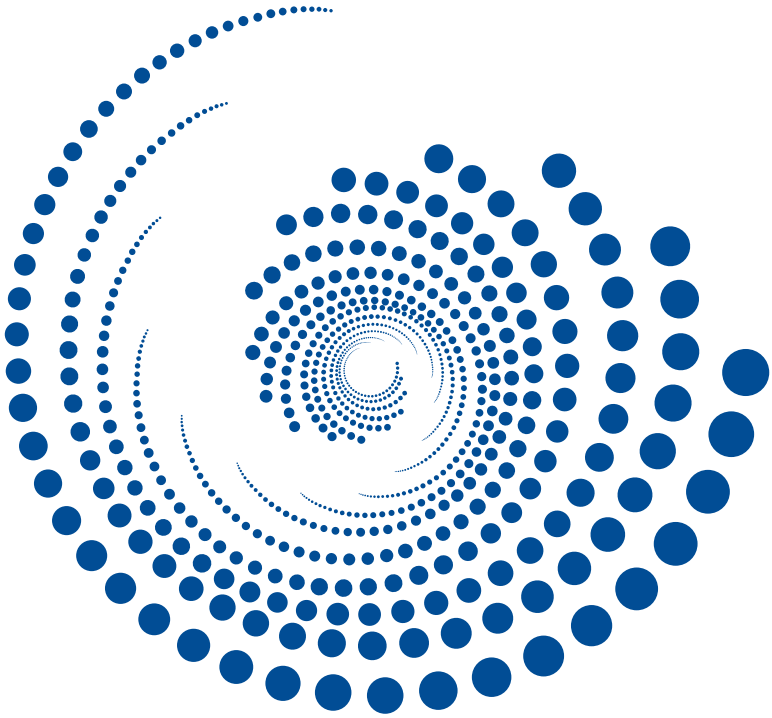
Bharat Bijlee



68TH ANNUAL REPORT 2014-15

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CONTENTS

Notice	04
Report of the Director	10
Corporate Governance Report	16
Management Discussion and Analysis Report	32
Business Trends	49
Auditor's Report	52
Balance Sheet	56
Statement of Profit and Loss	57
Cash Flow Statement	58
Notes to the Financial Statements	59

DIRECTORS

Mr. Prakash V. Mehta
(Chairman & Non-Executive Independent Director)

Mr. Nikhil J. Danani
(Vice Chairman & Managing Director)

Mr. Nakul P. Mehta
(Vice Chairman & Managing Director)

Mr. Shome N. Danani
(Executive Director)

Mr. Sanjiv N. Shah
(Non-Executive Independent Director)

Mr. Jairaj C. Thacker
(Non-Executive Independent Director)

Mr. Ravishanker Prasad
(Non-Executive Director)

Ms. Mahnaz A. Curmally
(Non-Executive Director)

Mr. Rajeshwar R. Bajaaj
(Non-Executive Independent Director)

REGISTERED OFFICE

Electric Mansion, 6th Floor,
Appasaheb Marathe Marg, Prabhadevi,
Mumbai 400 025.
Tel. No. : 022-24306237
Fax No. : 022-24370624

WORKS

No. 2, MIDC,
Thane Belapur Road, Airoli,
Navi Mumbai 400 708.
Maharashtra.
Tel. No. : 022-27637200
Fax No. : 022-27637443

AUDITORS

M/s. Dalal & Shah

SOLICITORS

M/s. Malvi Ranchoddas & Co.

BANKERS

Bank of India
IDBI Bank Limited
Citibank N.A.
Standard Chartered Bank
HDFC Bank Ltd.

REGIONAL OFFICES

Northern Regional Office

1st Floor, 7-B Rajindra Park
Pusa Road,
New Delhi 110 060.
Tel. No. : 011-25816931/6932/6933
Fax No. : 011-25816940

Western Regional Offices

Swastik Chambers, 5th Floor,
Junction of Sion Trombay Road and C.S.T. Road,
Chembur, Mumbai 400 071.
Tel. No. : 022-61457200
Fax No. : 022-61457255

No. 2, MIDC,
Thane Belapur Road, Airoli,
Navi Mumbai 400 708.
Maharashtra.
Tel. No. : 022-27637200
Fax No. : 022-27637443

Eastern Regional Office

Siddha Fifth Avenue
Space No. 3B, 3rd floor
179 Anandapur
Kolkata 700 107.
Tel. No. : 033-2433 2382

Southern Regional Office

Ramanashree Chambers,
37, Lady Curzon Road,
Bangalore 560 001.
Tel. No. : 080-25592646
Fax No. : 080-25592823

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai 400 078.
Tel. No. : 022-25963838
Fax No. : 022-25946969

NOTICE

NOTICE IS HEREBY GIVEN THAT THE SIXTY-EIGHTH (68th) ANNUAL GENERAL MEETING OF THE MEMBERS OF BHARAT BIJLEE LIMITED WILL BE HELD AT 3.00 P.M. ON TUESDAY, SEPTEMBER 22, 2015 AT 'WALCHAND HIRACHAND HALL, INDIAN MERCHANTS' CHAMBER BUILDING, VEER NARIMAN ROAD, CHURCHGATE, MUMBAI 400 020, TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2015, the audited statement of Profit and Loss for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Shome N. Danani (holding DIN 00217787), who retires by rotation and, being eligible, offers himself for re-appointment.

3. To ratify the appointment of the Statutory Auditors and to fix their remuneration and in this connection to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142, 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification, variation or re-enactment thereof for the time being in force, the appointment of Messrs Dalal & Shah, Chartered Accountants, having Registration No. 102021W, as Statutory Auditors of the Company from the conclusion of the 67th Annual General Meeting until the conclusion of the 70th Annual General Meeting of the Company be and is hereby ratified and that the Board of Directors/ Audit Committee be and are hereby authorised to fix their remuneration (audit fees) for the financial year ending March 31, 2016."

SPECIAL BUSINESS:

4. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution for the appointment and Remuneration of the Cost Auditor:

   "**RESOLVED THAT** pursuant to the provisions of Sections 148 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors Rules) 2014, including any amendment, modification, variation or re-enactment thereof for the time being in force, the remuneration payable to M/s. P M Nanabhoy & Co., Cost Accountants (Firm Registration No. 00012), appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, amounting to ₹ 85,000/- (Rupees Eighty Five Thousand only) plus applicable service tax and reimbursement of out of pocket expenses incurred by them during the course of audit, be and is hereby ratified.

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

By Order of the Board

Durgesh N Nagarkar
Company Secretary &
Senior General Manager – Legal

Place : Mumbai
Date : July 24, 2015

NOTES:

i. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, TO BE VALID AND EFFECTIVE, SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING**.

ii. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.

iii. A Proxy shall not have a right to speak at the Meeting and shall not be entitled to vote except on a poll.

iv. A person appointed as Proxy shall act on behalf of not more than 50 Members and holding not more than 10% of the total share capital of the Company carrying voting rights. However, a Member holding more than 10%, 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 Proxy for any other person or Member.

v. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

vi. A Statement pursuant to Section 102 of the Companies Act, 2013, setting out all material facts relating to a Special Business at Item No. 4 of this Notice is annexed herewith and the same should be taken as part of this Notice.

vii. In accordance with the provisions of Clause 49 of the Listing Agreement, a brief profile of Mr. Shome N. Danani, Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/chairmanships of committees of Mr. Danani, shareholding and relationships between him and other directors, is set out in this Notice.

viii. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 16, 2015 to Tuesday, September 22, 2015 (both days inclusive) for the purpose of Annual General Meeting.

Members holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details to the Link Intime India Pvt. Ltd., Unit: Bharat Bijlee Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai 400 078, Tel : 25963838, Fax : 25946969

ix. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participant(s) (DP).

x. In accordance with the provisions of Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules thereto, this Notice and the Annual Report of the Company for the financial year 2014-15 are being sent by e-mail to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories.

xi. The Company requests those Members who have not yet registered their e-mail address, to register the same directly with their DP, in case shares are held in electronic form or with the Company, in case shares are held in physical form.

xii. The Annual Report 2014-15 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.bharatbijlee.com and also on the website of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com.

xiii. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through E-Voting or Postal Ballot, the said resolutions will not be decided on a show of hands at the AGM.

xiv. As per the provisions of Section 205A of the Companies Act, 1956, a Company is required to transfer its dividends, debentures, bonds, redeemed preference shares, fixed deposits, interest on fixed deposits, interest on debentures, etc. which remain unpaid or unclaimed for a period of 7 years to the Investor Education and Protection Fund set up by the Central Government. The Company has in compliance transferred all such unclaimed amounts upto the financial year March 31, 2007 to the said fund and are in the process of transferring all the unclaimed amounts upto the financial year March 31, 2008 by the last week of July 2015. It may be noted that no claims shall lie against the Company in respect of the said unclaimed amount(s) transferred to the said fund. Members who have not claimed the dividends declared for the financial year March 31, 2009 and onwards are requested to lodge their claim immediately with the Company's Registrar and Transfer Agents at the address mentioned in the Annual Report.

xv. **Voting through electronic means**

In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is offering "remote e-voting" (e-voting from place other than venue of the Annual General Meeting) facility to all its Members to enable them to exercise their right to vote on all matters listed in this Notice, by electronic means.

For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating remote e-voting to enable all its Members to cast their vote electronically.

The instructions for e-voting are as under:

(i) Members holding shares in physical form or in demat form as on Tuesday, September 15, 2015, the cut-off date shall only be eligible for e-voting.

(ii) The remote e-voting period will commence at 9.00 a.m. on Saturday, September 19, 2015 and will end at 5.00 p.m. on Monday, September 21, 2015. During this period the eligible Members of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(iv) Click on Shareholders.

(v) 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.

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

(vii) 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.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/ Attendance Slip indicated 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	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

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

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) 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.

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

(xv) 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.

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

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

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

(xix) Note for Non-Individual Shareholders and Custodians

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

General Instructions:

(i) The voting rights of Members shall be in proportion of their shares in the total paid-up equity share capital of the Company as on Tuesday, September 15, 2015, being the cut-off date.

(ii) The facility for voting through ballot shall also be made available at the AGM and Members attending the meeting who have not already cast their vote by remote e-voting/ballot shall be able to exercise their voting right at the AGM.

(iii) The Members who have casted their votes by remote e-voting prior to the AGM may also attend the meeting but shall not be entitled to cast their vote again.

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

(v) Mr. N. L. Bhatia, Partner, Messrs N. L. Bhatia & Associates, Practicing Company Secretaries has been appointed by the Company to act as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(vi) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the Company and shall within a period of 3 days from the conclusion of the e-voting period submit his report in respect of the votes cast in favour or against each of the resolutions as set out in this Notice, to the Chairman of the Company.

(vii) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website viz., www.bharatbijlee.com and on the website of CDSL, within 3 (three) days of conclusion of the AGM and will be communicated to BSE Limited and National Stock Exchange of India Limited, who are required to place them on their website.

(viii) In terms of Clause 35B of the Listing Agreements, the Company in order to enable its Members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, is enclosing a Ballot Form along with this Notice.

(ix) A Member desiring to exercise his vote by Postal Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the enclosed self-addressed pre-paid postage Business Reply Envelope. Postage charges will be borne and paid by the Company.

However, in case a Member sends the Ballot Form by courier or registered post or delivers it in person at his expense, such Ballot Forms will also be accepted.

(x) The Ballot Form, duly completed and signed by the Member(s) should be returned in the enclosed self-addressed pre-paid postage Business Reply Envelope directly to the Scrutinizer so as to reach the Scrutinizer before the close of working hours on Monday, September 21, 2015 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Member(s) has not been received.

(xi) All documents referred to in this Notice and Statement setting out material facts and other statutory registers are open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. and 12 noon on all working days except Saturdays, Sundays and national holidays, from the date hereof up to the date of the AGM.

(xii) For security reasons and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by the Attendance Slip, which is annexed to the Proxy Form. Members/ Proxies are requested to bring their Attendance Slip complete in all respects and signed at the place provided there at and hand it over at the entrance of the venue.

(xiii) Members desiring any information relating to the annual accounts of the Company are requested to write to the Company at least 10 days before the AGM, to enable the Company to keep the information ready at the Meeting.

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

ANNEXURE TO THE NOTICE

Explanatory Statement setting out material facts under Section 102 of the Companies Act, 2013

Item No. 3

Messrs Dalal & Shah, Chartered Accountants, having Registration No. 102021W were appointed as Statutory Auditors of the Company by the members at the Annual General Meeting of the Company held on September 11, 2014, to hold office as such from the conclusion of the 67th Annual General Meeting until the conclusion of the 70th Annual General Meeting.

In terms of Section 139(1) of the Companies Act, 2013 the Company has to place the matter relating to such appointment of the Statutory Auditors for ratification by members at every Annual General Meeting of the Company. The matter relating to Item No. 3 is in compliance of the above requirement and members are requested to ratify the appointment.

None of the Directors are interested in the said appointment.

Item No. 4

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with the Companies (Cost Records and Audit) Rules, 2014, including any amendment, modification, variation or re-enactment thereof for the time being in force, the Board of Directors of the Company shall appoint an individual who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor, on the recommendations of the Audit Committee. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the Members.

On recommendation of Audit Committee at its meeting held on Friday, May 15, 2015, the Board has considered and approved appointment of Messrs P.M. Nanabhoy & Co., Cost Accountants, for the conduct of the Cost Audit of the Company's various products for the financial year 2015-2016, at a remuneration as mentioned in the resolution forming part of this Notice.

The resolution at Item No. 4 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the Promoters, Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

By Order of the Board

Durgesh N. Nagarkar
Company Secretary &
Senior General Manager – Legal

Place: Mumbai
Date : July 24, 2015

BRIEF PROFILE OF DIRECTORS BEING APPOINTED/ RE-APPOINTED AS SET OUT IN THIS NOTICE, IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT RELATING TO CORPORATE GOVERNANCE

Mr. Shome N. Danani:

Mr. Shome N. Danani is the Executive Director of the Company since January 28, 2009. He holds a Bachelor's Degree in Industrial and Operations Engineering from the University of Michigan, USA and a Masters Degree in Business Administration from INSEAD, France. He joined Bharat Bijlee Ltd. in 2002 and has been responsible for various initiatives and growth strategies. He has been instrumental in building scalable systems and processes. Mr. Danani has been leading the change management drive that is essential to the long term growth and success of the Company. He holds 2,898 equity shares representing 0.05% of the Issued and Subscribed Equity Share Capital of the Company. He is a Director in the following companies:

1. Danmet Chemicals Pvt. Ltd.
2. Rakyan Beverages Pvt. Ltd.

Mr. Danani is related to Mr. Nikhil J. Danani, Vice Chairman and Managing Director.

By Order of the Board

D. N. NAGARKAR

Company Secretary &
Senior General Manager – Legal

Registered Office:
Electric Mansion, 6th Floor
Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025

Place : Mumbai
Dated : July 24, 2015

Route Map to the venue of the AGM

REPORT OF THE DIRECTORS TO THE MEMBERS

The Directors are pleased to present their 68th Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended March 31, 2015.

GENERAL OUTLOOK OF INDUSTRY AND ECONOMY:

The economic recovery in our business segments has not materialized as anticipated. This has adversely affected the demand for our products and continues to put immense pressure on our margins. Given the pace of economic revival that we have seen during the past year, we expect a subdued business environment at least during the course of the financial year 2015-16. We would continue to take appropriate internal measures to mitigate the impact of the continued adverse macro factors.

During the year under review, there has been consistent focus to maintain our market shares although this has, in some cases, resulted in lower margins. As we await the impending capex cycle and the associated recovery of the business cycle, we will take efforts to balance our market presence while maintaining margins. To ensure that we do not lose sight of growth potential in the future, we have maintained our focus on building capabilities that will help us build better products. We continue to diligently focus on working capital optimization and collection recovery efforts. The Drives & Automation as well as the Elevator Systems business continue to do well.

FINANCIAL PERFORMANCE:

(₹ in Lakhs)

	Year Ended March 31, 2015	Year Ended March 31, 2014
Income from Sales & Service	**66,788.90**	53,748.76
Less: Excise Duty	**5,700.20**	5,100.61
	61,088.70	48,648.15
Other Income	**1,818.04**	1,814.98
	62,906.74	50,463.13
Profit/(Loss) before Interest, Finance Charges, Depreciation, Exceptional Items and Tax	**(253.75)**	1,061.50
Less: Interest & Finance Charges	**1,995.05**	1,309.55
Less: Depreciation	**1,194.34**	1,094.07
Profit/(Loss) before Exceptional Item and Tax	**(3,443.14)**	(1,342.12)
Profit/(Loss) before Tax	**(3,443.14)**	(1,342.12)
Less: Provision for Taxes	**—**	(144.20)
Profit after Tax	**(3,443.14)**	(1,197.92)
Short(-)/Excess Provision of tax for earlier years	**38.19**	68.53
Profit after Taxation	**(3,404.95)**	(1,129.39)
Add: Profit brought forward from previous year	**5,041.90**	6,171.29
Less: Depreciation adjustment	**138.38**	—
Profit available for appropriation	**1,498.57**	5,041.90
APPROPRIATION :		
Proposed Equity Dividend	**—**	—
Tax on Proposed Equity Dividend	**—**	—
General Reserve	**—**	—
Profit Carried Forward	**1,498.57**	5,041.90

Previous year's figures have been regrouped for comparison purposes with current year's presentation wherever necessary.

DIVIDEND:

In view of the loss during the financial year 2014-2015, the Directors have not recommended payment of dividend for the year ended March 31, 2015.

OPERATIONS:

For the third successive year, the economy and market conditions were dominated by demand gap, low price realisation, negative growth in the capital goods industry, low levels of investment by government/industry and delays in project execution. The Company had to maintain its operations against this background.

Income from Sales and Services for the Company increased from ₹ 53748.76 lakhs in the previous year to ₹ 66788.90 lakhs, a rise of 24%. However, the position of over-supply and intense competition took a toll on margins. Consequently in spite of increase in revenue, Company incurred a loss before exceptional items and tax of ₹ 3443.14 lakhs as against a loss before exceptional items and tax of ₹ 1342.12 lakhs in the previous year.

FINANCE:

Tight money market conditions, elongated working capital cycle and substantial erosion in profitability resulted in negative cash flows from operations and caused an increase of ₹ 685.50 lakhs in finance cost for the year. The Company ensured that there was no default in meeting its obligation and maintained a smooth flow of operations.

The Free Reserves of the Company as on March 31, 2015 decreased by ₹ 3543.33 lakhs to ₹ 25969.94 lakhs.

During the year ₹ 9.24 lakhs was transferred to the Investor Education and Protection Fund.

HUMAN RESOURCES AND EMPLOYEE RELATIONS:

There is an ongoing emphasis on building a progressive Human Resources culture within the organisation. Structured initiatives to nurture talent and create a working environment that fosters motivation, team-work and result-orientation continue to be addressed.

The long term wage agreement with the Union expired on December 31, 2014. Union submitted a new charter of demand for next wage agreement in November 2014. Negotiations for the same are in progress. Productivity levels continued to be subject to continuous monitoring.

Employee strength as on March 31, 2015 was 1378 as compared to 1436 in the previous year.

DEPOSITS:

As on March 31, 2015 the company had no outstanding Fixed Deposits. The Company has neither accepted nor renewed any deposits during the financial year 2014-2015 and in accordance with the provisions of Section 74(1)(b) of the Companies Act, 2013, repaid all its outstanding deposits as on March 31, 2014 aggregating to ₹ 2160.90 lakhs.

