26th ANNUAL REPORT

2015-2016

MAZDA LIMITED

CONTENTS	PAGE NO.
Notice	1-15
Directors' Report	16-34
Report on Corporate Governance	35-46
Independent Auditors' Report	47-51
Balance Sheet	52-52
Statement of Profit & Loss	53-53
Cash Flow Statement	54-55
Notes forming part of Financial Statement	56-77

BOARD OF DIRECTORS:

SORAB R. MODY, Managing Director

SAMUEL W. CROLL- III

MOHIB N. KHERICHA, Chairman

SHEILA S. MODY

HOUTOXI F. CONTRACTOR

PERCY X. AVARI, Whole-Time Director

SHANAYA MODY KHATUA, Whole-Time Director

NILESH C. MANKIWALA

SAURIN V. PALKHIWALA

CHIEF FINANCIAL OFFICER:
CYRUS J. BHAGWAGAR

COMPANY SECRETARY
NISHITH C. KAYASTH

CIN : L29120GJ1990PLC014293

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

BANKERS:
State Bank of India
Laghu Udyog Branch,
Neptune Tower Complex,
Opp. Gandhigram Railway Station,
Off. Ashram Road, Ahmedabad-380 009.

AUDITORS:
Apaji Amin & Co., Chartered Accountants
304, Akanksha Building,
Opp. Vadilal House,
Navrangpura, Ahmedabad- 380 009.

SHARES LISTED AT:
Ahmedabad Stock Exchange Limited
Kamdhenu Complex,
Panjarapole, Ambawadi,
Ahmedabad- 380 015
(Company Code- 36100)

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001
(Company Code- 523792)

REGISTRAR & SHARE TRANSFER AGENT:
Link Intime India Pvt. Ltd.
Unit No. 303, 3rd Floor,
Shoppers Plaza V,
Opp. Municipal Market,
Off. C. G. Road,
Ahmedabad-380 009

NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of members of Mazda Limited will be held at Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330 on **Tuesday, 27th September, 2016 at 09.30 a.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the company for the year ended 31st March, 2016 including the audited Balance Sheet as at 31st March, 2016, the statement of Profit and Loss for the year ended on that date and the reports of the Directors and Auditors thereon.

2. To declare dividend of ₹ 6.60 (66 %) per share on equity shares of the company for the financial year ended on 31st March, 2016.

3. To appoint a director in place of Mr. Percy Avari (DIN: 00499114), who retires by rotation and being eligible offers himself for re-appointment.

4. To appoint a director in place of Mrs. Shanaya Mody Khatua (DIN: 01241585), who retires by rotation and being eligible offers herself for re-appointment.

5. To appoint Apaji Amin & Co. LLP, Chartered Accountants, the retiring statutory auditors of the company as statutory auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

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

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

SPECIAL BUSINESS:

6. Ratification of remuneration payable to the Cost Auditors for the financial year 2016-17

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

"**RESOLVED THAT** pursuant to the provision of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for time being in force) and on the recommendation of the Audit Committee and approval by the Board of Directors of the company, Shri V. H. SHAH, Cost Accountant (**Firm registration no.: 100257**) appointed by the Board of Directors of the company, to conduct the audit of the cost records of the company for the financial year ending on 31st March, 2017, be paid the remuneration as set out in the statement annexed to this Notice convening this meeting."

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

7. To ratify, confirm and approve the increase in remuneration of Mr. Percy Avari, Whole-Time Director

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule V to the Companies Act, 2013 and as recommended by the Nomination and Remuneration Committee, the consent of the company be and is hereby accorded to the increase in remuneration of Mr. Percy Avari, (DIN: 00499114), Whole-Time Director of the Company, w.e.f. 1st April, 2015 by increasing the rate of commission from 1% of the Net Profits to 2% of the Net Profits of the company computed under Section 198 of the Companies Act, 2013 for the remaining tenure till 31st March, 2017 within overall permissible limits, under Section II of Part II of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT except for the aforesaid increase in the remuneration, all other terms and conditions of the appointment of Mr. Percy Avari as the Whole-Time Director of the company, as approved by the Special Resolution passed at the Annual General Meeting of the Company held on 30th September, 2014, shall remain unchanged."

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

8. To ratify, confirm and approve the increase in remuneration of Mrs. Shanaya Mody Khatua, Whole-Time Director

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule V to the Companies Act, 2013 and as recommended by the Nomination and Remuneration Committee, the consent of the company be and is hereby accorded to the increase in the remuneration of Mrs. Shanaya Mody Khatua, (DIN: 01241585), Whole-Time Director of the company, w.e.f. 1st April, 2015 by increasing the rate of commission from 1% of the

Net Profits to 2% of the Net Profits of the company computed under Section 198 of the Companies Act, 2013 for the remaining tenure till 31st March, 2017 within overall permissible limits, under Section II of Part II of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT except for the aforesaid increase in the remuneration, all other terms and conditions of the appointment of Mrs. Shanaya Mody Khatua as the Whole-Time Director of the company, as approved by the Special Resolution passed at the Annual General Meeting of the Company held on 30th September, 2014, shall remain unchanged."

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

9. Re-appointment of Mr. Sorab Mody as Managing Director and remuneration thereon

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules framed thereunder and in pursuance to the recommendation of Nomination & Remuneration Committee and the Board of Directors of the company, the consent of the company be and is hereby accorded to the re-appointment of Mr. Sorab R. Mody (DIN: 00498958) as a Managing Director of the company with effect from 1st April, 2017 upto 31st March, 2020 (both days inclusive) for a period of three consecutive years upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Sorab Mody."

"RESOLVED FURTHER THAT the remuneration and Perquisites including the commission on profits payable to Mr. Sorab Mody which shall not exceed an overall ceiling as mentioned in the Section II of Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time for the payment of managerial remuneration in force during the tenure of the Managing Director without the matter being referred to the Company in General Meeting again."

"RESOLVED FURTHER THAT the following perquisites shall not be included in the computation of the ceiling on remuneration specified hereinabove:

(a) Contribution to Provident fund, superannuation fund or annuity fund and benefits under company's pension scheme, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961;

(b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service; and

(c) Encashment of leave at the end of tenure."

"RESOLVED FURTHER THAT the terms and conditions mentioned in the draft agreement, be and is hereby approved and sanctioned with liberty to the Board of Directors to vary the terms and conditions of the said re- appointment and/ or Agreement within the limit specified in Schedule V to the Companies Act, 2013 or any amendment or modifications or re-enactment thereto, as may be agreed to between the Board of Directors and Mr. Sorab Mody."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

10. Re-appointment of Mr. Percy Avari as Whole-Time Director and remuneration thereon

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules framed thereunder and in pursuance to the recommendation of Nomination & Remuneration Committee and the Board of Directors of the company, the consent of the company be and is hereby accorded to the re-appointment of Mr. Percy Avari (DIN: 00499114) as a Whole-Time Director of the company with effect from 1st April, 2017 upto 31st March, 2020 (both days inclusive) for a period of three consecutive years upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Percy Avari."

"RESOLVED FURTHER THAT the remuneration and Perquisites including the commission on profits payable to Mr. Percy Avari which shall not exceed an overall ceiling as mentioned in the Section II of Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time for the payment of managerial remuneration in force during the tenure of the Whole-Time Director without the matter being referred to the Company in General Meeting again."

"RESOLVED FURTHER THAT the following perquisites shall not be included in the computation of the ceiling on remuneration specified hereinabove:

(a) Contribution to Provident fund, superannuation fund or annuity fund and benefits under company's pension scheme, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961;

(b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service; and

(c) Encashment of leave at the end of tenure."

