Excise Duty" issued by the Institute of Chartered Accountant Of India . However the same does not have any impact on the profit of the year.

(ii) As per the consistent practice followed by the company in earlier years, the custom duty payable in respect of imported materials lying at custom bonded warehouse at the end of year, are neither included in expenses nor considered in valuation of the inventories of such materials. However this practice does not have any impact on the profit of the year.

As per our attached report of even date

For R. S. Agrawal & Associates
Chartered Accountants
(Firm Registration No. 100156W)

R. S. Agrawal
Partner
Membership No. 033216

Place : Mumbai
Dated : May 26, 2015

For and on behalf of the Board of Directors

Kishore Chand Talwar
Chairman & Managing Director
DIN 00351751

Ayyaswami Sundaram
Director
DIN 02997721

Debabrata Guha Chaudhury
Company Secretary

Place : Mumbai
Dated : May 26, 2015

Nainy K. Tanna
Wholtime Director
DIN 00351762

Kundan Talwar
Chief Financial Officer



REXNORD ELECTRONICS AND CONTROLS LIMITED

Regd. Office: 92-D Govt. Industrial Estate, Charkop, Kandivli [West], Mumbai - 400 067.

Tel. No. 022-39911800 • Fax No. 022-28687784

Website: www.rexnordindia.in • Email Id: info@rexnordindia.com

Corporate Identity Number (CIN):L31200MH1988PLC047946

ATTENDANCE SLIP

DP ID*	
--------	--

Folio No.	
-----------	--

Client ID*	
------------	--

No. of Share(s)	
-----------------	--

Name & Address of Shareholder:

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I/We hereby record my / our presence at the 27th Annual General Meeting at Sangam Banquets, Plot No. 366-386, RSC 37, Mangalmurti Road, Opposite Mangal Murti Hospital, Gorai-II, Borivali (W), Mumbai - 400 092 on Wednesday, September 30, 2015 at 9:30 a.m.

Signature of Shareholder / Proxy

* Applicable for investors holdings shares in electronic form.

- A Member or his duly appointed Proxy wishing to attend the meeting must complete this admission slip and hand it over at the entrance of the meeting hall.
- Name of the Proxy in BLOCK letters _____ (in case a Proxy attends the meeting)
- Those who hold shares in Demat form to quote their Demat Account No. and Depository Participant (D.P.) ID. No/_____

FORM NO. MGT-11

PROXY FORM

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

CIN: L31200MH1988PLC047946

Name of the Company: REXNORD ELECTRONICS AND CONTROLS LIMITED

Registered Office: 92-D Govt. Industrial Estate, Charkop, Kandivli [West], Mumbai - 400 067

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 RECL, hereby appoint:

- 1) _____ of _____ having email id _____ or failing him
- 2) _____ of _____ having email id _____ or failing him
- 3) _____ of _____ having email id _____

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Rexnord Electronics & Controls Ltd.

92 - D, Govt. Indl. Estate, Charkop, Kandivali (W),
Mumbai - 400 067, **INDIA.**

<https://www.youtube.com/watch?v=zPPzC9sZNIA>

website : www.rexnordindia.in