DISCLOSURE UNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year and the date of this Report.

DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the financial year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATORS OR COURTS OR TRIBUNAL:

There are no significant and / or material orders passed by the Regulator(s) or Court(s) or Tribunal(s) impacting the going concern status of the Company and its business operations in future.

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:

All contracts/arrangements/transactions entered by the Company during the financial year 2014-2015, with related parties, as defined under Section 188 of the Companies Act, 2013 and the rules made there under and Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges, were in the ordinary course of business and on arm's length basis. Consequently no particulars in Form AOC-2 have been furnished.

Further, during the year under review, the Company has not entered into any contracts/arrangements/transactions with related parties which could be considered material in accordance with the Related Party Transactions Policy of the Company, which can be accessed by using the following link: http://www.bharatbijlee.com/doc/RPT-Policy.pdf

Members can refer Note no. 41 to the financial statement which set out the related party disclosures.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

Particulars of loans, guarantees, investments and securities provided during the financial year under review, covered under the provisions of Section 186 of the Companies Act, 2013, have been provided in the Financial Statements which forms part of this Annual Report. (Please refer Note No. 14, 15 and 17 to the Financial Statements).

DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

The Company has not issued any sweat equity shares during the financial year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:

The Company has not issued any equity shares under Employees Stock Option Scheme during the financial year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:

During the financial year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme

pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 and hence no information has been furnished.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

There was no change in Directorship of the Company during the period under review. Your Company has Nine (9) Directors consisting of four (4) Independent Directors, Three (3) Executive Directors and Two (2) Non-Executive Directors as on March 31, 2015.

Further, in accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Shome N. Danani, being longest in the office shall retire at the ensuing 68th Annual General Meeting and being eligible, offers himself for re-appointment.

Information on Mr. Shome N. Danani, Director eligible for re-appointment, as required under Clause 49 of the Listing Agreement with Stock Exchanges, is disclosed as part of the Notice dated July 24, 2015 of the ensuing 68th Annual General Meeting.

As for the requirement under the provisions of Section 203 of the Companies Act, 2013, the Board of Directors noted that Mr. Nikhil J. Danani, Managing Director, Mr. Nakul P. Mehta, Managing Director, Mr. Shome N. Danani, Executive Director, Mr. Durgesh N. Nagarkar, Company Secretary and Mr. Sandeep M. Tilak, Chief Financial Officer are the Key Managerial Personnel of the Company.

DECLARATIONS BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 149(7) of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors, whose names are appended herein below, confirming that they fulfill the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and the rules made there under to hold the office of Independent Director of the Company.

1. Mr. Prakash V. Mehta;
2. Mr. Sanjiv N. Shah;
3. Mr. Jairaj C. Thacker; &
4. Mr. Rajeshwar R. Bajaaj

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

NUMBER OF MEETINGS OF THE BOARD:

The Board of Directors met five (5) times during the financial year ended March 31, 2015 viz., on May 28, 2014, July 25, 2014, September 11, 2014, November 11, 2014 and January 23, 2015, in accordance with the provisions of the Companies Act, 2013 and rules made there under. All the Directors actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time. Detailed information on the meetings of the Board are included in the Report on Corporate Governance, which forms part of this Board's Report.

Additionally, during the financial year ended March 31, 2015 the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Clause 49(II)(B)(6) of the Listing Agreement.

COMMITTEES OF THE BOARD:

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee as constituted by the Board of Directors of the Company, has in accordance with the provisions of Section 178(3) of the Companies Act, 2013, formulated necessary policy on appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director. The details of "Nominations and Remuneration Policy" are explained in the Report on Corporate Governance, which forms part of this Report and are also available on the website of the Company (www.bharatbijlee.com).

AUDIT COMMITTEE:

An Audit Committee as constituted by the Board of Directors of the Company in accordance with the provisions of Section 177 of the Companies Act, 2013, comprises Independent Directors, namely Mr. Sanjiv N. Shah (Chairman), Mr. Prakash V. Mehta and Mr. Jairaj C. Thacker as Members of the Committee. All the recommendations made by the Audit Committee were accepted by the Board.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee as per the provisions of Section 135 of the Companies Act, 2013. The Terms of Reference of the CSR Committee are to:

i. Formulate and recommend to the Board a Corporate Social Responsibility ('CSR') Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII and the prescribed Rules under Sections 135 of the Companies Act, 2013;

ii. Recommend the amount of expenditure to be incurred on the activities referred to in point (i) above;

iii. Monitor the CSR Policy of the Company from time to time;

iv. Ensure disclosure of CSR Policy in the Boards' Report and on the website of the Company;

v. Ensure activities as included in CSR Policy are undertaken and are monitored regularly;

vi. Ensure the CSR spend is made in terms of Section 135(5), i.e., at least 2% of the average net profits of the Company made during the 3 annually preceding financial years.

The CSR Committee comprises of Mr. Nakul P. Mehta as Chairman and Mr. Shome N. Danani and Mr. Jairaj C. Thacker as Members.

The CSR Committee has met once in the financial year, i.e., on January 23, 2015, wherein all members were present.

The Board has also framed a CSR policy for the Company, on the recommendation of the CSR Committee. The Report on CSR activities as required under the Companies (Corporate Social Responsibility) Rules, 2014, including a brief outline of the Company's CSR Policy, total amount to be spent under CSR Policy for the financial year, amount unspent and the reason for the unspent amount, is set out at **Annexure I**, forming part of this Report.

ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Report on Corporate Governance, which forms part of this Report.

RISK MANAGEMENT POLICY:

The Board of Directors of the Company have approved Risk Management Policy and Guidelines, wherein all material risks faced by the Company are identified and assessed. Moreover in the said Risk Management Policy the Board has defined a structured approach to manage uncertainty, cultivating the same in their decision making pertaining to all business divisions and corporate functions. For each of the risks identified, corresponding control are assessed and policies and procedures are put in place for monitoring, mitigating and reporting risks on periodic basis.

VIGIL MECHANISM POLICY:

The Board of Directors of the Company have, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company, to report their genuine concern of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc.

The details of "Vigil Mechanism Policy" are available on the website of the Company (http://www.bharatbijlee.com/doc/BBL-WHISTLEBLOWER-POLICY.pdf).

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made there under, the Board of Directors has constituted the Internal Complaints Committee ('ICC') at the Registered Office, Works and at all the Regional Offices of the Company to deal with the complaints received by the Company pertaining to gender discrimination and sexual harassment at workplace.

The ICC has been constituted covering the offices at Mumbai/Navi Mumbai, consisting of the following Members:

Sr. No.	Name of Officer	Designation	Position in Committee
1.	Ms. Aarti Madhankar	General Manager, Human Resources	Presiding Officer
2.	Mr. Durgesh N. Nagarkar	Company Secretary & Senior General Manager	Member
3.	Mr. Nitin R. Rathod	General Manager, Employee Relations	Member
4.	Ms. Anjali Ranade	Senior Manager, Design	Member

Also, each branch of the Company, has its own ICC consisting of officers from Serial no. 1, 3 and 4, as mentioned herein above, along with two more members employed at the branches, one of them consisting of a woman employed in those respective branches.

As per the provisions of Section 21 & 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Report on the details of the number of cases filed under Sexual Harassment and their disposal is as under:

Sr. No.	No. of cases pending as on the beginning of the financial year	No. of complaints filed during the year	No. of cases pending as on the end on the financial year
1.	Nil	Nil	Nil

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. such accounting policies have been selected and applied consistently and the Directors have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the Profit and Loss of the Company for the year ended on that date;

c. proper and sufficient care has been taken 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 annual accounts of the Company have been prepared on a going concern basis;

e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

REPORTING ON FRAUDS:

There were no frauds reported by the Auditors under sub section (12) of Section 143 of the Companies (Amendment) Act, 2015, to the Audit Committee, Board of Directors or to the Central Government and hence no information has been furnished in this regard.

PARTICULARS OF EMPLOYEES AND REMUNERATION:

Information as required under the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **Annexure II** hereto, which forms part of this report.

CORPORATE GOVERNANCE:

A separate report on Corporate Governance along with Auditor's Certificate on its compliance, have been furnished in the Annual Report and forms part of this Board Report.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA) REPORT:

A separate report on MDA forms part of the Annual Report.

AUDITORS AND THEIR REPORTS:

The matters pertaining to Auditors and their Reports are appended below

OBSERVATIONS OF STATUTORY AUDITORS ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015:

The Auditor's report does not contain any qualification, reservation or adverse remark or any Disclaimer.

STATUTORY AUDITORS:

M/s. Dalal & Shah, Chartered Accountants, bearing Firm Registration No. 102021W, have been appointed as Statutory Auditors of the Company for a period of three (3) years from the conclusion of the 67th Annual General Meeting upto the conclusion of the 70th Annual General Meeting. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, their appointment as Statutory Auditors upto the conclusion of 70th Annual General Meeting is required to be ratified by the members at every Annual General Meeting. Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of the ensuing 68th Annual General Meeting.

The consent of the Auditors along with certificate under Section 139 of the Companies Act, 2013 have been obtained from the Auditors to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, your Company has appointed M/s N. L. Bhatia & Associates, Practicing Company Secretaries, as its Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2014-2015.

The Report on Secretarial Audit for the financial year 2014-2015, in Form MR-3 forms part of this Board Report. As regards the observation made by the Secretarial Auditor on CSR spend in the said secretarial audit report, please refer **Annexure I** – Annual Report on CSR Activities, the Board of Directors have explained that due to the loss incurred by the Company in the last three (3) financial years, the required amount of CSR spend has not been carried out.

COST AUDITORS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time and as per the recommendation of the Audit Committee, the Board of Directors at their meeting dated May 15, 2015 have appointed M/s. P.M. Nanabhoy, Cost Accountants as the Cost Auditors of the Company for the financial year 2015-2016 to audit the cost records of electric motors, power transformers, drives and elevator system products.

A resolution for ratification of the payment to be made for such appointment is included in the Notice of the ensuing 68th Annual General Meeting.

It may be noted that the Board had appointed M/s. P.M. Nanabhoy, Cost Accountants as the Cost Auditors of the Company for the financial year 2014-2015 to carry out cost audit of the Company. However pursuant to the clarification provided by the Ministry of Corporate Affairs, the Cost Audit for the Company's products was not required for the financial year 2014-2015 and hence the same was not conducted.

EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended March 31, 2015 made under the provisions of Section 92(3) of the Act is attached as **Annexure III**, which forms part of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure IV** which forms part of this Report.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the assistance and cooperation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors take on record their deep sense of appreciation to the contributions made by the employees through their hard work, dedication, competence, support and co-operation during this difficult period in the performance of the Company.

For and on behalf of the Board of Directors

Prakash V. Mehta
DIN 00001366
Chairman

Date : July 24, 2015

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Corporate Governance:

The practices, methodologies, framework and mechanism of Corporate Governance in Bharat Bijlee since its inception is based on principles of fairness, accountability, transparency and integrity and accordingly, the business operations are conducted and controlled. Thus all the business transactions are conducted in an open, transparent and honest manner which ensures high degree of legal compliance and ethical standards.

Bharat Bijlee Limited believes that principles of good governance should be more by way of self-regulation rather than reflection by way of compliance of law.

Compliance of provision of Clause No. 49 of the Listing Agreement with Stock Exchanges, Code of Internal procedures and conduct for Prevention of Insider Trading and Code of Conduct for all Board members and senior management of the Company are implemented strictly.

2. Board of Directors & Board Meetings:

a. Composition

The Board consists of nine (9) Directors, out of which four (4) are Independent, two (2) are Non-Executive and three (3) are Executive Directors. The Chairman is an Independent Director. He is not a promoter nor related to promoters or to persons occupying management positions at Board level or at one level below the Board. The Non-Executive Directors account for 66% of the Board's strength against the minimum requirement of 50% as per the Listing Agreement. Independent Directors constitute 44% of the total strength of the Board as against one third (33.33%) required when the Chairman is a Non-Executive Director. The Non-Executive Directors and Independent Directors are all eminent professionals with experience in overall management, finance and law and have a wide range of skills and experience. The day to day operations of the Company are overseen by three Executive Directors, Mr. Nikhil J. Danani, Mr. Nakul P. Mehta (both Managing Directors), and Mr. Shome N. Danani (Executive Director).

During the year under review:

a. Mr. Anand J. Danani resigned as a Non-executive Director w.e.f. August 7, 2014.

b. Mr. Bansidhar S. Mehta, Chairman of the Board resigned w.e.f. September 11, 2014;

c. Mr. Prakash V. Mehta, Mr. Sanjiv N. Shah, Mr. Jairaj C. Thacker and Mr. Rajeshwar Raj Bajaaj were appointed as Independent Directors w.e.f. September 11, 2014;

d. Mr. Prakash V. Mehta, Independent Director was appointed as Chairman of the Board of Directors of the Company, in the Board Meeting held on November 11, 2014;

e. Ms. Mahnaz A. Curmally was appointed as Non-executive Director (Woman Director) w.e.f. September 11, 2014, to retire by rotation.

Mr. Nikhil J. Danani and Mr. Shome N. Danani are related to each other. None of the other Directors are related to any other Director.

b. Board Meetings:

In the Financial Year 2014-2015, five (5) Board of Directors' Meetings were held on the following dates:

1. May 28, 2014,
2. July 25, 2014,
3. September 11, 2014,
4. November 11, 2014, and
5. January 23, 2015

c. Attendance/Sitting fees of Directors:

Sr. No.	Name of the Director	Category of Directorship	No. of Board Mtgs. attended	Attendance at last AGM	No. of Directorships of other Companies	Membership of Committees of other Companies		Sitting Fees for Board/ Committee meetings ₹	No. of Equity Shares held as on March 31, 2015
						As Member	As Chairman		
1.	Mr. Prakash V. Mehta – Chairman (DIN 00001366)	Independent Non-Executive	5/5	YES	15*	10* @	3	275000	325
2.	Mr. Nikhil J. Danani – Managing Director (DIN 00056514)	Executive Promoter	5/5	YES	1*	–	–	–	3,23,404
3.	Mr. Nakul P. Mehta – Managing Director (DIN 00056561)	Executive Promoter	5/5	YES	2*	–	–	–	1,85,830
4.	Mr. Shome N. Danani (DIN 00217787)	Executive	5/5	YES	2*	–	–	–	2,898
5.	Mr. Sanjiv N. Shah (DIN 00007211)	Independent Non-Executive	4/5	YES	4*	2	1	255000	4,560
6.	Mr. Jairaj C. Thacker (DIN 00108552)	Independent Non Executive	3/5	YES	4*	–	–	70000	
7.	Mr. Ravishanker Prasad # (DIN 06641845)	Non-Executive	4/5	YES	–	–	–	65000	
8.	Ms. Mahnaz A. Curmally (DIN 06907271)	Non-Executive	3/3	YES	–	–	–	80000	
9.	Mr. Rajeshwar Raj Bajaaj (DIN 00419623)	Independent Non-Executive	2/2	YES	3	–	–	105000	
10.	Mr. Anand J. Danani ** (DIN 00056534)	Non-Executive	1/2	NO	**	**	**	10000	92,920
11.	Mr. Bansi S. Mehta *** (DIN 00035019)	Independent Non-Executive	2/2	YES	***	***	***	20000	–
							Total	8,80,000	

@ includes membership in Nomination & Remuneration committee in 5 companies.

* Includes Directorship in Pvt. Ltd. companies.

** Resigned w.e.f. 7th August, 2014

*** Resigned w.e.f. 11th September, 2014

Representative of LIC of India, an equity owner

d. Key functions of the Board:

i. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestments.

ii. Monitoring the effectiveness of the Company's governance practices and making changes as needed.

iii. Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning.

iv. Aligning key executive and board remuneration with the longer term interests of the Company and its shareholders.

v. Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

vi. Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions.

vii. Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

viii. Overseeing the process of disclosure and communications.

ix. Monitoring and reviewing Board Evaluation framework.

e. Information placed before the Board:

i. Annual operating plans and budgets and any updates.

ii. Capital budgets and any updates.

iii. Quarterly results for the company and its operating divisions or business segments.

iv. Minutes of meetings of audit committee and other committees of the board.

v. 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.

vi. Show cause, demand, prosecution notices and penalty notices which are materially important.

vii. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.

viii. Any material default in financial obligations to and by the company, or substantial nonpayment for goods sold by the company.

ix. 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.

x. Details of any joint venture or collaboration agreement.

xi. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.

xii. 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.

xiii. Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.

xiv. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

xv. 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 of Directors are routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board meetings or are tabled in the course of the Board meetings or are tabled before the appropriate Committees of the Board.

f. Appointment/Re-appointment of Directors:

Pursuant to the provisions of Section 152 read with Section 149(13) of the Companies Act, 2013 and Clause 49 (VIII)(E)(1) of the Listing Agreement entered into with BSE and NSE, Mr. Shome Nikhil Danani, Executive Director, is liable to retire by rotation. Mr. Danani has offered himself for reappointment and resolution for his reappointment, is incorporated in the Notice of the ensuing Annual General Meeting.

g. Code of Conduct:

The Company has adopted a Code of Conduct for its Board Members and Senior Management and has posted the Code on the website of the Company in terms of Clause 49(D)(i) of the Listing Agreement with Stock Exchanges. The Managing Director has affirmed the compliance of the Code of Conduct by the Board Members and Senior Management for the year under review. A declaration to this effect signed by the Managing Director, Mr. Nikhil J. Danani forms part of this Report.

h. Directors' Induction & Familiarisation:

The Independent Directors are familiarised, with the Company, their duties, roles and responsibilities, the nature of the industry, the business model of the Company, in line with the "Familiarisation programme of Independent Directors", the details of which can be viewed at

http://www.bharatbijlee.com/doc/FAMILIARISATION-PROGRAMME-FOR INDEPENDENT-DIRECTORS.pdf

3. Audit Committee:

The Audit committee is comprised of

1. Mr. Sanjiv N. Shah — Chairman & Independent Director
2. Mr. Prakash V. Mehta — Independent Director
3. Mr. Jairaj C. Thacker — Independent Director

All members of the Audit Committee are financially literate and Mr. Sanjiv N. Shah, a Chartered Accountant has the relevant accounting and related financial management expertise.

Mr. D. N. Nagarkar, Company Secretary is the Secretary of the Committee.

The Managing Directors, Vice President: Finance & Corporate Strategy, General Manager: Internal Audit, General Manager - Cost and Management Accounting and Senior General Manager: Finance attend the Audit Committee meetings by invitation. Statutory Auditors are also invited to attend the meetings.

a. Meetings & Attendance:

The Audit Committee had four (4) meetings during the financial year 2014-15 and were held on the following dates:

1. May 28, 2014;
2. July 25, 2014;
3. November 11, 2014; and
4. January 23, 2015

Mr. Prakash V. Mehta attended all four (4) meetings, Mr. Sanjiv N. Shah attended three (3) meetings and Mr. Jairaj C. Thacker attended two (2) meetings.

b. Terms of reference of audit committee:

Clause 49 of the Listing Agreement lists the role of the Audit Committee.