"RESOLVED FURTHER THAT the terms and conditions mentioned in the draft agreement, be and is hereby approved and sanctioned with liberty to the Board of Directors to vary the terms and conditions of the said re- appointment and/ or Agreement within the limit specified in Schedule V to the Companies Act, 2013 or any amendment or modifications or re-enactment thereto, as may be agreed to between the Board of Directors and Mr. Percy Avari."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

11. Re-appointment of Mrs. Shanaya Mody Khatua as Whole-Time Director and remuneration thereon

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules framed thereunder and in pursuance to the recommendation of Nomination & Remuneration Committee and the Board of Directors of the company and subject to the approval of the Central Government, the consent of the company be and is hereby accorded to the re-appointment of Mrs. Shanaya Mody Khatua (DIN: 01241585) as a Whole-Time Director of the company with effect from 1st April, 2017 upto 31st March, 2020 (both days inclusive) for a period of three consecutive years upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mrs. Shanaya Mody Khatua."

"RESOLVED FURTHER THAT the remuneration and Perquisites including the commission on profits payable to Mrs. Shanaya Mody Khatua which shall not exceed an overall ceiling as mentioned in the Section II of Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time for the payment of managerial remuneration in force during the tenure of the Whole-Time Director without the matter being referred to the Company in General Meeting again."

"RESOLVED FURTHER THAT the following perquisites shall not be included in the computation of the ceiling on remuneration specified hereinabove:

(a) Contribution to Provident fund, superannuation fund or annuity fund and benefits under company's pension scheme, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961;

(b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service; and

(c) Encashment of leave at the end of tenure."

"RESOLVED FURTHER THAT the terms and conditions mentioned in the draft agreement, be and is hereby approved and sanctioned with liberty to the Board of Directors to vary the terms and conditions of the said re- appointment and/ or Agreement within the limit specified in Schedule V to the Companies Act, 2013 or any amendment or modifications or re-enactment thereto, as may be agreed to between the Board of Directors and Mrs. Shanaya Mody Khatua."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Registered Office:
C/1-39/13/16 GIDC,
Naroda,
Ahmedabad – 382 330
Date: 06/08/2016
Place: Ahmedabad

By Order of the Board,

Nishith Kayasth
Company Secretary

NOTES:

(1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY COMPLETED, IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, IN ORIGINAL NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

(2) A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT ONE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

(3) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of the business under Item Nos. 6 to 11 of the Notice, is annexed hereto.

(4) 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.

(5) The Register of Members and the Share Transfer Books of the company will remain close from 10th September, 2016 to 17th September, 2016 (both days inclusive) to determine entitlement of dividend on equity shares, if declared at the Meeting. Dividend will be paid to those shareholders, whose name appears on the Register of Members of the company as at the end of the business hours on the record date i.e. 09th September, 2016.

(6) The dividend, if declared will be paid on or after 5th October, 2016.

(7) The dividend warrants pertaining to earlier years issued by the company are not yet encashed by some of the members. Hence, those members who have not encashed the dividend warrants may please get the same revalidated by the company and encash them at the earliest to avoid inconvenience at a later date.

(8) As per SEBI Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, listed companies are required to use, either directly or through their RTA, any RBI approved electronic mode of payment like ECS, NECS, NACH etc. for distribution of dividends or providing other cash benefits to the investors. Accordingly, the members, holding shares in physical form, are requested to update their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the company or its Registrars & Transfer Agents (RTA), LINK Intime India Private Limited and members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participants (DP) to enable the Company or RTA for making arrangements for electronic credit of dividend and other cash benefits to members.

(9) Members are requested to bring the copy of their Annual Report and duly filled Attendance Slip at the Annual General Meeting. In case of Joint holders, if both the members are attending the Meeting, the first holder is entitled to vote at the said Meeting.

(10) The proxy form for the AGM is enclosed herewith.

(11) The company has changed their Registrar & transfer Agent (RTA) from SHAREPRO SERVICES INDIA PRIVATE LIMITED, Mumbai to LINK Intime India Private Limited, Ahmedabad. Therefore, shareholders are requested to send their all the correspondence to LINK Intime India Private Limited.

(12) Members holding shares in physical form are requested to notify immediately the change in their registered address, bank details etc., if any to RTA, LINK Intime India Private Limited.

(13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.

(14) The equity shares of the company are available for dematerialisation, as the company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. The ISIN No. of the Equity Shares is INE885E01034.

(15) The members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS mandates, Power of Attorney, change of address or name etc. to their Depository Participant only. Changes intimated to Depository Participant will be automatically reflected in the company's record which will help the company and its registrar and transfer agents to provide efficient and better services.

(16) Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.

(17) As required under the provisions of Regulation 36(3) of Listing Regulations, brief profile relating to Mr. Percy Avari and Mrs. Shanaya Mody Khatua, Directors retiring by rotation, and whose re-appointment is being proposed at the forthcoming Annual General Meeting, is attached to the Directors Report as Annexure-A. The Directors have furnished the requisite consent / declarations for their re-appointment as required under the Companies Act, 2013 and the Rules made thereunder.

(18) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio. The share certificates will be returned to the members after making requisite changes thereon.

(19) Non-Resident Indian members are requested to inform the RTA, immediately of:

i) Change in their residential status on return to India for permanent settlement.

ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

(20) The notice of AGM, Annual Report and Attendance slip are being sent in electronic mode to members whose e-mail IDs are registered with the company or the Depository Participant(s) for communication purposes, unless any member has requested for a physical copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their e-mail IDs with the Company or Depository Participant(s).

(21) TO SUPPORT THE 'GREEN INITIATIVE' MEMBERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESSES SO

FAR ARE REQUESTED TO REGISTER THEIR E-MAIL ADDRESS WITH RTA /DEPOSITORIES FOR RECEIVING ALL COMMUNICATION INCLUDING ANNUAL REPORT, NOTICES, CIRCULARS, ETC. FROM THE COMPANY ELECTRONICALLY.

(22) Members desirous of obtaining any information concerning accounts and operations of the company are requested to address their questions in writing to the company at least 7 days before the date of the AGM so that the information required may be made available at the AGM.

(23) Trading in the shares of the company is compulsorily in dematerialized form for all investors. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those members who have still not dematerialised their shares to get their shares dematerialized at the earliest.

(24) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations and any other applicable provisions, the company is pleased to provide the facility to Members to exercise their right to vote by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

(25) The shareholders who have not registered their PAN with the company can generate their passwords using sequence no. mentioned in the Annual Report.

Procedure for E-voting

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Saturday 24th September, 2016 at 9.00 a.m. and ends on Monday, 26th September, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record date) 20th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

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

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

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

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

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

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is mentioned in the Annual Report. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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 (iv).

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

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders

for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xi) Click on the EVSN for the Company Name 'MAZDA LIMITED' on which you choose to vote.

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

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

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

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

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

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

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

(26) In case of members receiving the physical copy: Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.

(27) The Company has appointed Mr. Rutul Shukla, Practicing Company Secretary to act as scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereabove. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(28) 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 the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.

(29) The result shall be declared at or after the Annual General Meeting of the company. The result declared alongwith the scrutinizer's report shall be placed on company's website www.mazdalimited.com and on the website of CDSL within two days of passing of resolutions at the Annual General Meeting of the company and communicated to Bombay Stock Exchange Limited.

(30) All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the Registered office of the company during normal business hours (9.00 am to 5.00 pm) on all working days except Tuesdays upto the date of 26th Annual General Meeting of the company.

Registered Office:
C-1/39/13/16 GIDC,Naroda,
Ahmedabad – 382 330
Date: 06/08/2016
Place: Ahmedabad

By Order of the Board,

Nishith Kayasth
Company Secretary

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6: Ratification of remuneration payable to the Cost Auditors for the financial year 2016-17

The Board, on the recommendation of the Audit Committee, has approved the appointment and recommended remuneration of Shri V. H. SHAH, Cost Accountants, to conduct the audit of the cost records of the company for the financial year ending on 31st March, 2017.

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

The Board of Directors recommends passing of an Ordinary Resolution at item no. 6 of the notice for approval by shareholders.

None of the directors, KMPs and their relatives of the company are in anyway interested or concerned in the Resolution.

ITEM NO. 7: To ratify, confirm and approve the increase in remuneration of Mr. Percy Avari, Whole-Time Director

The members of the company, in their Annual General Meeting held on 30th September, 2014, have unanimously approved the re-appointment of Mr. Percy Avari as Whole-Time Director of the company under the provisions of the Companies Act, 2013 by way of Special Resolutions with effect from 1st April, 2014 for a period of three consecutive years with maximum remuneration including commission (having ceiling of 1%) up to ₹ 75 Lacs per annum under the proviso to Section II(A), Part II of Schedule V of the Companies Act, 2013 i.e. under the category of remuneration payable by companies having no profit or inadequate profit without the Central Government approval.

Further, as per the Special Resolution passed at the Annual General Meeting mentioned above, the Board of Directors is having liberty to vary the terms and conditions of the said re-appointment and/or agreement within the limit specified in Schedule V to the Companies Act, 2013.

The Board of Directors as per the recommendation of the Nomination & Remuneration Committee in their meeting held on 1st March, 2016 increased the remuneration of Mr. Percy Avari, (DIN: 00499114), Whole-Time Director of the Company, w.e.f. 1st April, 2015 by increasing the rate of commission from 1% of the Net Profits to 2% of the Net Profits of the company computed under Section 198 of the Companies Act, 2013 for the remaining tenure till 31st March, 2017 within overall permissible limits, under Section II of Part II of Schedule V of the Companies Act, 2013 which requires approval of the members of the company by way of Special Resolution.

Except Mr. Percy Avari, Whole-Time Director, none of the directors or Key Managerial Personnel of the company or their respective relatives are concerned or interested in the Special Resolution mentioned at Item No. 7 of the Notice except to the extent of their shareholding in the company.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 7 of the Notice for the approval.

Item No. 8: To ratify, confirm and approve the increase in remuneration of Mrs. Shanaya Mody Khatua, Whole-Time Director

The members of the company, in their Annual General Meeting held on 30th September, 2014, have unanimously approved the re-appointment of Mrs. Shanaya Mody Khatua as Whole-Time Director of the company under the provisions of the Companies Act, 2013 by way of Special Resolutions with effect from 1st April, 2014 for a period of three consecutive years with maximum remuneration including commission (having ceiling of 1%) up to ₹ 75 lac per annum under the proviso to Section II(A), Part II of Schedule V of the Companies Act, 2013 i.e. under the category of remuneration payable by companies having no profit or inadequate profit without the Central Government approval.

Further, as per the Special Resolution passed at the Annual General Meeting mentioned above, the Board of Directors is having liberty to vary the terms and conditions of the said re-appointment and/or agreement within the limit specified in Schedule V to the Companies Act, 2013.

The Board of Directors as per the recommendation of the Nomination & Remuneration Committee in their meeting held on 1st March, 2016 increased the remuneration of Mrs. Shanaya Mody Khatua, (DIN: 01241585), Whole-Time Director of the Company, w.e.f. 1st April, 2015 by increasing the rate of commission from 1% of the Net Profits to 2% of the Net Profits of the company computed under Section 198 of the Companies Act, 2013 for the remaining tenure till 31st March, 2017 within overall permissible limits, under Section II of Part II of Schedule V of the Companies Act, 2013 which requires approval of the members of the company by way of Special Resolution.

Except Mrs. Shanaya Mody Khatua, Whole-Time Director, herself, Mr. Sorab R. Mody & Mrs. Sheila S. Mody being relatives, none of the other directors or Key Managerial Personnel of the company or their respective relatives are concerned or interested in the Special Resolution mentioned at Item No. 8 of the Notice except to the extent of their shareholding in the company.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 8 of the Notice for the approval.

ITEM No. 9: Re-appointment of Mr. Sorab Mody as Managing Director and remuneration thereon

Appointment and Remuneration details:

The agreement dated 1st April, 2014 between Mr. Sorab Mody and company had set out the terms and conditions of re-appointment of Mr. Sorab Mody as Managing Director. The said agreement is valid till 31st March, 2017. As per the special resolution passed in the Annual General Meeting held on 30th September, 2014, company had obtained approval of the members for re-appointment and remuneration to be paid to Mr. Sorab Mody. The overall payment of remuneration including commission on the net profits of the company to Mr. Sorab Mody was ₹ 81.14 Lacs for the financial year 2015-16.

As the said agreement will expire on 31st March, 2017, the company proposes to renew his appointment w.e.f 01/04/2017 for a term of three years. As he had already attained the age of 70 years, for his re-appointment and for payment of remuneration, special resolution at the forthcoming Annual General Meeting is proposed to be passed as per Section 196, 197, 198 and Schedule V of the Companies Act, 2013.

The salient terms and conditions of draft agreement to be executed with Mr. Sorab Mody are as under:

- Mr. Sorab to hold office and act as a Managing Director of the company for a period of three years with effect from 1st April, 2017.
- Mr. Sorab to comply with all the directions which may from time to time be given by the Board and in all respects to conform with the regulations to be made by the Board and to well and faithfully serve the company and use his utmost endeavors to promote the interest thereof.
- Mr. Sorab will be entitled to exercise such powers on behalf of the company as may from time to time be lawfully entrusted to and conferred upon him by the Board either alone or jointly with any other person or persons as the Board may determine.
- Mr. Sorab to receive the maximum remuneration and benefits as are prescribed from time to time or any statutory modification thereof for the period commencing from 1st April, 2017.
  - (a) Salary : ₹ 2,80,000/- per month.
  - (b) House Rent Allowance : ₹ 84,000/- per month.
  - (c) Perquisites as under reckoned on the basis of actual expenditure or liability incurred.
    - (i) Medical Benefits for Mr. Sorab and family: Reimbursement of the expenses actually incurred, the total cost of which to the company not to exceed one month's salary in a year.
    - (ii) Leave Travel Allowance: Mr. Sorab and his family once in a year, subject to one month's salary.
    - (iii) Statutory contribution to PF, FPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in calculation of remuneration limits as per schedule V of the Companies Act, 2013.
  - (d) Mr. Sorab will be paid 2% commission on the profits for the whole year as per the calculation prescribed in the Companies Act, 2013 during tenure of his appointment.
  - (e) Mr. Sorab to be provided a car with chauffeur for use of company's business and a telephone at residence.
  - (f) Terminal Benefits will be provided to Mr. Sorab as per the company rules.

Other details:

Mr. Sorab shall not without the prior permission of the Board either during or after termination of the appointment hereunder, divulge or communicate to any person or persons (except to such of the employees of the company or any other duly authorised persons to whom the same could be divulged or communicated for the efficient conduct of the company's business) or himself make use of any of the company's secret or any other information which he may receive or obtain in relation to the company's affairs or to the working or any process or invention which is carried on or used by the company or any other matter which comes to his knowledge in the course of or by reason of his appointment with the company.