The role of the Audit Committee includes the following:

1. 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.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. 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.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
6. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. 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.
16. 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.
17. 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.
18. To review the functioning of the Whistle Blower mechanism;
19. 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.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

4. Nomination and Remuneration Committee:

Nomination and Remuneration committee is comprised of

1) Mr. Sanjiv N. Shah — Chairman & Independent Director
2) Mr. Prakash V. Mehta — Independent Director
3) Mr. Jairaj C. Thacker — Independent Director

The Nomination and Remuneration Committee meetings were held on the following dates:

1. July 25, 2014;
2. November 11, 2014; and
3. March 3, 2015.

Mr. Prakash V. Mehta and Mr. Sanjiv N. Shah attended all three (3) meetings and Mr. Jairaj C. Thacker attended two (2) meetings.

a. The role of the Nomination & Remuneration Committee is as under:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

ii. Formulation of criteria for evaluation of Independent Directors and the Board;

iii. Devising a policy on Board diversity;

iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

b. Remuneration of Executive Directors:

The total remuneration payable to the Managing Directors/Executive Director for the financial year 2014-2015 is as under:

Name of the Directors	Salary	Perquisites	Commission Payable for the FY 2014-2015	Total
Mr. Nikhil J. Danani	60,00,000	61,06,620	0	1,21,06,620
Mr. Nakul P. Mehta	60,00,000	61,06,620	0	1,21,06,620
Mr. Shome N. Danani	39,00,000	48,75,000	0	87,75,000

Apart from sitting fees, the Non-Executive Directors are not paid any commission/remuneration.

c. Nomination & Remuneration Policy:

The Company has a Nomination and Remuneration Policy and the same has been appended below:

Objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The objective of this policy is to lay down a framework in relation to the nomination and remuneration of Directors, KMP, Senior management personnel and other employees. The Key Objectives of the Committee would be:

1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

1.2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees.

1.3. Formulation of criteria for evaluation of Independent Director and the Board.

1.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

1.5. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

1.6. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

1.7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

1.8. To develop a succession plan for the Board and to regularly review the plan.

1.9. To assist the Board in fulfilling responsibilities.

1.10 To Implement and monitor policies and processes regarding principles of corporate governance.

Constitution of Committee

The Board of Directors of the Company (the Board) constituted the committee to be known as the Nomination and Remuneration Committee (NRC) consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director. However, the chairperson of the company (whether executive or non-executive) may be appointed as a member of the NRC but shall not chair such Committee. The meetings of the Committee shall be held at such regular intervals as may be required. The Company Secretary of the Company shall act as Secretary of the Committee.

Applicability

a) Directors (Executive and Non-Executive)

b) Key Managerial Personnel

c) Senior Management Personnel

Definitions

"Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company.

"Key Managerial Personnel" means

i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;

ii. Chief Financial Officer/Vice President : Finance;

iii. Company Secretary; and

iv. Such other officer as may be prescribed.

"Senior Management" means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the managing/executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Policy for Appointment and Removal of Director, KMP and Senior Management

1. Appointment Criteria and Qualifications
   a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
   b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
   c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

2. Term/Tenure
   a) Managing Director/Whole-time Director:
      The Board shall appoint or re-appoint any person as its Chairman (Executive/Non-Executive), Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
   b) Independent Director:
      – An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
      – No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
      – At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3. Evaluation
   The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals as may be decided by them.

4. Removal
   Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement
   The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy for Remuneration to Directors/KMP/Senior Management Personnel

1. Remuneration to Managing/Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:

   The Remuneration/Compensation/Commission etc. to be paid to Director/Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

2. Fixed pay:

   The Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including employer's contribution to PF, pension scheme, medical expenses, club fees, etc. shall be decided and approved by the Board/the person authorized by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

3. Minimum Remuneration:

   If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

4. Provisions for excess remuneration:

   If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limit prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

5. Increments to the existing remuneration structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

6. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurances shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

7. Remuneration to Non-Executive/Independent Director:

   The Non-Executive Independent Director may receive remuneration/compensation/commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

Duties In Relation to Nomination Matters

The duties of the Committee in relation to nomination matters include:

1. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
2. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
3. Identifying and recommending Directors who are to be put forward for retirement by rotation;
4. Determining the appropriate size, diversity and composition of the Board;
5. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
6. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
7. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
8. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
9. Recommend any necessary changes to the Board; and
10. Considering any other matters, as may be requested by the Board.

Duties in Relation to Remuneration Matters

The duties of the Committee in relation to remuneration matters include:

Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

Delegating any of its powers to one or more of its members or the Secretary of the Committee.

Considering any other matters as may be requested by the Board.

Minutes of Committee Meetings:

Proceedings of all NRC meetings must be minuted and signed by the Chairman of the Committee at the subsequent meetings. Minutes of the NRC meetings will be tabled at the subsequent Board and Committee meetings.

Review and Amendment:

i. The NRC or the Board may review the Policy as and when it deems necessary.

ii. The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.

iii. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

5. Stakeholders Relationship Committee:

The Stakeholders' Relationship Committee is comprised of

1. Mr. Prakash V. Mehta — Chairman & Independent Director
2. Mr. Sanjiv N Shah — Independent Director
3. Mr. Nikhil J. Danani — Executive Director
4. Mr. Nakul P. Mehta — Executive Director

Mr. D. N. Nagarkar, Company Secretary, is the Secretary of the Committee. The Committee has met once, on 23rd January, 2015, wherein all members were present. The total number of grievances redressed and reviewed by the Committee to the satisfaction of the shareholders was 14, most of them related to non receipt of dividend. There were no requests for share transfer/transmission/deletions of names etc. pending as on 31st March, 2015 and all such requests were processed and delivered within fifteen days (15 days) of lodgement with the company.

a. Terms of Reference:

The Committee looks into redressing grievances of Shareholders pertaining to transfer of shares, non-receipt of balance sheet, non-receipt of dividend, dematerialisation of shares, complaints received from SEBI and the Stock Exchanges etc.

The Board of Directors has also delegated the power of approving transfer/transmission/issue of duplicate share certificates to a Share Transfer Committee.

6. Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility (CSR) Committee was constituted with the following three (3) members:

1. Mr. Nakul P. Mehta — Chairman, Managing Director
2. Mr. Shome N. Danani — Executive Director
3. Mr. Jairaj C. Thacker — Independent Director

Mr. D. N. Nagarkar, Company Secretary, is the Secretary of the Committee. The Committee has met once, on January 23, 2015, wherein Mr. Nakul P. Mehta and Mr. Shome N. Danani were present.

The CSR Committee has adopted a CSR Policy at their meeting held on January 23, 2015, which has been posted on the website of the Company at http://www.bharatbijlee.com/doc/CSR-POLICY.pdf

The Chairman of the CSR Committee, at its meeting held on January 23, 2015, stated that proposals from reputed NGOs involved in providing quality education to underprivileged children enrolled in BMC schools near the Company factory area had been evaluated. However in view of the losses in the previous two financial years and during the financial year under review as well, it was recommended by the CSR Committee to defer the aforementioned program for the time being, and accordingly it would be practical not to incur any expenditure on the recognized CSR activity in the financial year 2014-2015.

a. Terms of Reference:

i. Formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII and the prescribed Rules under Sections 135 of the Companies Act, 2013.

ii. Recommend the amount of expenditure to be incurred on the activities referred to in point i above.

iii. Monitor the CSR Policy of the Company from time to time.

iv. Ensure disclosure of the CSR Policy in the Board Report and on the website of the Company.

v. Ensure activities as included in CSR Policy are undertaken and are monitored regularly.

vi. Ensure the CSR spend is made in terms of Section 135 (5), i.e. at least 2% of the average net profits of the Company made during the 3 annually preceding financial years.

7. Separate Meeting of Independent Directors:

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and the Listing Agreement, a separate meeting of Independent Directors was held during the year under review, on January 23, 2015 and was attended by Mr. Rajeshwar R. Bajaaj (Chairman), Mr. Prakash V. Mehta and Mr. Sanjiv N. Shah, without the attendance of Non-independent Directors and members of management, inter alia to:

1. Review the performance of Non-independent Directors and the Board as a whole;
2. Review the performance of the Chairperson of the Company taking into account the views of the Executive Director and the Non-Executive Director;
3. Assess the quality, quantity and functions of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

8. Evaluation of the Board's Performance:

During the year under review, pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

9. Compliance Officer:

Mr. D. N. Nagarkar, Company Secretary has been designated as the Compliance Officer of the Company as per the requirement of the Listing Agreement.

10. Annual General Meetings:

The last three Annual General Meetings were held as under:

Financial Year	Date, Time & Venue	No. of Special Resolutions passed	Special Resolutions passed
2013-2014	11-09-2014 at 3.00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants Chamber Bldg., Churchgate, Mumbai 400 020	2	1. To pay remuneration including minimum remuneration to Mr. Shome N. Danani, Executive Director, pursuant to the provisions of Sections 196, 197 & 198 read together with Schedule V, Part II, Section II(A), along with the rules there under, as per the Companies Act, 2013. 2. Approval for increase in borrowing limits of the Company as per the provisions of Section 180(1)(c) of the Companies Act, 2013.
2012-2013	28-06-2013 at 3.00 p.m. Walchand Hirachand Hall, 4th Floor, Indian Merchants Chamber Bldg., Churchgate, Mumbai 400 020	2	Re-appointment of Mr. Nikhil J. Danani and Mr. Nakul P. Mehta, as Managing Directors for a period of 3 years w.e.f. June 20, 2013, pursuant to the provisions of Sections 198, 269, 309, 310, 311 & other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act.
2011-2012	29-06-2012 at 3.00 p.m. Walchand Hirachand Hall, 4th Floor, Indian Merchants Chamber Bldg., Churchgate, Mumbai 400 020	—	No Special Resolution was passed.

11. Postal Ballot:

During the financial year under review, no special resolution was passed through Postal Ballot.

12. Vigil Mechanism/Whistle Blower Policy:

The Company has framed a Vigil Mechanism/Whistle Blower Policy which was approved by the Board of Directors on November 11, 2014. The Company's personnel have direct access to the Chairman of the Audit Committee to report concerns about unethical behavior (actual or suspected), frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee. Adequate safeguards are provided against victimization of whistle blowers availing of such mechanism.

13. Disclosures:

i. At the Board Meeting, the Directors disclose the names of the Companies/Parties in which they are interested, and accordingly the Register of Contracts under Sections 184, 188 & 189 of the Companies Act, 2013 is tabled and signed. Related party transactions as per Note No. 41.2 appearing in Financial Statements of the financial year are approved by the Audit Committee and recommended to the Board of Directors for their approval. During the year there were no transactions of material nature with the Directors or the Management or relatives that had potential conflict with the interests of the Company. The Policy on Related Party Transactions is posted on the website of the Company, i.e. http://www.bharatbijlee.com/doc/RPT-Policy.pdf.

ii. Quarterly Disclosures – Results and notes thereon.

iii. Risk identification, prioritization and mitigation plans for the top risks have been finalized with the risk owners at the beginning of Financial Year. A risk policy and a formal organisation structure for risk management and monitoring process is in place. All risks and mitigation plans are monitored and reviewed. The risk management and minimisation procedures are being reviewed with the Board members periodically."

iv. There were no instances of non-compliance on any matter related to the Capital Markets, nor were any penalties or strictures imposed on the company by SEBI or any Stock Exchanges or any statutory authority for non-compliance on any matter related to the Capital Markets during the last 3 years.

v. No member of the Senior Management has a potential conflict with the interest of the Company at large relating to any material financial and commercial transaction.

vi. The Company affirms that no employee has been denied access to the Audit Committee.

vii. The Company has complied with all mandatory requirements as stipulated in Clause 49 of the listing agreement with Stock Exchanges.

viii Compliance Report on Non-Mandatory requirements under Clause 49:

a. The Board - The Chairman of the Company is a Non-Executive Director. The Company has adequate facilities at its registered office to maintain an office for the Chairman but presently no such entitlement is explicitly given.

b. Shareholder Rights – The quarterly and year to date financial statements are disseminated through Stock Exchanges, published in newspaper and also uploaded on Company's website. However, the Company does not send any other half-yearly declaration of financial performance and summary of the significant events in last six-months to its shareholders.

c. Audit qualifications – The Statutory Auditors of the Company have issued an unqualified Audit Report on the financial statements of the Company for the financial year ended March 31, 2015.

d. Separate posts of Chairman and CEO – The Company has maintained separate posts of a Non-Executive Chairman and Managing Director.

e. Reporting of Internal Auditor – The Internal Auditor reports directly to the CFO and is present in most Audit Committee Meetings. He has direct access to the Audit Committee.

ix The shares held by the promoters have not been pledged with any Banks, Financial Institutions or with any third party.

14. Communication to Shareholders:

i. Quarterly/half-yearly/annual results and information relating to convening of Board meetings/Annual General Meetings are published in Free Press Journal and Navshakti and are also notified to the Stock Exchanges as required under the Listing Agreement. Half-yearly report is not sent to each shareholder in view of its publication in newspapers. As required by the Listing Agreement, the requisite information is transmitted through Corporate Filing and Dissemination System (CFDS). They are also filed with the National Stock Exchange of India Limited through NSE Electronic Application Processing System (NEAPS). All such financial results are also posted on the Company website. The Stock Exchanges are also informed of all materially significant events which have taken place during the year under review. The Annual Accounts are also filed with the MCA in the XBRL format.

ii. The Company has made no presentation to any Institutional Investors/Analysts during the year.

iii. Management Discussion and Analysis is covered as part of this Annual Report.

iv. The Company has in place a Model Code as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 1992 ('the Code'), as amended form time to time, and all designated employees have disclosed their holdings and dealings in the shares of the Company and have been obtaining prior approval before dealing in shares in excess of the prescribed limit under the said code.

Further, SEBI has replaced the old Insider Trading Regulation, 1992 with the (Prohibition of Insider Trading) Regulations, 2015 which came into force from May 15, 2015. Accordingly your Directors have approved and adopted the 'Code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders' in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015.

v. The Company has its own website, www.bharatbijlee.com.

vi. In terms of the Clause 49 of the Listing Agreement, the certification by the Managing Director and Vice President: Finance & Corporate Strategy on the financial statements and internal controls relating to financial reporting has been obtained by the Board of Directors.

vii. As required under revised Clause 49, the Company has established a Vigil Mechanism/Whistle Blower policy, which is posted at the website of the Company, i.e., http://www.bharatbijlee.com/doc/BBL-WHISTLEBLOWER-POLICY.pdf

15. General Shareholders Information:

i. Annual General Meeting:

Day	:	Tuesday	**Date**	:	September 22, 2015
Time	:	3.00 p.m.	**Venue**	:	Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Churchgate, Mumbai 400 020

ii. Financial Year:

The Company follows April-March as its financial year. The results for every quarter are declared in the month following the quarter except for the quarter January-March, for which the Audited results are declared in May as permitted by the Listing Agreement.

iii Dates of Book Closure:

Wednesday, 16th September, 2015 to Tuesday, 22nd September, 2015 (both days inclusive).

iv. Dividend Payment Date : Not Applicable

v. Listing of Equity Shares on Stock Exchanges:

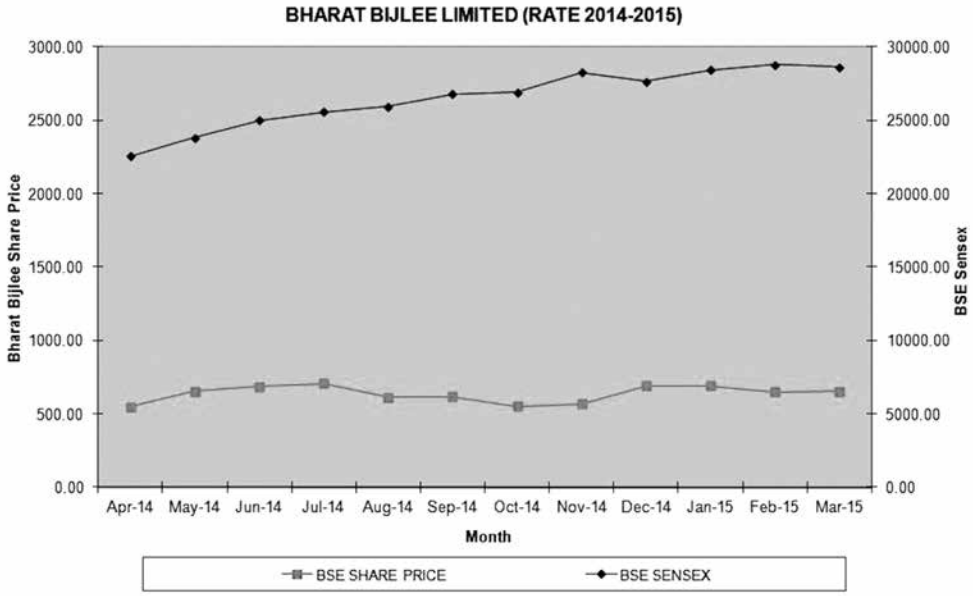
Name of Stock Exchange	**Stock Code**
BSE Ltd. (Bombay Stock Exchange)	503960
National Stock Exchange of India Limited (NSE)	BBL

The listing fees for the financial year 2015-16 have been paid to both BSE & NSE.

Demat internationals security Identification No. : INE 464A01028 NSDL & CDSL

vi. Stock Price data at the Stock Exchanges:

Month	BSE	BSE	NSE	NSE
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2014	618.95	475.00	625.95	480.00
May, 2014	735.80	575.00	740.00	573.20
June, 2014	745.00	625.00	739.00	631.05
July, 2014	774.75	640.00	774.00	605.00
August, 2014	662.45	562.00	673.45	521.00
September, 2014	680.10	555.60	680.60	551.10
October, 2014	589.70	515.00	585.00	515.00
November, 2014	607.90	525.95	627.00	524.95
December, 2014	817.50	560.40	818.00	563.10
January, 2015	749.00	630.00	748.00	629.95
February, 2015	711.00	587.10	710.00	585.15
March, 2015	712.00	593.25	714.85	592.40



vii. Registrar and Transfer Agents:

Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai 400 078.
Tel : 25963838 • Fax : 25946969

viii. Share Transfer System:

The Board has constituted a Share Transfer Committee and has delegated the requisite power to the Committee to attend to share transfer matters. All share transfer and share related issues are approved by a share transfer committee comprising 4 Directors and approvals are obtained at intervals not exceeding 15 days.

ix. Distribution of Shareholding as on 31-03-2015

Sr. No	No. of Equity Shares held	No. of shareholders	No. of shares	% of shareholders	% of shareholding
1.	1-500	18,430	10,83,449	96.19	19.17
2.	501-1000	411	3,10,316	2.15	5.49
3.	1001-2000	158	2,30,534	0.82	4.08
4.	2001-3000	72	1,82,470	0.38	3.23
5.	3001-4000	15	52,519	0.08	0.93
6.	4001-5000	9	41,931	0.05	0.74
7.	5001-10000	21	1,50,136	0.11	2.66
8.	10001- above	44	36,00,205	0.22	63.70
	Total	**19,160**	**56,51,560**	**100.00**	**100.00**

Share Holding Pattern as on 31-03-2015

Sr. No.	Category	No. of shares	% to total shareholding
1.	Promoters & Promoter Group	20,21,234	35.76
2.	Financial Institutions/Banks	8,64,488	15.30
3.	Mutual Funds/UTI	1,27,044	2.25
4.	FIIs	14,950	0.27
5.	NRIs/OCBs	1,62,217	2.87
6.	Corporate Bodies	3,96,418	7.01
7.	Indian Public	20,65,209	36.54
	Total	**56,51,560**	**100.00**

x. Dematerialization of shares and liquidity:

Your Company's shares are traded compulsorily in electronic form and the Company has established connectivity with both the depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31st March, 2015, 97.99% of shares have been held in dematerialized form and the rest are in physical form. All promoters' shareholding are in dematerialised form (100%).

xi. The Company has no outstanding GDR's/ADR's/Warrants or any convertible instruments, since not issued.

xii. Plant Location:

No. 2, M.I.D.C., Thane - Belapur Road, Airoli, Navi Mumbai 400 708, Maharashtra.

xiii. Address for correspondence:

The Corporate Secretarial Department is located at the Company's Registered Office situated at Electric Mansion, 6th Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Telephone No. 24306237, Fax No. 24370624. Shareholders may correspond on all matters relating to shares at the addresses mentioned below:

1. Link Intime India Pvt. Ltd.
   C-13, Pannalal Silk Mills Compound
   LBS Marg,
   Bhandup (W), Mumbai 400 078
   Tel : 25963838
   Fax : 25946969

2. Bharat Bijlee Limited,
   Electric Mansion, 6th Floor
   Appasaheb Marathe Marg,
   Prabhadevi, Mumbai 400 025.
   Tel : 24306237
   Fax : 24370624

2. As per the requirement of Clause 47(f) of the Listing Agreement with Stock Exchanges, the Company has created a dedicated email ID (investorcare@bharatbijlee.com) exclusively for the purpose of registering complaints of Investors and this is prominently displayed on the Company's website: www.bharatbijlee.com

CEO CFO CERTIFICATION 2015

The Board of Directors

Bharat Bijlee Limited

Dear Sirs,

We, the Vice Chairman & Managing Director, Mr. Nikhil J. Danani and the Vice President Finance & Corporate Strategy, Mr. S. M. Tilak, hereby certify in terms of Clause no. 49(IX) of the Listing Agreement with Stock Exchanges that:

A. We have reviewed financial statements and the cash flow statement for the quarter ended 30th June, 2015 and that to the best of our knowledge and belief :
   1. these statements do not contain any materially untrue statement or omit any material act or contain statements that might be misleading.
   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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 responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the operations or they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:
   1. Significant changes in internal control over financial reporting during the year.
   2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, and
   3. There were no instances of fraud during the financial year under review.