The remuneration proposed to be paid is within the limits specified under Schedule V of the Companies Act, 2013. The remuneration may be revised within the limits of Schedule V Section II of Part II of the Companies Act, 2013 as amended from time to time as may be decided by the Board within the said limits.

Information relevant to the re-appointment of Mr. Sorab Mody as the Managing Director as required under Section II of Part II of Schedule V of the Companies Act, 2013 is mentioned below:

I. General Information:

Sr. No.	PARTICULARS	
1.	Nature of Industry	• Manufacturing of Engineering goods • Manufacturing of Food Products
2.	Date or expected date of commencement of commercial production	• Manufacturing of engineering goods since 1990. • Diversified into manufacturing of food products in the year of 2006.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	The same is given in the Directors Report at point No. 1.
5.	Foreign investments or collaborations	• The company has entered into the Technology & Know-How License Agreement with 'CNIM', France for manufacturing of Absorption Refrigeration Units. • Technology & Know-How License Agreement with a Spanish Company for Freeze Crystallization Technology for Zero Liquid Discharge.

II. Information about the appointee:

Sr. No.	PARTICULARS	
1.	Background Details	Mr. Sorab Mody is founder promoter of the company and is associated with the company since inception. Mr. Sorab Mody has through his foresight and visionary approach, coupled with sound understanding of Engineering Industry has led the company to the path of growth. His qualification, nature of expertise and other details related to him are given in annexure to this notice.
2	Past Remuneration	Mr. Sorab Mody was paid remuneration for the past year as mentioned below: (a) Salary: ₹ 2,80,000/- per month. (b) House Rent Allowance: ₹ 84,000/- per month. (c) Perquisites as under reckoned on the basis of actual expenditure or liability incurred. (i) Medical Benefits for Mr. Sorab and family: Reimbursement of the expenses actually incurred, the total cost of which to the company not to exceed one month's salary in a year. (ii) Leave Travel Allowance: Mr. Sorab and his family once in a year, subject to one month's salary. (iii) Statutory contribution to PF, FPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in calculation of remuneration limits as per schedule V of the Companies Act, 2013. (d) Paid 2% commission on the profits for the whole year as per the calculation prescribed in the Companies Act, 2013 during tenure of his appointment. (e) Provided a car with chauffeur for use of company's business and a telephone at residence. (f) Terminal Benefits will be provided to Mr. Sorab as per the company rules.
3	Recognition or awards	-
4	Job profile and his suitability	He has vast experience of 37 years as a Managing Director of the company.
5	Remuneration proposed	The company propose the same remuneration as mentioned above in point no. 2.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	There are no comparable data available on other companies in the segment and the remuneration payable to their managerial persons. Hence the proposed remuneration is reasonable considering future growth of the company.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	• Mr. Sorab Mody is a Managing Director of the company and their relatives are Mrs. Sheila Mody, Director of the company Mrs. Shanaya Mody Khatua, Whole-Time Director of the company. Mr. Sorab Mody is holding 12,03,156 equity shares of the company. • Mr. Sorab has received rental income for the properties let out by him to company.

III. Other information:

Sr. No.	PARTICULARS	
1	Reasons of loss or inadequate profits	The company has earned profits however, as per section 197 & 198 of the Companies Act, 2013 the profits are not adequate to cover the remuneration/ perquisites payable to Mr. Sorab Mody. Therefore, Schedule V of the Companies Act, 2013 will be attracted to pay the remuneration to Mr. Sorab Mody.
2	Steps taken or proposed to be taken for improvement	The efforts of managerial persons for cost effectiveness and with new technological and development innovations suggested by them, it will help the company to achieve further growth of company.
3	Expected increase in productivity and profits in measurable terms	The company is expecting growth in the turnover and profits due to introduction of new products and their efforts towards Research & Development activities. The same will provide growth to the company's overall financial performance.

IV. Disclosures:

All elements related to remuneration package, details of fixed component and performance linked incentive alongwith performance criteria, service contracts, notice period and severance fees and stock option details are mentioned in the Annual Report.

The Board recommends resolutions under Item No. 9 to be passed as a Special Resolution.

Except Mr. Sorab R. Mody himself, Mrs. Shanaya Mody Khatua, and Mrs. Sheila S. Mody, being relatives, no other directors or key managerial personnel or their relatives are interested or concerned in this resolution.

ITEM No. 10: Re-appointment of Mr. Percy Avari as Whole-Time Director and remuneration thereon

Appointment and Remuneration details:

The agreement dated 1st April, 2014 between Mr. Percy Avari and company had set out the terms and conditions of re-appointment of Mr. Percy Avari as Whole-Time Director. The said agreement is valid till 31st March, 2017. As per the special resolution passed in the Annual General Meeting held on 30th September, 2014, company had obtained approval of the members for re-appointment and remuneration to be paid to Mr. Percy Avari.

The Board of Directors as per the recommendation of the Nomination & Remuneration Committee in their meeting held on 01st March, 2016 revised the remuneration by way of increasing commission from 1% to 2% on the net profits of the company computed under Section 198 of the Companies Act, 2013 for the remaining tenure till 31st March, 2017 within overall permissible limits, under Section II of Part II of Schedule V of the Companies Act, 2013 subject to the approval of the members of the company at this Annual General Meeting of the company mentioned at Item No. 7.

The overall payment of remuneration including commission on the net profits of the company to Mr. Percy Avari was ₹ 81.14 Lacs for the financial year 2015-16.

As the said agreement will expire on 31st March, 2017, the company proposes to renew his appointment w.e.f 01/04/2017 for a term of three years. For his re-appointment and for payment of remuneration, special resolution is proposed to be passed as per Section 196, 197, 198 and Schedule V of the Companies Act, 2013.

The salient terms and conditions of draft agreement to be executed with Mr. Percy Avari are as under:

- Mr. Percy to hold office and act as a Whole-Time Director of the company for a period of three years with effect from 1st April, 2017.
- Mr. Percy to comply with all the directions which may from time to time be given by the Board and in all respects to conform with the regulations to be made by the Board and to well and faithfully serve the company and use his utmost endeavors to promote the interest thereof.
- Mr. Percy will be entitled to exercise such powers on behalf of the company as may from time to time be lawfully entrusted to and conferred upon him by the Board either alone or jointly with any other person or persons as the Board may determine.
- Mr. Percy to receive the maximum remuneration and benefits as are prescribed from time to time or any statutory modification thereof for the period commencing from 1st April, 2017.
  - (a) Salary : ₹ 2,80,000/- per month.
  - (b) House Rent Allowance : ₹ 84,000/- per month.
  - (c) Perquisites as under reckoned on the basis of actual expenditure or liability incurred.
    - (i) Medical Benefits for Mr. Percy and family: Reimbursement of the expenses actually incurred, the total cost of which to the company not to exceed one month's salary in a year.
    - (ii) Leave Travel Allowance: Mr. Percy and his family once in a year, subject to one month's salary.
    - (iii) Statutory contribution to PF, FPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in calculation of remuneration limits as per schedule V of the Companies Act, 2013.
  - (d) Mr. Percy will be paid 2% commission on the profits for the whole year as per the calculation prescribed in the Companies Act, 2013 during tenure of his appointment.
  - (e) Mr. Percy to be provided a car with chauffeur for use of company's business and a telephone at residence.
  - (f) Terminal Benefits will be provided to Mr. Percy as per the company rules.

Other details:

Mr. Percy shall not without the prior permission of the Board either during or after termination of the appointment hereunder, divulge or communicate to any person or persons (except to such of the employees of the company or any other duly authorised persons to whom the same could be divulged or communicated for the efficient conduct of the company's business) or himself make use of any of the company's secret or any other information which he may receive or obtain in relation to the company's affairs or to the working or any process or invention which is carried on or used by the company or any other matter which comes to his knowledge in the course of or by reason of his appointment with the company.

The remuneration proposed to be paid is within the limits specified under Schedule V of the Companies Act, 2013. The remuneration may be revised within the limits of Schedule V Section II of Part II of the Companies Act, 2013 as amended from time to time as may be decided by the Board within the said limits.

Information relevant to the re-appointment of Mr. Percy Avari as the Whole-Time Director as required under Section II of Part II of Schedule V of the Companies Act, 2013 is mentioned below:

I. General Information:

Sr. No.	PARTICULARS	
1.	Nature of Industry	• Manufacturing of Engineering goods • Manufacturing of Food Products
2.	Date or expected date of commencement of commercial production	• Manufacturing of engineering goods since 1990. • Diversified into manufacturing of food products in the year of 2006.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	The same is given in the Directors Report at point No. 1.
5.	Foreign investments or collaborations	• The company has entered into the Technology & Know-How License Agreement with 'CNIM', France for manufacturing of Absorption Refrigeration Units. • Technology & Know-How License Agreement with a Spanish Company for Freeze Crystallization Technology for Zero Liquid Discharge.

II. Information about the appointee:

Sr. No.	PARTICULARS	
1.	Background Details	Mr. Percy Avari is associated with the company since year 1990 and was an employee of the company since 2003. In the year 2003, he was appointed as the Whole-Time Director of the company. Due to his efforts, the company has developed new line of products in the engineering business. His qualification, nature of expertise and other details related to him are given in annexure to this notice.
2	Past Remuneration	Mr. Percy was paid remuneration for the past year as mentioned below: (a) Salary: ₹ 2,80,000/- per month. (b) House Rent Allowance: ₹ 84,000/- per month. (c) Perquisites as under reckoned on the basis of actual expenditure or liability incurred. (i) Medical Benefits for Mr. Percy and family: Reimbursement of the expenses actually incurred, the total cost of which to the company not to exceed one month's salary in a year. (ii) Leave Travel Allowance: Mr. Percy and his family once in a year, subject to one month's salary. (iii) Statutory contribution to PF, FPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in calculation of remuneration limits as per schedule V of the Companies Act, 2013. (d) Paid 2% commission on the profits for the whole year as per the calculation prescribed in the Companies Act, 2013 during tenure of his appointment. (e) Provided a car with chauffeur for use of company's business and a telephone at residence. (f) Terminal Benefits will be provided to Mr. Percy as per the company rules.
3	Recognition or awards	-
4	Job profile and his suitability	He has vast experience of 26 years in a company with overall exposure to the development of the new products related to engineering.
5	Remuneration proposed	The company propose the same remuneration as mentioned above.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	There are no comparable data available on other companies in the segment and the remuneration payable to their managerial persons. Hence the proposed remuneration is reasonable considering future growth of the company.

7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	• Mr. Percy Avari is a Whole-Time Director of the company and none of his relatives are Directors or KMP in the company. Mr. Percy Avari is holding 45,205 equity shares of the company.

III. Other information:

Sr. No.	Particulars	
1	Reasons of loss or inadequate profits	The company has earned profits however, as per section 197 & 198 of the Companies Act, 2013 the profits are not adequate to cover the remuneration/ perquisites payable to Mr. Percy Avari. Therefore, Schedule V of the Companies Act, 2013 will be attracted to pay the remuneration to Mr. Percy Avari.
2	Steps taken or proposed to be taken for improvement	The efforts of managerial persons for cost effectiveness and with new technological and development innovations suggested by them, it will help the company to achieve further growth of company.
3	Expected increase in productivity and profits in measurable terms	The company is expecting growth in the turnover and profits due to introduction of new products and their efforts towards Research & Development activities. The same will provide growth to the company's overall financial performance.

IV. Disclosures:

All elements related to remuneration package, details of fixed component and performance linked incentive alongwith performance criteria, service contracts, notice period and severance fees and stock option details are mentioned in the Annual Report.

The Board recommends resolutions under Item No. 10 to be passed as a Special Resolution.

Except Mr. Percy Avari himself, no other directors or key managerial personnel or their relatives are interested or concerned in this resolution.

ITEM No. 11: Re-appointment of Mrs. Shanaya Mody Khatua as Whole-Time Director and remuneration thereon

Appointment and Remuneration details:

The agreement dated 1st April, 2014 between Mrs. Shanaya Mody Khatua and company had set out the terms and conditions of re-appointment of Mrs. Shanaya Mody Khatua as Whole-Time Director. The said agreement is valid till 31st March, 2017. As per the special resolution passed in the Annual General Meeting held on 30th September, 2014, company had obtained approval of the members and Central government for re-appointment and remuneration to be paid to Mrs. Shanaya Mody Khatua.

The Board of Directors as per the recommendation of the Nomination & Remuneration Committee in their meeting held on 01st March, 2016 revised the remuneration by way of increasing commission from 1% to 2% on the net profits of the company computed under Section 198 of the Companies Act, 2013 for the remaining tenure till 31st March, 2017 within overall permissible limits, under Section II of Part II of Schedule V of the Companies Act, 2013 subject to the approval of the members of the company at the this Annual General Meeting of the company mentioned at Item No. 8.

The overall payment of remuneration including commission on the net profits of the company to Mrs. Shanaya Mody Khatua was ₹81.14 Lacs for the financial year 2015-16.

As the said agreement will expire on 31st March, 2017, the company proposes to renew her appointment w.e.f 01/04/2017 for a term of three years. For her re-appointment and for payment of remuneration, special resolution is proposed to be passed as per Section 196, 197, 198 and Schedule V of the Companies Act, 2013.

She is controlling the business of food division from abroad as the business is export oriented and she has to remain outside India for expansion of food division business. Therefore, as per Schedule V Part I, of the Companies Act, 2013, she is not satisfying the condition of appointment, hence Central Government approval is required for her re-appointment.

The salient terms and conditions of draft agreement to be executed with Mrs. Shanaya Mody Khatua are as under:

- Mrs. Shanaya to hold office and act as a Whole-Time Director of the company for a period of three years with effect from 1st April, 2017.
- Mrs. Shanaya to comply with all the directions which may from time to time be given by the Board and in all respects to conform with the regulations to be made by the Board and to well and faithfully serve the company and use her utmost endeavors to promote the interest thereof.
- Mrs. Shanaya will be entitled to exercise such powers on behalf of the company as may from time to time be lawfully entrusted to and conferred upon her by the Board either alone or jointly with any other person or persons as the Board may determine.
- Mrs. Shanaya to receive the maximum remuneration and benefits as are prescribed from time to time or any statutory modification thereof for the period commencing from 1st April, 2017.
  - (a) Salary : ₹ 2,80,000/- per month.
  - (b) House Rent Allowance : ₹ 84,000/- per month.
  - (c) Perquisites as under reckoned on the basis of actual expenditure or liability incurred.
    - (i) Medical Benefits for Mrs. Shanaya and family: Reimbursement of the expenses actually incurred, the total cost of which to the company not to exceed one month's salary in a year.

(ii) Leave Travel Allowance: Mrs. Shanaya and her family once in a year, subject to one month's salary.