Nikhil J. Danani
Vice Chairman & Managing Director
DIN 00056514

S. M. Tilak
Vice President
Finance & Corporate Strategy

Date : July 24, 2015
Place : Mumbai

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under Clause 49 of the Listing Agreements with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the period ended 31st March, 2015.

For Bharat Bijlee Limited

Nikhil J. Danani
DIN 00056514
Vice Chairman & Managing Director

Place : Mumbai
Date : July 24, 2015

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Bharat Bijlee Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Bijlee Limited, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us,

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

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

For **Dalal & Shah**
Chartered Accountants
Firm Registration Number: 102021W

Sunder V. Iyer
Partner
Membership No: 048393

Mumbai, July 24, 2015

MANAGEMENT DISCUSSION AND ANALYSIS

The expected revival of the Indian economy continues to elude us and it now appears to be delayed at least by a year or two. That implies that the next two years would be challenging for the Company's businesses. What is especially concerning is the lack of revival in the demand and pricing situation in the Power Systems business of your Company.

We began last year with the hope of an uptick in the investment environment in the country supported by a declining interest rate cycle. Unfortunately, neither has happened to a degree that improves business confidence. This has resulted in continued demand pressures for the core products of your Company viz. Transformers and Industrial Motors. The decline in the pace of interest rate reduction has resulted in additional pressure on the working capital requirements and profit margins.

Even in these difficult times, there are certain bright spots in your Company. The Elevator Systems and Drives & Automation businesses continue to grow well. We have successfully achieved the ISO 14001:2004 certification for Environmental Management System and OHSAS 18001:2007 certification for Occupational Health and Safety Management for our manufacturing facilities. The Transformer testing lab has also received the prestigious NABL accreditation.

While we believe that further downside seems limited, it would be prudent to tone down the timeline expectations of an impending economic recovery and prepare for a more long drawn revival cycle. To that extent, we will continue to build capabilities, aggressively maintain our market positions and look for all possible means to keep costs under control.

SEGMENT ANALYSIS

The Company operates in two Business Segments, viz. "Power Systems" and "Industrial Systems".

Power Systems:

The Power Systems segment comprises primarily of Power Transformers upto 200 MVA, 220 KV voltage class and EPC projects for electrical substations upto 400 KV.

Our Transformer business is heavily dependent on investments in the Transmission networks in the country. The business environment, therefore, is linked to the capex budgets and infrastructure growth plans of all State Power Utilities and the Power Grid Corporation of India Limited (PGCIL). While we continue to see tenders being floated across these customers, the demand is still far below the supply capacity of the industry. This continues to put tremendous pressure on margins in an increasingly competitive business environment. We have consciously diversified our customer base to reduce dependence on Power Utilities. However, these segments are expected to revive along with the broader economic recovery over the years.

We continue to adopt a conservative approach to building our projects order book to ensure that margins, project readiness for timely completion and collection of dues do not drag the performance and profitability of the business. So far this seems to be working well.

Industrial Systems:

This segment comprises the marketing, engineering, design and manufacture of a full range of industrial motors, synchronous gearless machines for elevators, and AC variable speed drives and drive systems.

The Industrial Motors business continues to experience lower demand resulting in higher competitive intensity. We have, however, maintained our margins and market share in this difficult demand environment. We hope to see a recovery in this segment in the later part of next year. We have substantially improved our supply chain to capitalize on any demand recovery as it materializes. We also continue to concentrate on market reach, and understanding our end customers better. The Medium Voltage motor business has gained traction and continues to grow over time. We have also developed a range of high efficiency motors that will prepare us to compete with the best in the industry.

The Drives business caters to highly engineered application segments. We continue to build on our leadership in niche applications and aspire to repeat that performance in other customer segments as well.

The Elevator Systems business has also maintained a healthy growth trajectory and we are prepared to capitalize on any further improvements in the business prospects.

INTERNAL CONTROLS, AUDITS, RISK MANAGEMENT & IT

The Company has in place internal controls, procedures and policies to ensure that the Company's assets are acquired, accounted and monitored appropriately, that the operational and financial records are reliable, and all prevailing statutes are complied with at all times.

The organisation-wide SAP ERP system ensures that all material business processes and controls are mapped, transactions recorded and continuously reviewed and refined. These provide reasonable assurance with regard to the monitoring of operations, maintaining of proper accounting controls, safeguarding of assets, adherence to access and authority frameworks, compliance with regulations, and ensuring reliability and accuracy of financial reporting. We intend to review these in the coming year for continued high levels of assurance.

Internal controls related to all business operations in the factory and offices are regularly reviewed and tested both by the Company's Internal Audit function and the Statutory Auditors and necessary improvements in processes, IT systems and controls are recommended and followed up for

implementation with process owners. Review of significant audit observations, and monitoring of the implementation of consequential corrective and preventive actions, is periodically undertaken by top management and the Audit Committee.

The Company has a well defined framework for Risk Management which is being integrated within its business planning and review process.

Risks are identified and prioritised annually on the basis of impact and likelihood, and mitigation plans are developed by Risk owners and are subject to evaluation and review by the Audit Committee.

To promote our efforts to manage and protect critical business knowledge, the internal PRO+Active team that maps and improves internal processes is being complemented through Knowledge Management initiatives.

RISKS AND CONCERNS

The prevailing macro economic situation in the country is the key risk for the business outlook in the coming financial year. We hope that the investment cycle kicks off over the next six to nine months resulting in capex uptick and improved business demand.

FUTURE OUTLOOK

The worst seems to have been factored in and any further downside seems to be limited. We expect tough times to continue for a few more quarters before the first signs of a sustainable revival are visible.

ANNEXURE I

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the CSR policy adopted by the Company, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects and programs:**

   The framework of our CSR policy rests on principles of :

   — Empowerment;

   — Environment; &

   — Employee Participation

   The following are the areas of emphasis for CSR activities under the CSR policy:

   a. The activities carried out under this CSR policy will be in the areas of health, education, livelihood/income generation and environment.

   b. These activities will be carried out in partnership with registered NGOs and Trusts who are already working in the respective fields.

   c. Monthly reports will be provided to the CSR committee and also annual consolidated report.

   d. Surplus arising out of the CSR Projects/programmes/activities, if any, shall not form part of business profits.

2. **The composition of the CSR Committee:**

   The CSR Committee comprises of the following members:

   a. Mr. Nakul P. Mehta (Chairman, Managing Director);

   b. Mr. Shome N. Danani (Executive Director);

   c. Mr. Jairaj C. Thacker (Independent Director).

3. **Average Net Profit of the Company for last three financial years:** ₹ 12.50 Crores.

4. **Prescribed CSR Expenditure (two percent of the amount as per item 3 above):** ₹ 25 Lacs.

5. **Details of CSR spent during the financial year:**

   a. Total amount to be spent for the financial year: ₹ 25 Lacs.

   b. Amount unspent if any: ₹ 25 Lacs.

   c. Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs-wise	Amount spent on the projects or programs sub heads:	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	Advancement of quality education & betterment of the under privileged children admitted to BMC Schools near the Company factory area	Promoting Education	Local, State: Maharashtra, District: Thane & Navi Mumbai	₹ 25 Lacs	—	—	N.A.
	Total						

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:

The Chairman of the CSR Committee, at its meeting held on January 23, 2015, stated that proposals from reputed NGOs involved in providing quality education to underprivileged children enrolled in BMC schools near the Company factory area had been evaluated. However in view of the losses in the previous two financial years and during the financial year under review as well, it was recommended by the CSR Committee to defer the aforementioned program for the time being, and accordingly it would be practical not to incur any expenditure on the recognized CSR activity in the financial year 2014-2015.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company:

The CSR Committee hereby confirms that the implementation and monitoring of CSR policy has been carried out with all reasonable care and diligence and the same is in compliance with the CSR objectives and the policy of the company. However as explained in item no. 6 above, the CSR spend was held back during the financial year 2014-2015 in view of continuous losses for the last three (3) financial years.

Sd/-
NIKHIL J. DANANI
DIN: 00056514
Vice Chairman and Managing Director

Sd/-
NAKUL P. MEHTA
DIN: 00056561
Vice Chairman and Managing Director
(Chairman of CSR Committee)

ANNEXURE II

1. Disclosure in Board's Report as per the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Disclosure Requirement	Disclosure Details		
1.	**The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.**	**Name of the Directors**	**Category**	**Ratio**
		Mr. Nikhil J. Danani	Vice Chairman & Managing Director	23.54
		Mr. Nakul P. Mehta	Vice Chairman & Managing Director	23.54
		Mr. Shome N. Danani	Executive Director	17.04
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.**	**Name of the Directors**	**Category**	**% increase in remuneration**
		Mr. Nikhil J. Danani	Vice Chairman & Managing Director	–2.15%
		Mr. Nakul P. Mehta	Vice Chairman & Managing Director	–2.15%
		Mr. Shome N. Danani	Executive Director	44.65%
		Mr. Durgesh N. Nagarkar	Company Secretary	9.71%
		Mr. Sandeep M. Tilak	Chief Financial Officer	38.46%
3.	**The percentage increase in the median remuneration of employees in the financial year.**	The median remuneration of the employees of the Company in the financial year 2014-2015 is ₹ 5,13,250/-. The median remuneration of the employees for the year under review increased by 36.38% compared to previous financial year.		
4.	**The number of permanent employees on the rolls of Company.**	There were 874 permanent employees of Bharat Bijlee Limited as on March 31, 2015.		
5.	**The explanation on the relationship between average increase in remuneration and Company performance.**	Average Increase: 10.75% Recommendation for increase in remuneration is based on the following factors: Compensation trends based on industry benchmarking; Compensation positioning vis-à-vis market trend; Compensation aimed at ensuring continuous talent availability.		
6.	**Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.**	The total remuneration of the Key Managerial Personnel increased by 10.15% from ₹ 373.61 lakhs in FY 2013-2014 to ₹ 411.55 lakhs in FY 2014-2015 whereas the loss before tax has increased by 156.55% to ₹ 3443.14 lakhs in FY 2014-2015 (₹ 1342.12 in FY 2013-2014).		
				₹ in lakhs
7.	**Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year.**	**Particulars**	**As on March 31, 2015**	As on March 31, 2014
		Market Capitalisation (as per BSE)	**35025.54**	28246.50
		Market Capitalisation (as per NSE)	**35291.16**	28387.79
		Price Earnings Ratio	**–10.29**	–25.02
		Percentage increase in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last Public offer is 16526.66% (Approx. 165 times), adjusted for Bonuses and Stock Split till date (The Company came out with Convertible Bond Issue in 1975).		

Sr. No.	Disclosure Requirement	Disclosure Details
8.	**Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**	For the employees other than managerial personnel who were in employment the whole of FY 2013-2014 and FY 2014-2015, the average increase is 10.56%. Average increase for managerial personnel is 26.56% In case of the CFO, he joined Bharat Bijlee Limited in FY 2012-2013, on November 11, 2012. Accordingly, received VPP for FY 2012-2013 (5 months) and FY for 2013-2014 in FY 2014-2015. Hence the rise appears exceptional. However it is not an abnormal increase but only a accounting circumstance.
9.	**Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company.**	Percentage (%) to the performance of the Company cannot be computed in view of the loss incurred by the Company during the year under review.
10.	**Key parameters for any variable component of remuneration availed by the Directors.**	Not Applicable
11.	**Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.**	Not Applicable
12.	**Affirmation that the remuneration is as per the remuneration policy of the Company.**	Yes

2. Statement Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014

Name of employee	Designation of employee / Nature of employment, whether contractual or otherwise	Qualification and experience of the employee (in years)	Date of commencement of employment	Age of such employee	Last employment held by such employee before joining the Company	% of equity shares held by the employee in the Company	Remuneration (Amount in ₹)
Nikhil J. Danani	Vice Chairman & Managing Director	B.E. (Mech.) M.B.A. (Rutgers University, USA) 40 years	02.05.1975	65	I.B.M. New Jersey; Research Assistant 6 months	5.72	1,21,06,620/-
Shome N. Danani	Executive Director	B.S. (Ind. & OP Engg.); The University of Michigan, USA; MBA (INSEAD, France) 13 years	01.04.2002	37	Credit Information Bureau India Ltd. Manager: IT & Operations	0.05	87,75,000/-
Nakul P. Mehta	Vice Chairman & Managing Director	B.Sc. B.S. Mech. Engg.; M. S. Engg., Mechanical 31 years	30.04.1984	57	NIL	3.29	1,21,06,620/-

Mr. Nikhil J. Danani and Mr. Shome N. Danani are related to each other.

ANNEXURE III

EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 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:

CIN	:	L31300MH1946PLC005017
Registration Date	:	June 22, 1946
Name of the Company	:	Bharat Bijlee Limited
Category/Sub-Category of the Company	:	Public Company Limited by Shares
Address of the Registered office and contact details	:	Electric Mansion, 6th Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 Telephone No.: +91 22 2430 6237 Fax No.: +91 22 2437 0624 Website: www.bharatbijlee.com Email id: bblcorporate@bharatbijlee.com
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078 Telephone No.: (022) 2596 3838 Fax No.: (022) 2594 6969

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.	Electric Motors	27900	34.27
2.	Transformers	27900	53.70

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. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity):

i. Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	829742	—	829742	14.68	829742	—	829742	14.68	0
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	1191492	—	1191492	21.08	1191492	—	1191492	21.08	0
e) Banks/FI	—	—	—	—	—	—	—	—	—
f) Any other	—	—	—	—	—	—	—	—	—
Sub-total (A)(1):	2021234	—	2021234	35.76	2021234	—	2021234	35.76	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs – Individuals	—	—	—	—	—	—	—	—	—
b) Other – Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Banks/FI	—	—	—	—	—	—	—	—	—
e) Any other	—	—	—	—	—	—	—	—	—
Sub-total (A)(2):	—	—	—	—	—	—	—	—	—
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**2021234**	**—**	**2021234**	**35.76**	**2021234**	**—**	**2021234**	**35.76**	**0**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	208039	850	208889	3.70	126194	850	127044	2.25	(1.45)
b) Banks/FI	883023	760	883783	15.64	863728	760	864488	15.30	(0.34)
c) Central Govt	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIIs	15890	950	16840	0.30	14000	950	14950	0.27	(0.03)
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):	1106952	2560	1109512	19.64	1003922	2560	1006482	17.82	(1.82)
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	272519	1060	273579	4.84	395358	1060	396418	7.01	2.17
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1776052	116774	1892826	33.49	1649140	109634	1758774	31.12	(2.37)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	167128	—	167128	2.96	306435	—	306435	5.42	2.46
c) Others (specify)	187131	150	187281	3.31	162067	150	162217	2.87	(0.44)
Sub-total (B)(2):	2402830	117984	2520814	44.60	2513000	110844	2623844	46.42	1.82
Total Public Shareholding (B) = (B)(1)+(B)(2)	**3509782**	**120544**	**3630326**	**64.24**	**3516922**	**113404**	**3630326**	**64.24**	**—**
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	5531016	120544	5651560	100.00	5538156	113404	5651560	100	—

ii. Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in share-holding during the year
1.	Mr. Nikhil J. Danani	323404	5.72	Nil	323404	5.72	Nil	0
2.	Mr. Nakul P. Mehta	185830	3.29	Nil	185830	3.29	Nil	0
	Total	**509234**	**9.01**	**Nil**	**509234**	**9.01**	**Nil**	**0**

iii. Change in Promoters' Shareholding (Please specify, if there is no change):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	509234	9.01	509234	9.01
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No Change	No Change	—	—
	At the End of the year	509234	9.01	509234	9.01

iv. Shareholding Pattern of Top Ten Shareholders as on March 31, 2015 (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year				Cumulative Shareholding during the year	
	For each of the Top 10 Shareholders	Date	No. of shares	% of total shares of the Company	Reasons for Increase/ Decrease	No. of shares	% of total shares of the Company
1.	**Life Insurance Corporation of India**						
	At the beginning of the year	01.04.2014	507815	8.99	—	507815	8.99
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	09.01.2015	(6787)	(0.12)	Sale	501028	8.87
		16.01.2015	(8219)	(0.15)	Sale	492809	8.72
		23.01.2015	(4908)	(0.09)	Sale	487901	8.63
	At the end of the year	31.03.2015	487901	8.63	—	487901	8.63
2.	**Danmet Chemicals Pvt. Limited**						
	At the beginning of the year	01.04.2014	459777	8.14	—	459777	8.14
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		No Change	No Change	—	—	—
	At the end of the year		459777	8.14	—	459777	8.14

Sr. No.		Shareholding at the beginning of the year				Cumulative Shareholding during the year	
	For each of the Top 10 Shareholders	Date	No. of shares	% of total shares of the Company	Reasons for Increase/ Decrease	No. of shares	% of total shares of the Company
3.	**Gayatri Education Medical and Research Foundation Pvt. Ltd.**						
	At the beginning of the year	01.04.2014	450165	7.95	—	450165	7.95
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		No Change	No Change	—	—	—
	At the end of the year	31.03.2015	450165	7.95	—	450165	7.95
4.	**Nasivan Investments Private Limited**						
	At the beginning of the year	01.04.2014	281550	4.98	—	281550	4.98
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		No Change	No Change	—	—	—
	At the end of the year	31.03.2015	281550	4.98	—	281550	4.98
5.	**General Insurance Corporation of India**						
	At the beginning of the year	01.04.2014	172770	3.06	—	172770	3.06
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)		No Change	No Change	—	—	—
	At the end of the year	31.03.2015	172770	3.06	—	172770	3.06
6.	**Housing Development Finance Corporation Limited**						
	At the beginning of the year	01.04.2014	122480	2.16	—	122480	2.16
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		No Change	No Change	—	—	—
	At the end of the year	31.03.2015	122480	2.16	—	122480	2.16
7.	**Mukul Mahavir Prasad Agrawal**						
	At the beginning of the year	01.04.2014	0	0.00	—	0	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	12.12.2014	11347	0.20	Purchase	11347	0.20
		19.12.2014	15597	0.28	Purchase	26944	0.48
		16.01.2015	50000	0.88	Purchase	76944	1.36
	At the end of the year	31.03.2015	76944	1.36	—	76944	1.36

Sr. No.		Shareholding at the beginning of the year				Cumulative Shareholding during the year	
	For each of the Top 10 Shareholders	Date	No. of shares	% of total shares of the Company	Reasons for Increase/ Decrease	No. of shares	% of total shares of the Company
8.	**National Insurance Company Ltd**						
	At the beginning of the year	01.04.2014	76028	1.35	—	76028	1.35
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		No Change	No Change	—	—	—
	At the end of the year	31.03.2015	76028	1.35	—	76028	1.35
9.	**Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Dividend Yield Plus**						
	At the beginning of the year	01.04.2014	62929	1.11	—	62929	1.11
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		No Change	No Change	—	—	—
	At the end of the year	31.03.2015	62929	1.11	—	62929	1.11
10.	**CD Equifinance Pvt. Ltd.**						
	At the beginning of the year	01.04.2014	9395	0.17	—	9395	0.17
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	18.07.2014	48958	0.86	Purchase	58353	1.03
	At the end of the year	31.03.2015	58353	1.03	—	58353	1.03

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Nikhil J. Danani**				
	At the beginning of the year	323404	5.72	323404	5.72
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	323404	5.72	323404	5.72
2.	**Nakul P. Mehta**				
	At the beginning of the year	185830	3.29	185830	3.29
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	185830	3.29	185830	3.29
3.	**Shome N. Danani**				
	At the beginning of the year	2898	0.05	2898	0.05
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	2898	0.05	2898	0.05

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the Directors and KMP	**No. of shares**	**% of total shares of the Company**	**No. of shares**	**% of total shares of the Company**
4.	**Prakash V. Mehta**				
	At the beginning of the year	325	0.01	325	0.01
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	325	0.01	325	0.01
5.	**Sanjiv N. Shah**				
	At the beginning of the year	4560	0.08	4560	0.08
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	4560	0.08	4560	0.08
6.	**Jairaj C. Thacker**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	Nil	Nil	Nil	Nil
7.	**Ravishanker Prasad**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	Nil	Nil	Nil	Nil
8.	**Mahnaz A. Curmally**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	Nil	Nil	Nil	Nil
9.	**Rajeshwar R. Bajaaj**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	Nil	Nil	Nil	Nil
10.	**Durgesh N. Nagarkar**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	Nil	Nil	Nil	Nil
11.	**Sandeep M. Tilak**				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change	No Change	—	—
	At the end of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4084.76	1900.00	2160.90	8145.66
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	18.69	105.04	123.73
Total (i+ii+iii)	**4084.76**	**1918.69**	**2265.94**	**8269.39**
Change in Indebtedness during the financial year				
• Addition	16569.04	23635.96	—	40205.00
• Reduction	14285.00	18518.69	2265.94	35069.63
Net Change	**2284.04**	**5117.27**	**-2265.94**	**5135.37**
Indebtedness at the end of the financial year				
i) Principal Amount	6339.93	7000.00	—	13339.93
ii Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	28.87	35.96	—	64.83
Total (i+ii+iii)	**6368.80**	**7035.96**	—	**13404.76**

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. Nikhil J. Danani (Managing Director)	Mr. Nakul P. Mehta (Managing Director)	Mr. Shome N. Danani (Executive Director)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,00,000	60,00,000	39,00,000	1,59,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	61,06,620	61,06,620	48,75,000	1,70,88,240
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission	—	—	—	—
	– as % of profit	—	—	—	—
	– others, specify	—	—	—	—
5.	Others, please specify	—	—	—	—
	Total (A)	**1,21,06,620**	**1,21,06,620**	**87,75,000**	**3,29,88,240**
	Ceiling as per the Act	1,21,06,620	1,21,06,620	1,20,07,234	3,62,20,474

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Prakash V. Mehta	Mr. Sanjiv N. Shah	Mr. Jairaj C. Thacker	Mr. Rajeshwar R. Bajaaj	
	1. Independent Directors					
	• Fee for attending board/ committee meetings	2,75,000	2,55,000	70,000	1,05,000	7,05,000
	• Commission	—	—	—	—	—
	• Others, please specify	—	—	—	—	—
	Total (1)	**2,75,000**	**2,55,000**	**70,000**	**1,05,000**	**7,05,000**
	2. Other Non-Executive Directors	**Mr. Ravishanker Prasad**	**Ms. Mahnaz A. Curmally**			
	• Fee for attending board/ committee meetings	65,000	80,000	—	—	1,45,000
	• Commission	—	—	—	—	—
	• Others, please specify	—	—	—	—	—
	Total (2)	**65,000**	**80,000**	—	—	**1,45,000**
	Total (B)=(1+2)					**8,50,000**
	Total Managerial Remuneration					**3,38,38,240**
	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		
		Company Secretary	CFO	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27,07,546	52,22,273	79,29,819
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,23,500	14,549	2,38,049
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	– as % of profit	—	—	—
	– others, specify	—	—	—
5.	Others, please specify	—	—	—
	Total	**29,31,046**	**52,36,822**	**81,67,868**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishments, compounding of offences for the financial year ended March 31, 2015.

ANNEXURE IV

DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) Conservation of energy:

1) Steps taken or impact on conservation of energy:
   - Maintaining power factor 0.99 resulted in savings of ₹ **30.92** Lacs/annum in energy bill.
   - Installed 25 Nos. Magnetic induction lamp of 150 W in place of 250 W Metal Halide lamps in T2 plant. (Savings ₹ **0.50** Lac/annum).
   - Replaced conventional reciprocating compressor of chilling plant by lobe (screw) compressor resulted in 20% savings (₹ **2.80** Lacs/annum).
   - Installed timer circuit to switch off the fans and tube lights on shop floor during different break times.
   - Motion sensor installed on painting booths.
   - Induction bearing heater replaced with concentional hydraulic press and oven.
2) Steps taken by the company for utilizing alternate sources of energy:
   - Converted strips drying plant from electric heating to thermo Pac heating through PNG. Resulted in Savings of ₹ **1.50** Lacs/year.
3) Capital investment on energy conservation equipments:
   - 39 TR Chilling plant with lobe compressor in place of reciprocating compressor installed. **(₹ 6.24 Lacs)**
   - Magnetic Induction lamps 25 Nos. procured. **(₹ 2.65 Lacs)**
   - ₹ **6.5 Lacs** in Motor Department

(B) Technology absorption

1) Efforts made towards technology absorption
   - Induction bearing heater replaced with conventional hydraulic press.
   - 3 No Dry type painting booth installed in motor plant.
   - Emergency response siren installed in motor plant.
   - Infrared light drying oven introduced for motor paint drying.
   - 2 No of HV tester (PLC based) installed in motor assembly.
2) Benefits derived like product improvement, cost reduction, product development or import substitution
   - Quality improvement.
   - Better pollution control.
   - Equipment availability improved.
   - Conservation of energy.
3) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
   - Details of technology imported : NA
   - Year of import: NA
   - Whether the technology has been fully absorbed: NA
   - If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA
   - Expenditure incurred on Research and Development: NA

(C) Foreign exchange earnings and outgo:

	1st April, 2014 to 31st March, 2015 [Current F.Y.] Amount (₹ in Lakhs)	1st April, 2013 to 31st March, 2014 [Previous F.Y.] Amount (₹ in Lakhs)
Actual Foreign Exchange earnings	**3990.52**	1102.93
Actual Foreign Exchange outgo	**3505.39**	2676.20

SECRETARIAL AUDIT REPORT
FORM NO. MR-3
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Bharat Bijlee Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bharat Bijlee 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 March 31, 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 March 31, 2015 according to the provisions of:

(1) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment; **not applicable**

(5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **not applicable**

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **not applicable**

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **not applicable**

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **not applicable**

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **not applicable**

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **not applicable**

(6) Other Laws applicable to the Company:

   1. Factories Act, 1948 and Rules made thereunder
   2. Industrial Employment (Standing Orders) Act, 1946 & Rules 1957
   3. Payment of Bonus Act, 1965 & Rules, 1965
   4. Maternity Benefit Act, 1961 & Rules
   5. Employees Compensation Act, 1923 & Rules

6. Minimum Wages Act, 1948, M.W(C) Rules, 1950
7. Child Labour (P&R) Act, 1986 & Rules
8. Air (Prevention and Control of Pollution) Act, 1981
9. Water (Prevention and Control of Pollution) Act, 1974
10. The Noise (Regulation and Control) Rules, 2000
11. The Environment (Protection) Act, 1986
12. Payment of Wages Act, 1936
13. Employees State Insurance Act, 1948
14. Employees PF & Miscellaneous Provisions Act, 1952
15. Contract Labour (Regulation & Abolition) Act, 1970
16. Payment of Gratuity Act, 1972
17. Industrial Disputes Act, 1947
18. Indian Contract Act, 1872
19. The States Shops and Establishment Act
20. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
21. Tax Laws

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

However, the Company has not spent the prescribed threshold of 2% of its average net profits for the last three financial years (as calculated in accordance with the Companies Act, 2013) towards Corporate Social Responsibility.

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. All the decisions have been taken unanimously both in Board and Shareholder meeting and no dissent recorded.

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.

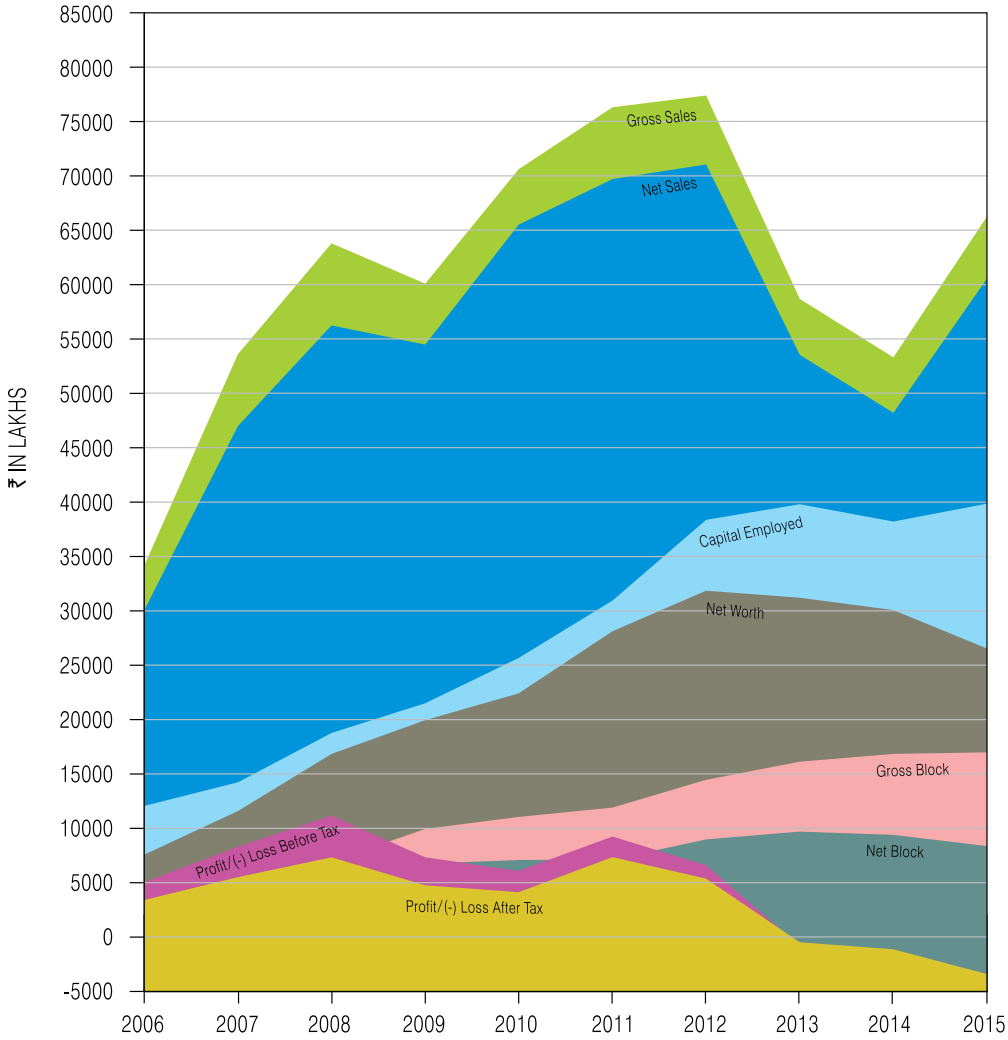
We further report that Members in pursuance to Section 180 of the Companies Act, 2013 approved the Borrowing Limit of ₹ 650 Crores (Rupees Six Hundred and Fifty Crores only) at the Sixty-Seventh Annual General Meeting held on September 11, 2014.

Place: Mumbai
Date: June 18, 2015

For **N L Bhatia & Associates**
(S1996MH016600)

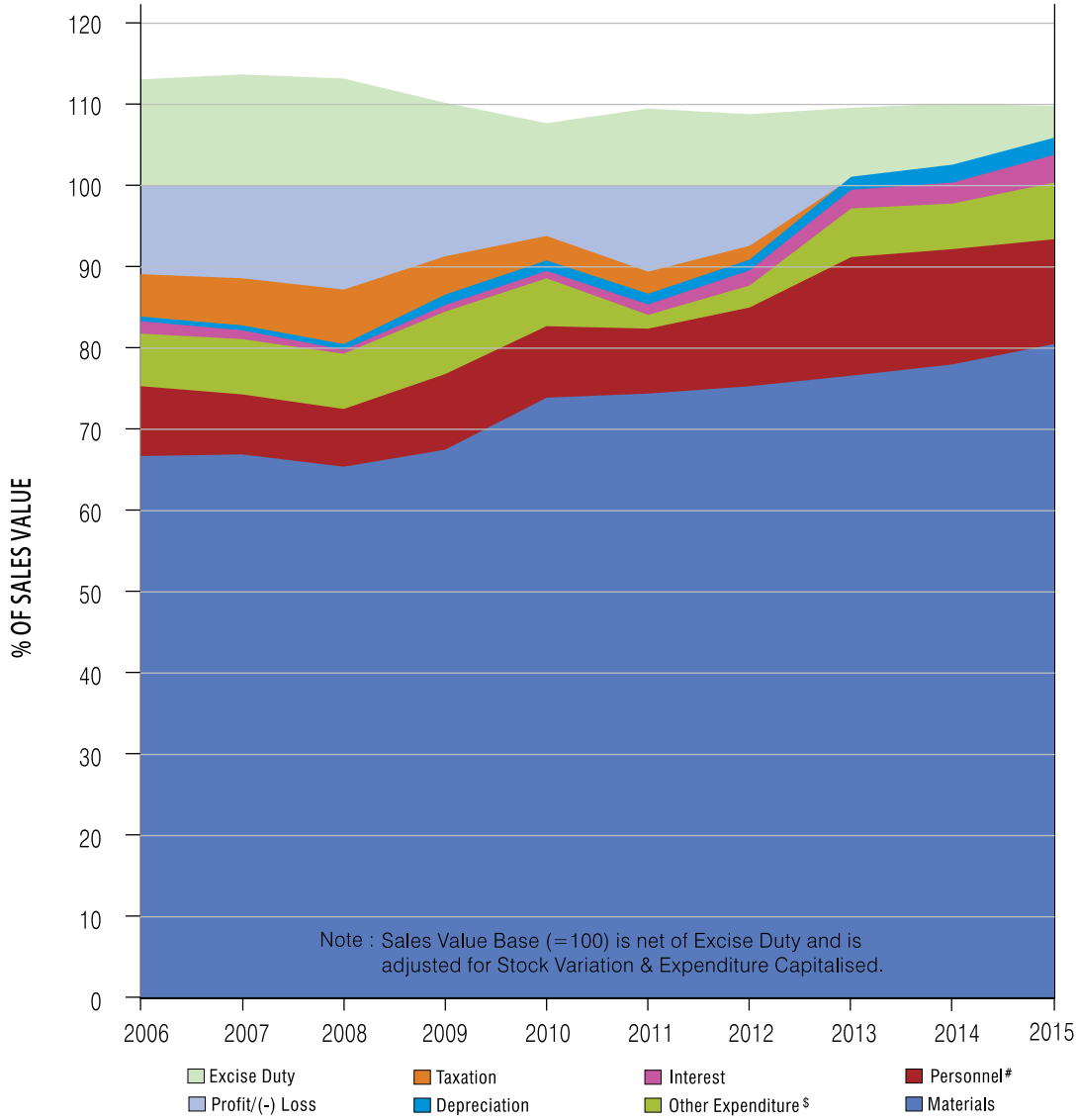
N L Bhatia
Managing Partner
FCS No. 1176
CP No. 422

BUSINESS TRENDS



Particulars	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Gross Sales	34173	53601	63790	60077	70609	76299	77385	58683	53306	66262
Net Sales	30078	46986	56240	54470	65514	69704	71051	53534	48205	60562
Cptl. Empld.	12061	14226	18776	21507	25668	30951	38375	39807	38224	39875
Net Worth	7585	11584	16850	19950	22424	28135	31860	31208	30078	26535
Gross Block	5075	5607	6940	9941	11043	11913	14465	16127	16845	16986
Net Block	2938	3383	4403	6752	7094	7124	8989	9688	9400	8370
Profit/(–) Loss Before Tax	5030	8320	11169	7342	6096	9233	6603	(-819)	(-1342)	(-3443)
Profit/(–) Loss After Tax	3368	5508	7249	4753	4122	7353	5367	(-478)	(-1130)	(-3405)

COST TRENDS



Particulars	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Excise Duty	13.1	13.7	13.2	10.2	7.7	9.5	8.8	9.6	10.1	9.8
Profit/(–) Loss	10.9	11.4	12.8	8.7	6.2	10.6	7.4	–0.9	–2.2	–5.9
Taxation	5.2	5.8	6.7	4.7	3.0	2.7	1.7	–0.6	–0.4	–0.1
Depreciation	0.6	0.6	0.7	1.3	1.3	1.3	1.3	2.0	2.2	2.1
Interest	1.5	1.1	0.5	0.8	0.9	1.3	1.9	2.3	2.6	3.4
Other Exp. $	6.5	6.8	6.8	7.7	6.5	1.7	2.7	6.0	5.6	7.0
Personnel #	8.6	7.4	7.1	9.3	8.2	8.0	9.7	12.6	14.2	12.9
Materials	66.7	66.9	65.4	67.5	73.9	74.4	75.3	78.6	78.0	80.5

$ Other Expenditure is adjusted for Other Income and Exceptional Income.

Personnel cost is adjusted for Expenditure on VRS writte off and Provision for Gratuity.