(iii) Statutory contribution to PF, FPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in calculation of remuneration limits as per schedule V of the Companies Act, 2013.

(d) Mrs. Shanaya will be paid 2% commission on the profits for the whole year as per the calculation prescribed in the Companies Act, 2013 during tenure of her appointment.

(e) Mrs. Shanaya to be provided a car with chauffeur for use of company's business and a telephone at residence.

(f) Terminal Benefits will be provided to Mrs. Shanaya as per the company rules.

Other details:

Mrs. Shanaya shall not without the prior permission of the Board either during or after termination of the appointment hereunder, divulge or communicate to any person or persons (except to such of the employees of the company or any other duly authorised persons to whom the same could be divulged or communicated for the efficient conduct of the company's business) or herself make use of any of the company's secret or any other information which she may receive or obtain in relation to the company's affairs or to the working or any process or invention which is carried on or used by the company or any other matter which comes to her knowledge in the course of or by reason of her appointment with the company.

The remuneration proposed to be paid is within the limits specified under Schedule V of the Companies Act, 2013. The remuneration may be revised within the limits of Schedule V Section II of Part II of the Companies Act, 2013 as amended from time to time as may be decided by the Board within the said limits.

Information relevant to the re-appointment of Mrs. Shanaya Mody Khatua as the Whole-Time Director as required under Section II of Part II of Schedule V of the Companies Act, 2013 is mentioned below:

I. General Information:

Sr. No.	Particulars	
1.	Nature of Industry	• Manufacturing of Engineering goods • Manufacturing of Food Products
2.	Date or expected date of commencement of commercial production	• Manufacturing of engineering goods since 1990. • Diversified into manufacturing of food division products in the year of 2006.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	The same is given in the Directors Report at point No. 1.
5.	Foreign investments or collaborations	• The company has entered into the Technology & Know-How License Agreement with 'CNIM', France for manufacturing of Absorption Refrigeration Units. • Technology & Know-How License Agreement with a Spanish Company for Freeze Crystallization Technology for Zero Liquid Discharge.

II. Information about the appointee:

Sr. No.	PARTICULARS	
1.	Background Details	Mrs. Shanaya Mody Khatua is associated with the Company as a Director since year 2006 and Prior to that was an employee of the company upto year 2007. In the year 2007, she was appointed as the Whole-Time Director of the company. She has developed the food business of the company. Her qualifications, nature of expertise and other details related to her are given in annexure to this notice.
2	Past Remuneration	Mrs. Shanaya was paid remuneration for the past year as mentioned below: (a) Salary: ₹ 2,80,000/- per month. (b) House Rent Allowance: ₹ 84,000/- per month. (c) Perquisites as under reckoned on the basis of actual expenditure or liability incurred. (i) Medical Benefits for Mrs. Shanaya and family: Reimbursement of the expenses actually incurred, the total cost of which to the company not to exceed one month's salary in a year. (ii) Leave Travel Allowance: Mrs. Shanaya and her family once in a year, subject to one month's salary.

		(iii) Statutory contribution to PF, FPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in calculation of remuneration limits as per schedule V of the Companies Act, 2013. (d) Paid 2% commission on the profits for the whole year as per the calculation prescribed in the Companies Act, 2013 during tenure of her appointment. (e) Provided a car with chauffeur for use of company's business and a telephone at residence. (f) Terminal Benefits will be provided to Mrs. Shanaya as per the company rules.
3	Recognition or awards	-
4	Job profile and her suitability	She has experience of more than 10 years in the company in capacity as Director and developed diversified new business of food products. She has almost doubled the turnover on a year to year basis and expanded the product base and developed international market worldwide for the Brand 'BCool'.
5	Remuneration proposed	The company propose the same remuneration as mentioned above.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	There are no comparable data available on other companies in the segment and the remuneration payable to their managerial persons. Hence the proposed remuneration is reasonable considering future growth of the company.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mrs. Shanaya Mody Khatua is a Whole-Time Director of the company and Mr. Sorab Mody, Managing Director and Mrs. Sheila Mody, Director of the company are relatives.Mrs. Shanaya Mody Khatua is holding 4,25,622 equity shares of the company.

III. Other information:

Sr. No.	Particulars	
1	Reasons of loss or inadequate profits	The company has earned profits however, as per section 197 & 198 of the Companies Act, 2013 the profits are not adequate to cover the remuneration/ perquisites payable to Mrs. Shanaya Mody Khatua. Therefore, Schedule V of the Companies Act, 2013 will be attracted to pay the remuneration to Mrs. Shanaya Mody Khatua.
2	Steps taken or proposed to be taken for improvement	The efforts of managerial persons for cost effectiveness and with new technological and development innovations suggested by them, it will help the company to achieve further growth of company.
3	Expected increase in productivity and profits in measurable terms	The company is expecting growth in the turnover and profits due to introduction of new products and their efforts towards Research & Development activities. The same will provide growth to the company's overall financial performance.

IV. Disclosures:

All elements related to remuneration package, details of fixed component and performance linked incentive alongwith performance criteria, service contracts, notice period and severance fees and stock option details are mentioned in the Annual Report.

The Board recommends resolutions under Item No. 11 to be passed as a Special Resolution.

Except Mrs. Shanaya Mody Khatua herself, Mr. Sorab R. Mody, and Mrs. Sheila S. Mody, being relatives, no other directors or key managerial personnel are interested or concerned in this resolution.

Registered Office:
C-1/39/13/16 GIDC,
Naroda,
Ahmedabad – 382 330
Date: 06/08/2016
Place: Ahmedabad

By Order of the Board,

Nishith Kayasth
Company Secretary

ANNEXURE TO NOTICE

Particulars	Name of the Directors seeking Appointment / Re-Appointment		
	Mr. Sorab Mody	**Mr. Percy Avari**	**Mrs. Shanaya Mody Khatua**
Date of Birth and Age	08/10/1945 71 years	17/11/1968 47 years	26/09/1981 34 years
Date of Appointment	03/09/1990	29/01/2003	22/01/ 2007
Qualification	B.Com	B.Tech (Chemical) M.B.A. (Finance)	B.A. (ARTS) from University of New South Wales, Australia. M.Sc. (International Employment Relations & HRM) from London School of Economics.
Nature of Expertise	He is a promoter and Managing Director of the company. He has vast experience of engineering industry. His vision and guidance to our company has made this company to grow immensely. He has an overall experience of 37 years in the engineering industry. During his tenure as a mentor of the company has developed new products and with his vision of growth company has achieved a turnover of ` 100 Crores.	Mr. Percy is working with the company since its incorporation. He was an employee of the company till 2003. He was appointed as a Whole-Time Director of the Company in the year 2003. He looks after overall business including focus on product development and new business avenues in the Engineering sector. His experience of 26 years in the engineering industry will help the company to grow in future.	Mrs. Shanaya was appointed as an Admin and HR Manager of the company in the year 2006. She was appointed as a Whole-Time Director of the Company in the year 2007. She looks after the business of food division which is mainly export oriented. She is also the overall in-charge of Admin and HR functions of the Company.
Name of the public companies in which he/she holds Directorship	Not a Director in any other public limited company except MAZDA LIMITED.	Not a Director in any other public limited company except MAZDA LIMITED.	Not a Director in any other public limited company except MAZDA LIMITED.
Name of Committees of Public Companies of which he/she holds Membership/ Chair-manship*	NONE	NONE	NONE
No. of shares held	12,03,156 Equity Shares	45,205 Equity Shares	4,25,622 Equity Shares

DIRECTORS' REPORT

To,
THE MEMBERS,
MAZDA LIMITED

Your Directors are pleased to present the 26th Annual Report on the business and operations of the company together with the Audited Accounts for the financial year ended March 31, 2016.