TEN YEARS FINANCIAL DATA

(₹ in lakhs)

Period ended	**March 2015**	March 2014	March 2013	March 2012	March 2011	March 2010	March 2009	March 2008	March 2007	March 2006
SALES & EARNINGS										
Sales	**66262.36**	53305.60	58682.72	77384.76	76299.48	70608.64	60077.08	63789.81	53600.79	34173.42
Profit/(–) Loss Before Taxes	**(-3443.14)**	(-1342.12)	(-819.33)	6602.51	9232.85	6095.96	7341.95	11168.72	8320.20	5029.64
Profit/(–) Loss After Taxes Net of Adjustments	**(-3443.14)**	(-1197.92)	(-489.50)	5367.23	7352.53	4122.35	4752.79	7249.18	5508.05	3367.98
Dividends	**—**	—	141.29	1412.89	1412.89	1412.89	1412.89	1695.47	1412.89	762.96
Earnings Per Share (₹)	**(-60.25)**	(-19.98)	(-8.61)	94.97	130.10	72.94	84.10	128.27	97.46	59.59
Equity Dividend Rate (₹ Per Share)	**—**	—	2.50	25.00	25.00	25.00	25.00	30.00	25.00	13.50
Net Worth Per Share (₹)	**469.52**	532.21	552.20	563.74	497.82	396.78	352.99	298.14	204.97	134.21
Debt Equity Ratios+	**0.01:1**	0.04:1	0.05:1	0.04:1	0.07:1	0.08:1	0.06:1	0.11:1	0.16:1	0.26:1

+ Debt = Loan Funds less cash credit & Short-Term Loans from Banks; Equity = Shareholders' Funds

INDEPENDENT AUDITOR'S REPORT

To The Members of Bharat Bijlee Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.

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

7. 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

8. 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 loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books

and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. 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 the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

    (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 the best of our knowledge and belief and according to the information and explanations given to us:

        (i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2015 on its financial position in its standalone financial statements – Refer Note 31.

        (ii) The Company has made provision as at March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts – Refer Note 12.

        (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For Dalal & Shah
Firm Registration Number 102021W
Chartered Accountants

Sunder V. Iyer
Partner
Membership Number 048393

Mumbai,
May 15, 2015

Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Bharat Bijlee Limited on the financial statements as of and for the year ended March 31, 2015

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

ii. (a) The inventory excluding stocks with third parties has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii) (a) and (iii) (b) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

vi. The Central Government of India 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.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the 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 and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax, service-tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of customs,

duty of excise and value added tax as at March 31, 2015 which have not been deposited on account of a dispute are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act	Duty of Excise	142.79	1986-1995	Supreme Court
Central Excise Act	Duty of Excise	72.75	1998-2002 and 2003-2004	Central Excise and Service Tax Appellate Tribunal
Local Sales Tax	Local Sales Tax (including Value Added Tax, Works Contract Tax etc.)	159.59	2007-2012	Commissioner Appeals - Sales Tax
Local Sales Tax	Works Contract Tax	45.49	2002 to 2004	High Court
Customs Act	Duty of Customs	180.83	1996-1999	Supreme Court

(c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.

viii. The Company has no accumulated losses as at the end of the financial year and it has incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.

ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date. The Company has not issued any debentures as at the balance sheet date.

x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.

xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.

xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Dalal & Shah
Firm Registration Number 102021W
Chartered Accountants

Sunder V. Iyer
Partner
Membership Number 048393

Mumbai,
May 15, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

	Note	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES:			
SHAREHOLDERS' FUNDS:			
Share Capital	3	**565.16**	565.16
Reserves and Surplus	4	**25969.94**	29513.27
		26535.10	30078.43
NON-CURRENT LIABILITIES:			
Long-term borrowings	5	**–**	1124.05
Deferred Tax Liability (Net)	6	**–**	–
Other Long-term liabilities	7	**103.80**	98.93
Long-term provisions	8	**252.68**	280.69
		356.48	1503.67
CURRENT LIABILITIES:			
Short-term borrowings	9	**13339.93**	5984.76
Trade payables	10	**15480.59**	14452.78
Other current liabilities	11	**3329.09**	4674.26
Short-term provisions	12	**890.56**	870.96
		33040.17	25982.76
Total		**59931.75**	57564.86
ASSETS:			
NON-CURRENT ASSETS:			
Fixed Assets	13		
Tangible assets		**8325.61**	9335.76
Intangible assets		**44.49**	64.70
		8370.10	9400.46
Capital Work-in-Progress		**51.87**	65.65
Non-current investments	14	**811.67**	402.33
Long-term loans and advances	15	**12061.36**	2435.65
Other non-current assets	16	**288.20**	13.61
		21583.20	12317.70
CURRENT ASSETS:			
Current investments	17	**–**	825.34
Inventories	18	**9111.94**	12170.47
Trade receivables	19	**21230.48**	15820.39
Cash and bank balances	20	**2207.33**	592.36
Short-term loans and advances	21	**5583.57**	14589.49
Other current assets	22	**215.23**	1249.11
		38348.55	45247.16
Total		**59931.75**	57564.86
General Information	1		
Significant Accounting Policies	2		

The Notes are an integral part of these financial statements

As per our report of even date.
For DALAL & SHAH,
Firm Registration No. 102021W
Chartered Accountants,

Sunder V. Iyer
Partner
Membership No. 048393

D. N. Nagarkar
Company Secretary & Senior General Manager : Legal

S. M. Tilak
Vice President : Finance and Corporate Strategy

Mumbai, 15th May, 2015

Nikhil J. Danani
Nakul P. Mehta
} Vice Chairman & Managing Directors

Shome N. Danani — Executive Director

Mumbai, 15th May, 2015

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

	Note	**Year ended 31st March, 2015**	Year ended 31st March, 2014
REVENUE:			
Gross Revenue From Operations	23	**66788.90**	53748.76
Less: Excise Duty		**5700.20**	5100.61
Net Revenue From Operations		**61088.70**	48648.15
OTHER INCOME	24	**1818.04**	1814.98
TOTAL REVENUE		**62906.74**	50463.13
EXPENSES:			
Cost of materials consumed	25	**44275.37**	37375.59
Purchases of stock in trade	26	**2503.48**	1936.51
Changes in inventories	27	**2477.85**	(2163.35)
Employee benefits	28	**7505.77**	7155.96
Finance costs	29	**1995.05**	1309.55
Depreciation and amortisation expense	13	**1194.34**	1094.07
Other expenses	30	**6398.02**	5096.92
TOTAL EXPENSES		**66349.88**	51805.25
(LOSS) BEFORE TAX		**(3443.14)**	(1342.12)
TAX EXPENSE			
Current Tax		**–**	–
Deferred Tax Charge/(Credit)		**–**	(144.20)
		–	(144.20)
		(3443.14)	(1197.92)
(Excess)Provision for Tax for earlier years		**(38.19)**	(68.53)
(LOSS) AFTER TAX		**(3404.95)**	(1129.39)
Basic and diluted (loss) per share (in ₹)	43		
[nominal value ₹ 10 per share]		**(60.25)**	(19.98)

The Notes are an integral part of these financial statements

As per our report of even date.
For DALAL & SHAH,
Firm Registration No. 102021W
Chartered Accountants,

Sunder V. Iyer
Partner
Membership No. 048393

D. N. Nagarkar
Company Secretary & Senior General Manager : Legal

S. M. Tilak
Vice President : Finance and Corporate Strategy

Mumbai, 15th May, 2015

Nikhil J. Danani
Nakul P. Mehta
} Vice Chairman & Managing Directors

Shome N. Danani — Executive Director

Mumbai, 15th May, 2015

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

		Year ended 31st March, 2015		Year ended 31st March, 2014	
A. CASH FLOW FROM OPERATING ACTIVITIES					
(Loss) before Taxation			**(3443.14)**		(1342.12)
Adjustments for:					
Depreciation and amortisation		**1194.34**		1094.07	
Loss/(Profit) on sale of Fixed Assets (net)		**2.49**		(0.77)	
Profit on redemption of current investments		**(141.87)**		(112.84)	
Finance Cost		**1995.05**		1309.55	
Interest Income		**(1315.00)**		(1300.45)	
Dividend Income		**(214.61)**		(175.54)	
Unrealised exchange (gain)/loss (net)		**8.22**		(6.30)	
			1528.62		807.72
Operating Profit/(Loss) Before Working Capital changes			**(1914.52)**		(534.40)
Changes in Working Capital :					
Increase/(Decrease) in trade payable			**999.64**		641.24
Increase/(Decrease) in provisions			**(8.41)**		(398.05)
Increase/(Decrease) in other current liabilities			**(246.35)**		218.87
Increase/(Decrease) in other long-term liabilities			**4.87**		(5.47)
(Increase)/Decrease in trade receivables			**(5419.62)**		3033.10
(Increase)/Decrease in inventories			**3058.53**		(2646.73)
(Increase)/Decrease in loans and advances			**(571.47)**		8.79
(Increase)/Decrease in other current assets			**78.48**		376.54
(Increase)/Decrease in other non-current assets			**(2.74)**		68.28
			(2107.07)		1296.57
Cash generated from Operations			**(4021.59)**		762.17
Direct Taxes paid			**(46.39)**		(170.09)
Net Cash inflow/(outflow) from Operating Activities	**(A)**		**(4067.98)**		592.08
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets		**(268.22)**		(549.85)	
Proceeds from Sale of Fixed Assets		**10.74**		9.71	
Proceeds from Sale of Long Term Investments		**1.00**		–	
Proceeds from Sale/(Purchase) of Current Investments (net)		**556.87**		1288.59	
Inter Corporate Deposits (given)/redeemed (net)		**42.45**		(847.53)	
(Increase)/Decrease in other bank balance (net)		**2.32**		8.13	
Fixed Deposit with Banks (placed)/matured		**(1595.28)**		95.00	
Interest received		**1998.55**		932.91	
Dividend received		**204.31**		175.54	
Net Cash inflow/(outflow) from Investing Activities	**(B)**		**952.74**		1112.50
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds/(Repayment) of Fixed Deposits (net)		**(2153.66)**		208.49	
Proceeds/(Repayment) of Short Term Loans from Banks (net)		**7355.17**		(519.97)	
Interest paid		**(2053.95)**		(1278.80)	
Unclaimed/Dividend including Dividend Distribution Tax paid		**(10.31)**		(171.12)	
Net Cash inflow/(outflow) from Financing Activities	**(C)**		**3137.25**		(1761.40)
	(A+B+C)		**22.01**		(56.82)
Net decrease in Cash and Cash equivalents			**22.01**		(56.82)
Cash and Cash equivalents at the beginning of the year			**448.53**		505.35
Cash and Cash equivalents at the end of the year (Refer Note No. 20)			**470.54**		448.53

The Notes are an integral part of these financial statements

As per our report of even date.
For DALAL & SHAH,
Firm Registration No. 102021W
Chartered Accountants,

Sunder V. Iyer
Partner
Membership No. 048393

D. N. Nagarkar
Company Secretary & Senior General Manager : Legal

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Nikhil J. Danani
Nakul P. Mehta
} Vice Chairman & Managing Directors

Shome N. Danani — Executive Director

Mumbai, 15th May, 2015

Mumbai, 15th May, 2015

NOTES TO THE FINANCIAL STATEMENTS

Notes

1 GENERAL INFORMATION

Bharat Bijlee Limited is one of the leaders in the electrical engineering industry in India. A multi-product, multi-divisional organisation, its main products are transformers, projects, electric motors, elevator systems and drives. The Company has a well established all-India marketing network that ensures responsive pre and after sales service.

2 SIGNIFICANT ACCOUNTING POLICIES

2.01 Basis of Presentation:

a) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current-non current classification of assets and liabilities.

b) The preparation of accounting statements in conformity with GAAP requires the management to make assumption and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statement and the amounts of income and expenses during the period reported under the financial statements. Any revision to the accounting estimates are recognised prospectively when revised.

2.02 Revenue Recognition:

a) Revenue from sale of products are recognised on transfer of all significant risk and rewards of ownership of the product on to the customers, which is generally on despatch of goods.

b) Revenue from Construction Contracts is recognised based on the stage of completion determined with reference to the costs incurred on contracts and the estimated total costs. When it is estimated that the total contract cost will exceed total contract revenue, expected loss is recognised as an expense immediately. Total contract cost is determined based on the technical and other assessment of cost to be incurred.

c) Revenue from sale of products and construction contracts are stated exclusive of Value Added Tax/Sales Tax, Returns and Trade discounts for the year.

d) Service income is recognised, net of service tax, when the related services are provided.

2.03 Other Income:

a) Dividend income is recognised on establishment of the right to receive the same.

b) Interest income is recognised on the time proportion basis.

c) Insurance and other claims are accounted as and when unconditionally admitted by the appropriate authorities.

d) Eligible export incentives are recognised in the year of export.

2.04 Tangible Fixed Assets and Depreciation:

Tangible Fixed assets are stated at historical cost net of Cenvat, other setoffs and accumulated depreciation.

Consequent to the enactment of the Companies Act, 2013 ('the Act') and its applicability for the accounting periods commencing from 1st April, 2014 the Company has adopted the useful life of assets as prescribed in Schedule II of the Act. Depreciation is provided on pro-rata basis on the straight line method over the useful life of assets. In case of assets acquired prior to 1st April, 2014 the carrying value (net of residual value) is depreciated over remaining useful life determined based on above.

Leasehold land is stated at historical cost less amounts written off proportionate to expired lease period.

Spares in the nature of capital spares/insurance spares are added to the cost of the assets. The total cost of such spares is depreciated over a period not exceeding the useful life of the fixed asset to which they relate.

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.)

2.05 Intangible Fixed Assets:

a) Expenditure on technical know-how is amortised over the lower of the contract period and the period as per Accounting Standard (AS) 26 - Intangible Assets.

b) Expenditure on application software is amortised over a period of three years.

2.06 Investments:

Long term investments are carried at cost of acquisition. Provision for diminution in value of investments is made to recognise a decline, other than temporary, in the value of long term investments. Current investments are carried at lower of cost and fair value.

2.07 Inventories:

Inventories are valued at the lower of cost and net realisable value.

Cost of raw materials and components, packing materials, stores, spare parts and traded finished goods are determined on the basis of weighted average method.

Cost of materials in transit and materials in bonded warehouse are determined at cost-to-date.

Cost of work-in-progress and manufactured finished goods comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Excise duty is included in the value of finished goods inventory and Custom duty is provided on the materials lying in bonded warehouse.

2.08 Foreign Currency Transactions:

(i) Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

(ii) Forward Exchange Contracts: The premium or discount arising at the inception of Forward Exchange Contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognised as income or as expense for the period.

Forward exchange contracts outstanding as at the year end on account of firm commitment/highly probable forecast transactions are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of Institute of Chartered Accountants of India on 'Accounting for Derivatives' issued in March, 2008.

2.09 Employee Benefits:

A. Short Term Employee Benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

B. Retirement Benefits:

a) Retirement benefits in the form of Provident Fund/Family Pension Fund and Superannuation Fund, which are Defined Contribution Plans, are accounted on accrual basis and charged to the Statement of Profit and Loss of the year.

b) Retirement benefits in the form of Gratuity which is a defined benefit plan and the long term employee benefit in the form of Leave Encashment, are determined and accrued on the basis of an independent actuarial valuation applying the Projected Unit Credit Method.

c) The actuarial gains/losses arising during the year are recognised in the Statement of Profit and Loss of the year.

2.10 Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.)

2.11 Taxation:

Current Tax is determined at the amount of tax payable at the applicable tax rate in respect of the estimated taxable income for the year.

Deferred Tax is determined using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets are recognised and carried forward only if there is reasonable certainty of its realisation. However, in case of carried forward losses and unabsorbed depreciation under the Income Tax Act, 1961, the Deferred Tax Asset is recognised if and only if there is a virtual certainty backed by convincing evidence of its realisation. Such assets are reviewed at each Balance Sheet date to reassess its realisation.

Current Tax Assets and Current Tax Liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the asset and liability on a net basis. Deferred Tax Assets and Deferred Tax Liability are offset when they relate to the same governing taxation laws.

Minimum Alternative Tax (MAT) Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit/asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

2.12 Leases:

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

2.13 Impairment of Assets:

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

2.14 Provisions and Contingent Liabilities:

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.15 Cash and cash equivalents:

Cash and cash equivalents include cash, cheques on hand, cash at bank and short term deposits with banks having maturity of three months or less.

2.16 Earnings per Share:

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

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.)

		As at 31st March, 2015	As at 31st March, 2014
3. Share Capital			
Authorised:			
2,00,000 (Previous Year – 2,00,000)	12% Non-Convertible Redeemable Cumulative Preference Shares of ₹ 100 each	**200.00**	200.00
80,00,000 (Previous Year – 80,00,000)	Equity Shares of ₹ 10 each	**800.00**	800.00
		1000.00	1000.00
Issued and Subscribed and fully paid-up shares			
56,51,560 (Previous Year – 56,51,560)	Equity Shares of ₹ 10 each	**565.16**	565.16
		565.16	565.16

(a) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

		No of Shares (% of holding)	No of Shares (% of holding)
1.	Life Insurance Corporation of India	**487901 (8.63)**	507815 (8.99)
2.	Danmet Chemicals Pvt. Ltd.	**459777 (8.14)**	459777 (8.14)
3.	Gayatri Education Medical & Research Foundation Pvt. Ltd.	**450165 (7.97)**	450165 (7.97)

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in an Annual General Meeting, 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 all preferential amounts, in proportion to their shareholding.

4. Reserves and Surplus		
General Reserve		
Balance as at the beginning of the year	**24471.37**	24471.37
Balance as at the end of the year	**24471.37**	24471.37
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	**5041.90**	6171.29
Less: Depreciation adjustment (Refer Footnote under Note 13)	**138.38**	–
	4903.52	6171.29
Add: (Loss) for the year	**(3404.95)**	(1129.39)
Balance as at the end of the year	**1498.57**	5041.90
	25969.94	29513.27

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.)

	As at 31st March, 2015	As at 31st March, 2014
5. Long-term borrowings		
Unsecured:		
Fixed Deposits		
– From Related Party	**–**	32.50
– From Public	**–**	1091.55
	–	1124.05
6. Deferred Tax Liability (Net)		
Deferred Tax Liability		
Depreciation	**945.49**	1179.58
Deferred Tax Asset		
Provision for doubtful debt	**251.31**	239.01
U/s 43B of the Income Tax Act, 1961	**209.03**	227.91
Provision for Contracts	**43.15**	81.39
Unabsorbed Depreciation	**442.00**	631.27
	945.49	1179.58
	–	–
7. Other Long-term liabilities		
Deposits from Vendors, Dealers	**103.80**	98.93
	103.80	98.93
8. Long-term provisions		
Employee benefits:		
Provision for Gratuity (Refer Note No. 39)	**137.98**	165.99
Others (Refer Note No. 44)	**114.70**	114.70
	252.68	280.69
9. Short-term borrowings		
Secured:		
Working Capital Facilities from Banks repayable on demand	**6339.93**	4084.76
	6339.93	4084.76
Secured by hypothecation of all tangible moveable assets including stock of Raw Materials and Components, Stores, Spares, Fuel, Work-in-Progress, Finished Goods, Stock-in-trade and Book Debts. The oral equitable mortgage, ranking second and subservient to mortgages created, on immovable properties excluding vacant land at Company's Kalwe factory is in the process of being satisfied as the same has been waived by the banks.		
Unsecured:		
Short Term Loans from Banks	**7000.00**	1900.00
	7000.00	1900.00
	13339.93	5984.76

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.)

	As at 31st March, 2015	As at 31st March, 2014
10. Trade payables		
Acceptances	**5797.89**	5207.19
Due to Micro and Small Enterprises	**–**	–
Due to creditors other than Micro and Small Enterprises	**9682.70**	9245.59
	15480.59	14452.78

(a) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

There are no Micro and Small Enterprises to whom the Company owes dues which are outstanding for more than 45 days as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company which has been relied upon by the auditors.

(b) Disclosure in accordance with Section 22 of the Act read with Notification No. GSR 719(E) dated 16th November, 2007 issued by the Ministry of Corporate Affairs :

Principal amount remaining unpaid and interest due thereon	**–**	–
Interest paid in terms of Section 16	**–**	–
Interest paid, other than under Section 16	**–**	–
Interest due and payable for the period of delay in payment	**–**	–
Interest accrued and remaining unpaid	**–**	–

11. Other current liabilities:		
Current maturities of long term fixed deposits referred to in Note 5	**–**	1036.85
Interest accrued but not due on borrowings	**64.83**	123.73
Unclaimed dividends*	**47.80**	58.11
Unclaimed matured deposits and interest accrued thereon*	**21.44**	14.20
Other payables:		
Advances from Customers	**963.37**	1066.18
Employee Benefits	**596.11**	968.95
Project Amount due to customers (Refer Note No. 38)	**31.78**	9.98
Statutory dues	**590.43**	627.25
Others	**1013.33**	769.01
	3329.09	4674.26

* As at the year end there is no amount due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956.

Section 125 of Companies Act, 2013 which corresponds to Section 205 C of Companies Act,1956 has not yet been enforced.

12. Short-term provisions:		
Employee benefits:		
Provision for Leave Entitlement	**496.86**	462.93
Others		
Provision for Warranty Costs (Refer Note No. 44)	**254.06**	187.64
Provision for Contracts	**139.64**	220.39
	890.56	870.96

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.)

13. Fixed Assets:

Description of Assets	GROSS BLOCK (AT COST)				DEPRECIATION/AMORTISATION/ADJUSTMENT					NET BLOCK	
	As At 01.04.2014	**Additions**	**Deductions**	**As At 31.03.2015**	As At 01.04.2014	**Adjustment (refer Footnote)**	**For the year (refer Footnote)**	**On Deductions**	**As At 31.03.2015**	**As At 31.03.2015**	As At 31.03.2014
TANGIBLE ASSETS											
Leasehold Land	12.95	–	–	**12.95**	7.29	–	**0.12**	–	**7.41**	**5.54**	5.66
Buildings Incl. Roads+	3792.85	**18.54**	–	**3811.39**	821.61	**25.53**	**109.38**	–	**956.52**	**2854.87**	2971.24
Plant and Machinery	10806.48	**222.22**	**161.47**	**10867.23**	4795.25	**65.09**	**946.43**	**149.15**	**5657.62**	**5209.61**	6011.23
Furniture and Fixtures	345.13	**11.66**	**4.18**	**352.61**	160.31	**0.20**	**31.52**	**3.89**	**188.14**	**164.47**	184.82
Office Equipment	346.19	**27.57**	**8.02**	**365.74**	191.96	**46.12**	**47.62**	**7.40**	**278.30**	**87.44**	154.23
Motor Vehicles	46.46	–	–	**46.46**	37.88	**1.44**	**3.46**	–	**42.78**	**3.68**	8.58
SUB-TOTAL - A	15350.06	**279.99**	**173.67**	**15456.38**	6014.30	**138.38**	**1138.53**	**160.44**	**7130.77**	**8325.61**	9335.76
Previous Year's Sub-Total	14694.95	753.11	98.00	15350.06	5183.49	–	919.87	89.06	6014.30	9335.76	
INTANGIBLE ASSETS											
Application Software	1422.62	**35.60**	–	**1458.22**	1357.92	–	**55.81**	–	**1413.73**	**44.49**	64.70
Technical Know-how	71.89	–	–	**71.89**	71.89	–	–	–	**71.89**	–	–
SUB-TOTAL - B	1494.51	**35.60**	–	**1530.11**	1429.81	–	**55.81**	–	**1485.62**	**44.49**	64.70
Previous Year's Sub-Total	1432.24	62.27	–	1494.51	1255.61	–	174.20	–	1429.81	64.70	–
TOTAL A+B	**16844.57**	**315.59**	**173.67**	**16986.49**	**7444.11**	**138.38**	**1194.34**	**160.44**	**8616.39**	**8370.10**	–
Previous Year's Total	16127.19	815.38	98.00	16844.57	6439.10	–	1094.07	89.06	7444.11	9400.46	

+ Includes ₹ 11,850 (Previous Year – ₹ 11,850) being the value of 231 (Previous Year – 231) shares in Co-operative Societies for owned premises.

Footnote:

Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing after April 01, 2014, the Company has re-worked depreciation with reference to the estimated economic lives of fixed assets prescribed by Schedule II to the Act. In case of assets which have completed their useful life, the carrying value (net of residual value) as at April 01, 2014 amounting to ₹ 138.38 lakhs has been adjusted against surplus in the statement of profit and loss as of April 01, 2014 and in other cases the carrying value has been depreciated over the revised remaining useful life. Consequently, the charge for depreciation for the year ended March 31, 2015 is higher by ₹ 321.06 lakhs.

14. Non-current Investments

		As at 31st March, 2015	As at 31st March, 2014
Non Trade – at cost			
Quoted:			
(All fully paid-up)			
Equity			
21,38,160	Equity Shares of ₹ 2 each of Siemens India Ltd.	**162.57**	162.57
5,14,900	Equity Shares of ₹ 2 each of HDFC Ltd.	**13.52**	13.52
79,105	Equity Shares of ₹ 2 each of ICICI Bank Ltd. (Previous Year – 15821 equity shares of ₹ 10 each)	**6.16**	6.16
3,33,333	Equity Shares of ₹ 10 each of Hindustan Oil Exploration Co. Ltd.	**216.50**	216.50
2,500	Equity Shares of ₹ 2 each of HDFC Bank Ltd.	**0.05**	0.05
5,400	Equity Shares of ₹ 10 each of Bank of India	**2.43**	2.43
		401.23	401.23
Units in Mutual Funds:			
41,03,418	(Previous Year – 41,03,418) of ICICI Prudential - FMP Series 68 - 369 Days Plan K Regular Plan Cumulative (NAV - ₹ 482.52 lakhs, Previous Year – ₹ 437.84 lakhs)	**410.34**	–
		410.34	–
		811.57	401.23

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.)

	As at 31st March, 2015	As at 31st March, 2014
14. Non-current Investments (Contd.)		
Unquoted:		
(All fully paid-up)		
1,000 Equity Shares of ₹ 10 each of Saraswat Co-operative Bank Ltd.	**0.10**	0.10
– Equity Shares of ₹ 10 each of NKGSB Co-operative Bank Ltd. (Previous Year – 10,000 Equity Shares of ₹ 10 each)	**–**	1.00
	0.10	1.10
	811.67	402.33
Aggregate Amount of Investments		
Quoted:		
Equity		
Book value	**401.23**	401.23
Market value	**36983.24**	21459.61
Mutual Funds		
Book value	**410.34**	–
Market value	**482.52**	–
Unquoted:		
Book value	**0.10**	1.10
15. Long-term Loans and Advances		
Unsecured, considered good		
Capital Advances	**11.20**	15.31
Security Deposits	**185.49**	220.97
(including National Savings Certificates of the face value of ₹ 0.36 lakhs matured but not encashed deposited with Government Departments and Semi Government – Previous Year – ₹ 0.36 lakhs)		
Other Loans and Advances		
Corporate Deposit	**9340.67**	–
Employee Loans and Advances	**16.07**	17.17
Advances to Vendors	**18.99**	32.94
Sales Tax and Excise Refund Receivable including TDS on WCT	**1566.48**	1316.02
Advance payments of tax and tax deducted at source (net of provision ₹ 17.87 lakhs, Previous Year - ₹ 1347.91 lakhs)	**696.52**	642.71
Prepaid Expenses	**9.45**	12.10
MAT Entitlement	**155.49**	118.43
Other Deposits	**61.00**	60.00
	12061.36	2435.65
16. Other non-current Assets		
Long Term Trade Receivables		
Unsecured considered doubtful	**813.31**	703.16
Less: Provision for doubtful receivable	**813.31**	703.16
	–	–
Interest Receivable	**271.85**	–
Other Receivables	**16.35**	13.61
	288.20	13.61

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.)

	As at 31st March, 2015	As at 31st March, 2014
17. Current Investments		
Valued at the lower of cost and fair value		
Quoted:		
Units in Mutual Funds		
Current portion of Non-current Investments		
— (Previous Year 41,50,000) of HDFC FMP Series 29 - 369 Days March-2014 (1) - Regular-Growth (NAV - ₹ Nil, Previous Year – ₹ 419.30 Lakhs)	–	415.00
— (Previous Year 41,03,418) of ICICI Prudential - FMP Series 68 - 369 Days Plan K Regular Plan Cumulative (NAV - ₹ Nil, Previous Year – ₹ 437.84 lakhs)	–	410.34
	–	825.34
Aggregate Amount of Investments		
Quoted:		
Book value	–	825.34
Market value	–	857.14

18. Inventories		
Raw Materials and Components (In transit ₹ 24.33 lakhs – Previous Year – ₹ 433.70 lakhs)	**2809.32**	3333.03
Work-in-Progress	**3079.35**	4512.89
Finished Goods	**2735.32**	3761.50
Stock in Trade	**402.70**	476.76
Stores Spare Parts and Fuel	**34.83**	33.03
Consumable Tools	**17.50**	15.98
Packing Materials	**32.92**	37.28
	9111.94	12170.47

19. Trade Receivables		
Secured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	**8.88**	9.15
Others	**32.39**	30.07
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	**2390.23**	2048.80
Others	**18798.98**	13732.37
	21230.48	15820.39

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.)

	As at 31st March, 2015	As at 31st March, 2014
20. Cash and Bank balances		
Cash and Cash equivalents		
Cash on hand	**7.14**	9.38
Cheques on hand	**260.01**	81.99
Remittances in transit	**80.18**	94.16
Bank balances		
In Cash Credit Accounts	**89.60**	140.25
In Current Accounts	**33.61**	122.75
	470.54	448.53
Other bank balances		
Earmarked balances with banks		
In Current Accounts (refer footnote a)	**76.51**	78.83
In Fixed Deposits (refer footnote b)	**160.28**	65.00
Other		
Deposits with Banks with maturity period more than 12 months	**1500.00**	–
	1736.79	143.83
	2207.33	592.36

Footnotes:

(a) Balances in current accounts are earmarked towards unclaimed dividend, repayment of public deposits including interest.

(b) Balance includes fixed deposits of ₹ 160 lakhs earmarked as margin against the public deposits. The public deposit borrowings were fully repaid as at 31.03.2015. Accordingly these fixed deposits have been released from lien on its maturity since then.

21. Short-term loans and advances		
Unsecured, considered good		
Corporate Deposit	**4041.55**	13424.67
Employee Loans and Advances	**35.09**	35.02
Advances to Vendors	**115.48**	150.93
CENVAT Credit and Sales Tax Refund Receivable including TDS on WCT	**1018.61**	605.86
Advance payments of tax and tax deducted at source (net of provision ₹ 2219.90 lakhs, Previous Year – ₹ 2219.90 lakhs)	**193.62**	199.91
Prepaid Expenses	**105.56**	87.54
Others	**73.66**	85.56
	5583.57	14589.49

22. Other Current Assets		
Export Incentive	**35.44**	44.32
Interest Receivable	**104.06**	1059.46
Gross Amounts Due from Customers of Construction Contracts (Refer Note No. 38)	**63.09**	140.60
Other Receivables	**12.64**	4.73
	215.23	1249.11

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.):

REVENUE FROM OPERATIONS	Year ended 31st March, 2015	Year ended 31st March, 2014
23. Gross Revenue From Operations		
Sale of products		
Manufactured goods	**61458.45**	48894.51
Traded goods	**3214.23**	2274.07
	64672.68	51168.58
Sale of Services	**217.85**	159.10
Project Revenue	**1371.83**	1977.92
	66262.36	53305.60
Other Operating revenue		
Scrap Sales	**526.54**	443.16
	66788.90	53748.76
Less: Excise Duty	**5700.20**	5100.61
	61088.70	48648.15
Details of Sales		
Manufactured goods		
Electric Motors	**22885.98**	23740.84
Transformers	**35865.50**	23077.87
Gearless Machines for Elevators	**2327.16**	1766.54
Drive Systems	**379.81**	309.26
	61458.45	48894.51
Traded goods		
Drives	**3008.04**	2073.17
Others	**206.19**	200.90
	3214.23	2274.07
	64672.68	51168.58
24. Other Income		
Interest	**1315.00**	1300.45
Dividend Income	**214.61**	175.54
Profit on redemption of Current Investments	**141.87**	112.84
Profit on sale of Fixed Assets	**5.26**	8.10
Net gain on foreign currency transaction and translation	**107.60**	–
Provision no longer required/Credit Balances appropriated	**1.46**	64.05
Miscellaneous Income	**32.24**	154.00
	1818.04	1814.98
25. Cost of Materials Consumed		
Raw Materials and Components Consumed (Including Processing charges and Subcontracting charges)	**42873.19**	35743.53
Packing Materials Consumed	**984.10**	921.14
Project Materials Consumed	**418.08**	710.92
	44275.37	37375.59

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.):

	Year ended 31st March, 2015	Year ended 31st March, 2014
25. Cost of Materials Consumed (Contd.)		
(a) Details of materials consumed		
Laminations	**6483.11**	4233.70
Electrolytic Copper Wires, Strips	**12661.98**	10803.42
Stampings	**2192.68**	2395.03
Hardware and Components	**12872.14**	11728.58
Others	**8663.28**	6582.80
	42873.19	35743.53
(b) Value of Imported and Indigenous materials consumed		
	Amount (%)	Amount (%)
Imported	**1454.25 (3%)**	1483.40 (4%)
Indigenous	**41418.94 (97%)**	34260.13 (96%)
	42873.19	35743.53
26. Purchases of stock in Traded		
Purchases	**2503.48**	1936.51
	2503.48	1936.51
Details of stock in trade purchases		
Drives	**2307.41**	1751.81
Others	**196.07**	184.70
	2503.48	1936.51
27. Changes in Inventories		
Changes in Inventories of Finished goods, Work-in-Progress and Stock in trade		
Stock at the beginning of the year		
Work-in-Progress	**4512.89**	3215.38
Finished Goods	**3761.50**	2811.99
Stock in trade	**476.76**	503.48
	8751.15	6530.85
Stock at the end of the year		
Work-in-Progress	**3079.35**	4512.89
Finished Goods	**2735.32**	3761.50
Stock in trade	**402.70**	476.76
	6217.37	8751.15
Variation in Excise duty on Finished goods		
Excise duty on closing stock	**375.95**	431.88
Less: Excise duty on opening stock	**431.88**	374.93
	(55.93)	56.95
	2477.85	(2163.35)
28. Employee Benefits		
Salaries and Wages	**6095.19**	5866.44
Workmen and Staff Welfare Expenses	**1060.98**	998.49
Contribution to and provision for Provident and Other Funds	**349.60**	291.03
	7505.77	7155.96

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.):

		Year ended 31st March, 2015	Year ended 31st March, 2014
29. Finance Costs			
Interest expense		**1910.19**	1141.69
Discounting Charges		**69.68**	46.10
Net (gain)/loss on foreign currency transaction and translation adjusted to interest cost		**15.18**	121.76
		1995.05	1309.55
30. Other Expenses:			
Power and Fuel		**509.98**	472.63
Stores, Spare Parts and Tools consumed		**273.56**	185.04
Fuel consumed (excluding for own power generation)		**104.10**	115.20
Repairs to Buildings		**121.26**	90.27
Repairs to Machinery		**93.20**	95.32
Other Repairs		**31.30**	34.19
Insurance		**45.99**	55.81
Rent		**140.99**	118.14
Rates and Taxes		**226.39**	221.57
Royalty and Technical Service Fee		**28.24**	21.63
Post and Telecommunication Charges		**125.16**	116.90
Travelling, Conveyance and Motor Vehicle Expenses		**617.67**	510.38
Freight and Forwarding Charges (net)		**961.25**	469.50
Discount and Allowances on Sales		**56.38**	115.40
Product Advertisement and Publicity		**69.65**	30.82
Printing and Stationery		**90.20**	81.52
Data Processing Charges		**109.37**	113.68
Professional Charges		**415.74**	422.02
Commission		**501.50**	452.98
Bank Charges		**261.47**	164.05
Miscellaneous		**1481.84**	1076.47
Directors' Fees		**8.80**	4.70
Net loss on foreign currency transaction and translation		**–**	9.41
Loss on Fixed Assets sold, discarded, and scrapped		**7.75**	7.33
Provision for Doubtful Debts	**235.13**		239.46
Less: Provision for Doubtful debts no longer required	**124.98**		130.00
		110.15	109.46
Bad Debts/Sundry Debit Balances written off		**6.08**	2.50
		6398.02	5096.92

(a) Value of Imported and Indigenous stores, spare parts and tools consumed:

	Amount (%)	Amount (%)
Imported	**23.35 (9%)**	3.38 (2%)
Indigenous	**250.21 (91%)**	181.66 (98%)
	273.56	185.04

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.):

	As at 31st March, 2015	As at 31st March, 2014
31. Contingent Liabilities:		
Disputed Sales Tax Demands	**225.33**	225.33
Disputed Excise Duty Demands	**215.54**	423.60
Disputed Custom Duty Demand	**126.12**	126.12
Disputed Income Tax Demands	**28.01**	228.43
It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.		
32. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**0.83**	14.84
33. Professional Charges include:		
(a) To Auditors: (net of Service Tax)		
Audit Fees	**17.50**	17.50
Tax Audit Fee	**3.45**	3.00
Company Law	**1.00**	0.50
Others	**8.00**	4.75
Reimbursement of Out of Pocket Expenses	**0.21**	0.50
	30.16	26.25
(b) To Cost Auditors (net of Service Tax)	**0.72**	0.72
34. Value of Imports on C.I.F. basis:		
Raw Materials	**3362.85**	2549.63
Components and Spare parts	**19.05**	3.05
Capital Goods	**1.72**	6.74
35. Expenditure in Foreign Currency:		
Travelling	**51.70**	34.93
Royalty	**28.24**	21.63
Others	**41.83**	60.22
36. Earnings in Foreign Exchange:		
(i) Direct Exports on F O B basis	**3971.72**	1068.46
(ii) Others	**18.80**	34.47
37. Deemed Exports	**2787.39**	2536.20

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.):

38. Disclosure pursuant to Accounting Standard - 7: Construction Contracts

	As at 31st March, 2015	As at 31st March, 2014
(a) Contract Revenue recognised for the year	**1371.83**	1935.65
(b) For contracts in progress as at year end		
(i) Aggregate amount of cost incurred and recognised profits (less recognised losses)	**3120.62**	5876.09
(ii) Amount of advances received from customers	**113.25**	64.66
(iii) Amount of retentions due from customers	**298.24**	318.44
(c) Gross amount due from customers	**63.09**	140.60
(d) Gross amount due to customers	**31.78**	9.98