1. FINANCIAL PERFORMANCE

(₹ In Lacs)

Sr. No.	Particulars	2015-16	2014-15
i	**Total revenue**	**12408.23**	**11925.44**
ii	**(Less):** Total expenditure	10403.31	10056.19
iii	**Profit before depreciation, finance cost & tax**	**2004.92**	**1869.25**
iv	**(Less):** Finance cost	86.52	49.73
v	**(Less):** Tax Expenses	486.51	482.06
vi	**Cash Profit**	**1431.89**	**1337.46**
vii	**(Less):** Depreciation	227.70	213.29
viii	**(Less):** Prior period items	0.50	1.27
ix	**Profit for the year**	**1203.69**	**1122.90**
x	**Balance of Profit brought forward**	**7318.62**	**6684.98**
xi	**Total Profit available for appropriation**	**8522.31**	**7807.88**
xii	Transfer to general reserve	125.00	125.00
xiii	Proposed Dividend	281.03	255.48
xiv	Dividend Tax	57.21	52.31
xv	Adjustment in fixed assets	0.00	56.47
xvi	**Profit carried to Balance Sheet**	**8059.07**	**7318.62**

Note: The previous year figures has been regrouped whenever necessary.

2. DIVIDEND

Your Directors are pleased to recommend a dividend of 66% to its equity shareholders i.e. ₹ 6.60/- per equity share of face value of ₹ 10/- each aggregating to ₹ 281.03 Lacs (Previous year ₹ 6.00 per equity share of face value of ₹ 10/- each aggregating to ₹ 255.48 Lacs) and Dividend Distribution Tax payable by the company amounting to ₹ 57.21 Lacs (Previous year ₹ 52.31 Lacs) has been appropriated out of the profits. The payment of dividend is subject to the approval of the Shareholders at the ensuing Annual General Meeting.

3. TRANSFER TO RESERVES

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

4. OPERATIONS

During the year under review, your company reported a top-line growth of 4% over the previous year. The Profit before Tax for the year is ₹ 16.91 Crores as against ₹ 16.06 Crores for the previous year showing increase by 5%.

5. FINANCE AND ACCOUNTS

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

Your company is sufficiently funded from the internal accruals which has been invested in debt market instruments like fixed maturity plans, liquid funds and bond funds. The investment amount has increased from the previous year investment of ₹ 32.66 Crores to ₹ 41.16 Crores in the year under review.

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

6. EXPORTS AND TECHNOLOGY DEVELOPMENTS

Exports for the year were at ₹ 26.10 Crores as compared to ₹ 32.10 Crores for the previous year showing decrease compared to the last year due to adverse situation in the global economy.

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

7. FIXED DEPOSITS

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

8. INSURANCE

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

9. MANAGEMENT DISCUSSION AND ANALYSIS

(a) Industry Structure and Developments:

The Economic Survey of India reports the India GDP growth for fiscal 2015-16 at 7.5% making it the fastest growing economy in the world. The effect of gradual implementation of structural reforms is also expected to contribute to higher growth due to major reforms including progress on reforms like Goods and Service tax.

The Indian economy is still volatile in financial year 2015-16, in spite of the fragile business conditions, your company has maintain its presence in the domestic as well as international market. Your company has continued to invest in expansion of our manufacturing and engineering capabilities.

With our comprehensive product range and long years of experience, your company continues to be a preferred supplier for many major customers for a wide range of industry segment for vacuum products.

Engineering Business:

The overall business condition of engineering business has remained stagnant for the year under review. Your company's performance is satisfactory compared to the performance of the engineering sector.

Your company has successfully dispatched a large four stage Evaporator system which was supplied for installation at a Common Effluent Treatment Plant (CETP) and it has been successfully commissioned in the year under review. Your company is expecting additional orders from this CETP as well as from other CETPs.

Food Business:

The food division this year has performed very well owing to its outreach to new customers in U.A.E. and Europe. The supply in the domestic Indian market has grown steadily with BCool becoming a recognizable brand in the South of India.

Additionally, your company has also focused on promoting new products which were developed last year including Mango chutney. This product has also shown a lot of promise with repeat orders and increased volume demand from the customers. Your company has broadened natural flavouring and essence range by increasing the number of products offered in its natural range. Your company will soon be shifting to a larger and better manufacturing premises. This will help your company further expand all product types. This additional capacity will enable your company to diversify into new food products and add entirely new product lines to the existing range.

Your company is adding British Retail Consortium (BRC) certification to its quality certificates. Your company has increased and expanded its quality control by purchasing new testing machinery for in-house testing. Your company is also now getting its products externally tested on a regular basis to ensure that our customers receive the highest quality products.

(b) Segment-wise Performance:

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

Due to overall adverse conditions in the engineering sector, your company's performance in the engineering segment shows increase in turnover by 3% and the profit in the engineering segment has increased by 4%.

The food business has done exceptionally well in this year which is reflected by an increase in turnover by 8% and profits by 154% due to favourable conditions. The increase in profits in the current year vis a vis the previous year look out of proportion mainly due to a major write off in the previous year related to one defaulting customer.

(c) Outlook:

The outlook for the financial year 2016-17 is optimistic with the GDP growth rate projected to be around 7.5%. As per the Government Report, the slow but steady improvement in size of the Indian economy is likely to continue in 2016-17.

Your company will continue to focus on revenue growth through in house product research facility and addition of new products to our current line of business. Cost reduction will continue to be focus area to ensure profitability.

The process of the land purchasing for setting up the manufacturing facility is completed in the month of July 2016. The setting up of new manufacturing unit will commence shortly.

Trials with new type of absorbent are going on with the technology partner 'CNIM' for design and manufacturing of Absorption Refrigeration Units.

The new technology and know-how derived from the Spanish company for Freeze Crystallization System for Zero Liquid Discharge is picking up and your company has dispatched one of the equipment to a Pharmaceutical Company. Another system to one of the reputed client in the Agro Industries will be dispatched during the current financial year. These systems are useful for effluent treatment and achieve Zero Liquid Discharge (ZLD) in agro chemical, chemicals, pesticides and other related industries.

Your company has received a large order for Electro Static Precipitator (ESP) for supply to Soda Ash Industry.

(d) Threat and concerns:

The primary threat continues to be the slow improvement of business sentiment in the engineering products. The revival of the capital intensive projects is key to the success of our company.

However, your company is securing customer orders with superior product quality and strong brand image in the engineering business. Our continuous focus on innovation and upgradation of the technology ensures that we stay ahead in the competition.

(e) Internal control systems and risk management:

The company's management is responsible for establishing and maintaining an adequate system of internal controls over financial reporting. Your company has a system of Internal Financial Controls and such policies and procedures to be adopted by the company for ensuring efficient conduct of its business, including adherence to company's policies ensures that all its assets are properly safeguarded and not exposed to risks arising out of unauthorized use or disposal, the accuracy and completeness of the accounting records and the timely preparation of the financial information.

The Internal Financial Control system facilitate prevention and timely detection of any irregularities, errors and frauds. The Internal Controls are continuously assessed and improved or modified to meet changes in business conditions, statutory and accounting requirements.