	2014-2015	2013-2014
39. Disclosure pursuant to Accounting Standard - 15 : Employee Benefits		
39.1 Defined Contribution Plans		
The Company has recognised the following amounts in the Statement of Profit & Loss for the year :		
(1) Contribution to Employees' Provident Fund/Employees' Family Pension Fund	**192.00**	131.95
(2) Contribution to Employees' Superannuation Fund	**59.61**	66.11
39.2 Defined Benefit Plan - Gratuity		
(I) Changes in the Present Value of the Defined Benefits Obligation		
(1) Present Value of Defined Benefit Obligation at the beginning of the year	**2104.40**	2104.99
(2) Interest Cost	**194.66**	173.66
(3) Current Service Cost	**118.47**	108.17
(4) Benefits paid	**(267.66)**	(217.32)
(5) Actuarial (Gain)/Loss on Defined Benefit Obligation	**33.03**	(65.10)
(6) Present Value of Defined Benefit Obligation at the end of the year	**2182.90**	2104.40
(II) Changes in the Fair Value of Plan Assets		
(1) Fair Value of Plan Assets at the beginning of the year	**1938.41**	1831.97
(2) Expected Return on Plan Assets	**175.52**	169.46
(3) Contributions	**126.00**	200.00
(4) Benefits paid	**(267.66)**	(217.32)
(5) Actuarial Gain/(Loss) on Plan Assets	**72.65**	(45.70)
(6) Fair Value of Plan Assets at the end of the year	**2044.92**	1938.41

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.):

	2014-2015	2013-2014
39. Disclosure pursuant to Accounting Standard - 15 : Employee Benefits (Contd.)		
(III) Amounts recognised in the Balance Sheet		
(1) Present Value of Defined Benefit Obligation at the end of the year	**2182.90**	2104.40
(2) Fair Value of Plan Assets at the end of the year	**(2044.92)**	(1938.41)
(3) Liability to be recognised in the Balance Sheet	**137.98**	165.99
(IV) Balance Sheet Reconciliation		
(1) Net liability at the beginning of the year	**165.99**	273.02
(2) Expense recognised in the Statement of Profit and Loss	**97.99**	92.97
(3) Contributions	**(126.00)**	(200.00)
(4) Net liability at the end of the year	**137.98**	165.99
(V) Amounts recognised in the Statement of Profit and Loss		
(1) Current Service Cost	**118.47**	108.17
(2) Interest Cost on obligation	**194.66**	173.66
(3) Expected Return on Plan Assets for the period	**(175.52)**	(169.46)
(4) Net Actuarial (Gain)/Loss	**(39.62)**	(19.40)
(5) Expense Recognised in the Statement of Profit & Loss	**97.99**	92.97
(VI) Actual Return on Plan Assets		
(1) Expected Return on Plan Assets for the period	**175.52**	169.46
(2) Actuarial Gain/(Loss) on Plan Assets	**72.65**	(45.70)
(3) Actual Return on Plan Assets	**248.17**	123.76
(VII) Percentage of each category of Plan Assets to total Fair Value of Plan Assets		
Insurer managed fund	**100%**	100%
(VIII) Actuarial Assumption		
(1) Discount Rate	**8.00%**	9.25%
(2) Expected Rate of Return on Plan Assets	**9.05%**	9.25%
(3) The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		
(IX) Expected Contribution to the Funds in the next financial year	**67.97**	126.00

(X) The amount for the current annual period and previous four annual periods of:

	For the annual periods ended				
	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
i. Present Value of Defined Benefit Obligation	**2182.90**	2104.40	2104.99	2074.58	1934.82
ii. Fair Value of Plan Assets	**2044.92**	1938.41	1831.97	1727.20	1524.85
iii (Surplus)/Deficit in the Plan	**137.98**	165.99	273.02	347.38	409.97
iv. Experience adjustment on Plan Liability (Gain)/Loss	**(74.72)**	25.70	(76.58)	(25.85)	350.15
v. Experience adjustment on Plan Assets Gain/(Loss)	**72.65**	45.70	18.80	11.30	1.18

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.):

40. SEGMENT INFORMATION

BUSINESS SEGMENTS

Particulars	Power Systems		Industrial Systems		Total	
	2014-2015	2013-2014	**2014-2015**	2013-2014	**2014-2015**	2013-2014
Segment Revenue						
External Revenue	**34551.92**	23222.73	**26010.24**	24982.26	**60562.16**	48204.99
Inter-segment Revenue	**—**	—	**—**	—	**—**	—
Total Revenue	**34551.92**	23222.73	**26010.24**	24982.26	**60562.16**	48204.99
Segment Result	**(1381.12)**	(214.82)	**1183.17**	1186.13	**(197.95)**	971.31
Unallocated Income/(Expense) (Net)					**(1250.14)**	(1003.88)
Finance Costs					**(1995.05)**	(1309.55)
Exceptional Items					**—**	—
Excess/(Short) provision for tax in respect of earlier years					**38.19**	68.53
Tax Expense (Debit)/Credit					**—**	144.20
Profit/(Loss) after Taxation					**(3404.95)**	(1129.39)
Other information:						
Segment Assets	**25841.33**	22276.52	**14715.95**	16398.76	**40557.28**	38675.28
Unallocated Assets					**19374.47**	18889.59
Total assets					**59931.75**	57564.87
Segment Liabilities	**12195.55**	11616.07	**7093.97**	6944.35	**19289.52**	18560.42
Unallocated Liabilities					**14107.13**	8926.01
Total liabilities					**33396.65**	27486.43
Capital Expenditure						
Segment Capital Expenditure	**51.21**	228.53	**140.49**	193.05	**191.70**	421.58
Unallocated Capital Expenditure					**76.52**	128.27
Total Capital Expenditure					**268.22**	549.85
Depreciation and Amortisation						
Segment Depreciation and Amortisation	**753.96**	719.49	**289.43**	231.00	**1043.39**	950.49
Unallocated Depreciation and Amortisation					**150.95**	143.58
Total Depreciation and Amortisation					**1194.34**	1094.07
Significant Non Cash Expenditure						
Segment Significant Non Cash Expenditure	**—**	—	**—**	—	**—**	—
Unallocated Non Cash Expenditure	**—**	—	**—**	—	**—**	—
Total Significant Non Cash Expenditure	**—**	—	**—**	—	**—**	—

1. Segments have been identified in line with Accounting Standard AS 17 on the basis of production and distribution process and regulatory environment.
2. Company has disclosed Business segments as Primary segments.
   Composition of Business Segments:
   a. Power Systems
      This segment comprises the design, commissioning and marketing of power transformers; EPC projects for electrical substations including delivery, rectification, commissioning and servicing of transformers and marketing of maintenance products.
   b. Industrial Systems
      This segment comprises the development, marketing and manufacture of a wide range of standard and customized electric motors; synchronous gearless machines for the elevator industry and the engineering and supply of AC variable-speed drives and drive systems.
3. Segment Revenue, Result, Assets & Liabilities include respective amounts directly attributable to each segment & other relevant amounts allocated on reasonable basis.

   While presenting the segment results, common expenses, common assets and liabilities to the extent not directly identifiable with any one segment have been grouped as unallocable.
4. Company does not have any secondary segments since risk and return are not significantly dependent on geographical locations. Further since the revenue from within India and the assets within India are greater than 90% of the total revenues and total assets, respectively, of the Company, the disclosure requirements for secondary segment as per the aforesaid standard is also not applicable.

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.):

41. Related Party Disclosures:

41.1 RELATED PARTIES

A. Key Management Personnel

A1. Mr. Nikhil J. Danani, Vice Chairman & Managing Director

A2. Mr. Nakul P. Mehta, Vice Chairman & Managing Director

A3. Mr. Shome N. Danani, Executive Director (son of Mr. Nikhil J. Danani)

B. Relatives of the Key Management Personnel

B1. Late Mr. Jaisingh R. Danani, a non-executive Director (father of Mr. Nikhil J. Danani & Grandfather of Mr. Shome N. Danani)

B2. Mr. Anand J. Danani (brother of Mr. Nikhil J. Danani)

B3. Ms. Avanti P. Mehta (sister of Mr. Nakul P. Mehta)

B4. Ms. Sita P. Mehta (sister of Mr. Nakul P. Mehta)

C. Enterprises over which any of (A) or (B) can exercise control or significant influence

C1. Danmet Chemicals Pvt. Ltd.

C2. Nasivan Investments Pvt. Ltd.

Related parties' relationship as stated in (A) to (C) above are as identified by the Company and relied upon by the Auditors.

41.2 TRANSACTIONS WITH RELATED PARTIES

Nature of Transaction	Related Parties														
	Referred in I(A) above					Referred in I(B) above					Referred in I(C) above				
	With	During the Year		Closing Balance Dr/(Cr)		With	During the Year		Closing Balance Dr/(Cr)		With	During the Year		Closing Balance Dr/(Cr)	
		CY	PY	**CY**	PY		**CY**	PY	**CY**	PY		**CY**	PY	**CY**	PY
Remuneration	A1	**121.06**	124.16	**(11.74)**	(11.76)										
	A2	**121.07**	124.15	**(11.63)**	(12.00)										
	A3	**87.77**	60.75	**(7.71)**	(11.05)										
Sitting Fee						B1	**–**	0.40	**–**	–					
						B2	**0.10**	0.30							
Purchases											C1	**194.23**	176.13	**(20.90)**	(27.65)
Deposit taken	A2	**–**	–	**–**	(25.00)	B3	**–**	–	**–**	(1.00)	C2	**–**	–	**–**	(5.50)
						B4	**–**	–	**–**	(1.00)					
Deposit repaid	A2	**25.00**	–	**–**	–	B3	**1.00**	–	**–**	–	C2	**5.50**	–	**–**	–
						B4	**1.00**	–	**–**	–					
Interest Paid	A2	**2.50**	2.50	**–**	–	B3	**0.10**	0.10	**–**	–		**–**	–	**–**	–
						B4	**0.10**	0.10	**–**	–	C2	**0.58**	0.68	**–**	(0.68)
Rent Received											C1	**3.76**	3.76	**–**	–

a. No amount has been written off or written back during the year ended 31.03.2015.
b. **CY = Curent Year,** PY = Previous Year

42. Disclosure pursuant to Accounting Standard - 19 : Leases

As a lessee in an Operating Lease:

Non-cancellable

The Company has hired assets under non-cancellable operating lease arrangements at stipulated rentals. The future Minimum Lease Payments (MLP) under these leases are as under:

	As at 31st March, 2015	As at 31st March, 2014
MLP due not later than one year	**34.97**	66.12
MLP due later than one year but not later than five years	**49.43**	–

NOTES TO THE FINANCIAL STATEMENTS

Notes (Contd.):

43. Disclosure persuant to Accounting Standard - 20 : Earnings Per Share

		Year ended 31st March, 2015	Year ended 31st March, 2014
(Loss) after Tax	A	**(3,404.95)**	(1,129.39)
Weighted Average number of Equity Shares	B	**5,651,560**	5,651,560
Nominal Value Per Share (₹)	C	**10.00**	10.00
Basic and Diluted (Loss) per Share (₹)	A/B	**(60.25)**	(19.98)

44. Disclosure as required by AS 29

	Carrying amount as on 01.04.2014	Provision made during the year	Amount used during the year	Carrying amount as on 31.03.2015
Others#	**114.70**	**–**	**–**	**114.70**
	(114.70)	–	–	(114.70)
Warranty*	**187.64**	**243.66**	**177.24**	**254.06**
	(216.46)	(270.52)	(299.34)	(187.64)

Figures in the bracket are for the previous year.

\# Others represent liability in respect of statutory dues which is sub-judice and payment thereon will depend upon the outcome of the case.

* Provision for Warranty Costs in connection with repairs and free replacement of parts during warranty period is determined based on past experience and estimates and are accrued in the year of sale.

45. Foreign currency exposures at the end of the year.

Nature of Transaction	Currency	**As at 31st March, 2015**		As at 31st March, 2014	
		Hedged	**Unhedged**	**Hedged**	**Unhedged**
Trade Payable	EUR	**–**	**9216**	5214	12015
	USD	**60521**	**135294**	38235	16792
Trade Receivable	USD	**–**	**6200**	18600	–
	EUR	**44365**	**1154**	38126	16952
FCNR (B) based loan	USD	**3238866**	**–**	–	–

46. Previous year's figures have been regrouped/recast/reclassified, wherever necessary.

As per our report of even date.
For DALAL & SHAH,
Firm Registration No. 102021W
Chartered Accountants,

Sunder V. Iyer
Partner
Membership No. 048393

D. N. Nagarkar
Company Secretary & Senior General Manager : Legal

S. M. Tilak
Vice President : Finance and Corporate Strategy

Mumbai, 15th May, 2015

Nikhil J. Danani
Nakul P. Mehta
} Vice Chairman & Managing Directors

Shome N. Danani — Executive Director

Mumbai, 15th May, 2015

Bharat Bijlee

Bharat Bijlee Limited

Regd. Office: Electric Mansion, 6th Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025.
CIN: L31300MH1946PLC005017, Phone: 022 – 24306237, Fax: 022 - 2437 0624
Website: www.bharatbijlee.com • E-mail: bblcorporate@bharatbijlee.com

FORM NO. MGT – 11

PROXY FORM

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

Name of the Member(s):

Registered Address:

E-mail ID

Folio No./ Client ID:

DP ID:

I/We being the Member(s) of ..... equity shares of ₹ 10 each of Bharat Bijlee Limited, hereby appoint:

1. Name:..... E-mail Id: .....

   Address:.....

   ..... Signature: .....

   or failing him.....

2. Name:..... E-mail Id: .....

   Address:.....

   ..... Signature: .....

   or failing him.....

3. Name:..... E-mail Id: .....

   Address:.....

   ..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 68th Annual General Meeting of the Company, to be held on Tuesday, September, 22, 2015 at 3.00 p.m. at 'Walchand Hirachand Hall', Indian Merchants' Chamber Building, Veer Nariman Road, Churchgate, Mumbai-400 020 and at any adjournment(s) thereof, in respect of the resolutions, as indicated below:

1. Adoption of audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of Directors and auditors thereon.
2. Re-appointment of Mr. Shome N. Danani (DIN 00217787) as a Director, who is liable to retire by rotation and, being eligible, offers himself for re-appointment.
3. Ratification of the appointment of M/s. Dalal & Shah (Registration No. 102021W), Chartered Accountants, Statutory Auditors and authorize the Board of Directors / Audit Committee to fix their remuneration for the financial year ending March 31, 2016.
4. Ratification of Cost Auditors remuneration to be paid to M/s. P M Nanabhoy & Co. for the financial year ending March 31, 2016.

Signed: this.....day of.....2015

Signature of Member(s): .....

Signature of the Proxy holder(s):.....

Affix Revenue Stamp

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

Bharat Bijlee Limited
Regd. Office: Electric Mansion, 6th Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025.
CIN: L31300MH1946PLC005017, Phone: 022 – 24306237, Fax: 022 - 2437 0624
Website: www.bharatbijlee.com • E-mail: bblcorporate@bharatbijlee.com

ATTENDANCE SLIP

TO BE COMPLETED AND HANDED OVER AT THE ENTRANCE OF THE AUDITORIUM

I hereby record my presence at the 68th ANNUAL GENERAL MEETING of the Company held at 'Walchand Hirachand Hall, Indian Merchants' Chamber Building, Veer Nariman Road, Churchgate Mumbai 400 020, on Tuesday, September 22, 2015 at 3:00 P.M.

DP ID*	Folio No.
Client ID*	No. of Shares

Sr. No.

Name and Address of the Shareholder(s)

If Shareholder(s), please sign here	If proxy, please mention name and sign here	
	Name of Proxy	Signature

* Applicable for shareholders holding shares in electronic form.

ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	User ID	*Default Sequence Number

* Members who have not updated their PAN with the Company/Depository Participant shall use default Sequence Number in the PAN field. Other members should use their PAN.

Bharat Bijlee

Bharat Bijlee Limited

Regd. Office: Electric Mansion, 6th Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025.
CIN: L31300MH1946PLC005017, Phone: 022 – 24306237, Fax: 022 - 2437 0624
Website: www.bharatbijlee.com • E-mail: bblcorporate@bharatbijlee.com

BALLOT FORM

(To be returned to the Scrutinizer appointed by the Company)

1. Name(s) of the Member(s) [including joint-holder(s) if any] :

2. Registered Address of the sole/first named Member :

3. Registered Folio No./ DP ID/ Client ID* :
(*applicable only to Members holding shares in demat form)

4. Number of equity share(s) held :

5. I/We hereby exercise my/our vote in respect of the following resolution(s) to be passed at the 68th Annual General Meeting of the Members of the Company, to be held on Tuesday, September 22, 2015 at 3.00 p.m. at 'Walchand Hirachand Hall, Indian Merchants' Chamber Building, Veer Nariman Road, Churchgate, Mumbai 400 020 in respect of the businesses as stated in the Notice dated July 24, 2015 by conveying my/our assent or dissent to the said resolution(s) by placing the tick (✓) mark at the box against the respective matters:

Sr. No.	Description of the businesses as set out in the Notice dated July 24, 2015	No. of Equity Shares held	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Adoption of the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of Directors and auditors thereon.			
2.	Re-appointment of Mr. Shome N. Danani (DIN 00217787) as a Director, who is liable to retire by rotation and, being eligible, offers himself for re-appointment.			
3.	Ratification of the appointment of M/s. Dalal & Shah (Registration No. 102021W), Chartered Accountants, Statutory Auditors and authorize the Board of Directors/Audit Committee to fix their remuneration for the financial year ending March 31, 2016.			
4.	Ratification of Cost Auditors remuneration to be paid to M/s. P. M. Nanabhoy & Co. for the financial year ending March 31, 2016.			

Place:

Date:

#E-mail address: .....

Signature of the Member

To be provided by the Member(s) holding equity shares in physical form.

Note: Please read the instructions given overleaf and in the Notes of the Notice dated July 24, 2015, carefully before exercising your vote.

Instructions for filling Ballot Form

(i) A Member desiring to exercise vote by Ballot may complete this Ballot Form and send it to The Scrutinizer, Mr. N. L. Bhatia of M/s N. L. Bhatia & Associates, C/o: Link Intime India Private Limited, Unit: Bharat Bijlee Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai-400 078, in the attached self-addressed pre-paid postage Business Reply Envelope. Postage charges will be borne and paid by the Company. However, envelopes containing Ballot Form(s), if deposited in person or sent by courier or registered/speed post at the expense of the Member will also be accepted.

(ii) This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his/her absence, by the next named Member.

(iii) Duly completed Ballot Form should reach the Scrutinizer on or before the close of working hours i.e. 5:00 P.M. on **Monday, September 21, 2015**. All Ballot Forms received after this date and time will be strictly treated as if the ballot form, from such Member(s) has not been received.

(iv) There will be only one Ballot Form for every folio irrespective of the number of joint holder(s). Ballot cannot be exercised by a proxy.

(v) In case of shares held by companies, trusts, societies etc., the duly completed Ballot Form should be accompanied by a relevant Board Resolution/Authority Letter duly certified/attested by authorised signatory(ies).

(vi) Members are requested not to send any other paper along with the Ballot Form in the enclosed self-addressed pre-paid postage Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the Company would not be liable to acknowledge or act on the same.

(vii) The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company as on Tuesday, September 15, 2015, being the cut-off date.

(viii) Incomplete, unsigned or incorrect Ballot Forms will be rejected. The Scrutinizer's decision on the validity of a Ballot will be final and binding on the concerned Member and the Company.

(ix) The Company is also offering e-Voting facility as an alternate, for all its Members to enable them to cast their votes electronically instead of using the Ballot Form. The detailed procedure for e-voting has been enumerated in the Notes to the Notice dated July 24, 2015 convening the 68th Annual General Meeting of the Members of the Company. Please go through the instructions thoroughly before exercising the e-voting facility.

(x) In case Members cast their vote both by Physical Ballot and remote e-voting, then only the vote casted through remote e-voting shall prevail and the vote casted by Physical Ballot will be treated as invalid.

Bharat Bijlee Limited

Electric Mansion 6th Floor
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025

CIN: L31300MH1946PLC005017

T: +91 22 2430 6237 / 6071
Website: www.bharatbijlee.com

Vakils