The company through its Internal Auditors carries out periodic audits to independently asses the design and operating effectiveness of the internal control system to provide a credible assurance to the Board of Directors and the Audit Committee regarding adequacy and operating effectiveness of the Internal Control System. The observations arising out of audit are periodically reviewed by the Audit Committee.

Like any other ongoing business, your company is exposed to a number of potential risks that can adversely affect its business. Your company has established Risk Management System to ensure that risks to the Company's existence as a going concern and to its development are identified and addressed on timely basis.

The risk management system consists of multi phased process. Initially, all risks are identified by different departments and identified and reported to the management. These risks are then analyzed and evaluated by the company's management team before these are reported to the Board of Directors.

Your company continuously seeks to identify, assesses, review, manage and work on developing the robustness of the system in term of adequate internal controls and compliances. The business risks are identified and manage throughout all the staff of the company through communication process.

(f) Health, Safety & Environment:

The management is committed to conducting the company's business in a sustainable manner with stringent procedures around safety systems and processes. Employees across the company were extensively trained and educated on safety awareness and safety measures.

Your company's manufacturing facility at all four units and corporate office are OHSAS 18001:2007 and ISO 9001:2008 & 14001:2015 certified.

(g) Human Resources and Industrial Relations:

Your company has in place well-established human resource processes for attracting, retaining and nurturing talent by adopting a transparent system of performance evaluation and rewarding performers. Needless to mention that the human resource policies of your company ensure motivation to the employees to give their best and remain committed to achieve the overall objective of the company.

Your company continues to have a smooth and enabling work climate that promotes performance, and innovative thinking while adhering to the highest standard of integrity, trust and ethical behavior.

During the year, extensive training and developmental activities were undertaken for the employees. The company has employed 217 personnel as at 31st March, 2016. All the employees are having the required qualifications to perform their jobs. Employee's relations continue to be smooth and cordial and the work atmosphere remain congenial through the year.

10. EMPLOYEE STOCK OPTION

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

11. SUBSIDIARIES AND JOINT VENTURES

There are no subsidiaries or joint ventures of your company.

12. DIRECTORS

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

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with provisions of the Articles of Association of the company, Mr. Percy Avari and Mrs. Shanaya Mody Khatua, Directors retire by rotation and being eligible, offer themselves for re-appointment.

Brief resume, area of expertise and other details of these Directors forms integral part of the Notice of the Annual General Meeting.

13. KEY MANAGERIAL PERSONNEL

Pursuant to provisions of Sections 2(51) and 203 of Companies Act, 2013 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following persons are acting as Key Managerial Personnel of the company as on 31st March, 2016;

- Mr. Sorab Mody, managing Director
- Mr. Percy Avari, Whole-Time Director
- Mrs. Shanaya Mody Khatua, Whole-Time Director
- Mr. Cyrus Bhagwagar, Chief Financial Officer
- Mr. Nishith Kayasth, Company Secretary

None of the Key Managerial Personnel, has resigned during the year ended on 31st March, 2016.

14. EXTRACT OF ANNUAL RETURN

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

15. NO. OF MEETINGS OF THE BOARD

During the year under review, the Board of Director met five times, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013. The details of the Board and Board committee meetings held during the year are given in the Corporate Governance Report which forms part of the Annual Report.

16. INDEPENDENT DIRECTOR'S FAMILIARIZATION PROGRAMME AND EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The details pertaining to Independent Directors familiarization programme and evaluation of Board, their Committees and of the Directors are included in the Corporate Governance Report, which forms part of this report.

17. AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

18. SHARE CAPITAL

During the year under review, the company has not increased its paid up capital. The paid up equity share capital of the Company as on 31st March, 2016 is ₹ 4,25,80,000/-.

During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2016 and of the profit of the company for the year ended on that date;

(iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud & other irregularities;

(iv) The Directors have prepared the annual accounts on a going concern basis;

(v) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

(vi) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the company have furnished declarations that they qualify the conditions of being Independent as per Section 149(6) & (7) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

21. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The requisite details as required by Section 178(3) & (4) and as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 is attached as Annexure – B.

22. CHANGES IN THE NATURE OF BUSINESS, IF ANY

There are no change in the nature of business carried on by the company. The company has not changed the class of business in which the company has an interest.

23. REPORTING OF FRAUD BY STATUTORY AUDITORS

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

24. AUDITORS AND AUDITORS' REPORT

- **Statutory Auditor**

  At the 25th Annual General Meeting held on 1st September, 2015, the members have approved re-appointment of Apaji Amin & Co., Chartered Accountants, Ahmedabad (Registration No. 100513W) to hold office from last AGM upto the conclusion of 26th Annual General Meeting on such remuneration as may be fixed by the Board apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

  M/s Apaji Amin & Co. LLP, Chartered Accountants have informed to the company that their appointment, if made, would be within the limits prescribed under section 141 of the Act. They have also furnished a declaration confirming that their independence as well as their arm's length relationship with the Company and that they have not taken up any prohibited non-audit assignments for the company.

  There are no qualifications, reservations or adverse remarks or disclaimers made by the auditors in their report on the financial statements of the company for the financial year ended 31st March, 2016. The notes on the Financial Statements referred to in the Auditors Reports are self-explanatory and do not call for any comments or explanations.

- **Secretarial Auditor**

  Pursuant to Section 204 of the Companies Act, 2013 Secretarial Audit Report for the financial year ended on 31st March, 2016 given by Rutul Shukla & Associates, Practicing Company Secretaries is attached as Annexure – C.

  There are no qualifications, reservations or adverse remarks or disclaimers made by the auditor in their report on the financial statements of the company for the financial year ended 31st March, 2016. The Secretarial Auditor Report are self-explanatory and do not call for any comments or explanations.

- **Cost Auditor**

  As per the requirement of Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of directors have, based on the recommendation of the Audit Committee, appointed Shri V. H. Shah, Cost Auditors, Ahmedabad (Registration No. 100257) to audit the cost accounts of the company for the financial year 2016-17 commencing from 01st April, 2016 to 31st March, 2017 on a remuneration of ₹ 1 Lac. As required under the act, necessary resolution seeking members' ratification for the remuneration payable to Shri V. H. Shah is part of the notice.

25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

Particulars of loans and guarantees given and the investments made by the company as at 31st March, 2016 are forming part of financial statements. During the financial year under review, the company has made investments in schemes of various mutual funds closing balance of which as on 31st March, 2016 is ₹ 41.16 Crores.

26. PARTICULARS OF RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPTs) that were entered into during the year under review were on arm's length basis and in ordinary course of business. All RPTs are placed before Audit Committee for their approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and respective nature. A statement giving details of all RPTs is placed before the Audit Committee for their approval on quarterly basis.

The Particulars of RPTs are stated in note No. 33 in the financial statements of the company.

There are no materially significant related party transactions made by the company during the year under review. The RPTs policy of the company approved by the Board of Directors is displayed on website of the company www.mazdalimited.com.

27. STATE OF AFFAIRS OF THE COMPANY

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

28. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Except as disclosed elsewhere in this report, no material changes and commitments affecting the financial position of the company have occurred between the end of financial year to which the financial statements relate and the date of the Directors' Report.

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

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

30. RISK MANAGEMENT POLICY

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

31. CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)

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

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

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

32. PARTICULARS OF REMUNERATION OF MANAGERIAL PERSONNEL AND RELATED DISCLOSURES

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

The particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) & 5(3) of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014 - Not Applicable

33. LISTING OF EQUITY SHARES:

The Securities and Exchange Board of India (SEBI), on 2nd September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective 1st December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with BSE Limited for the same.

34. REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance together with a certificate from the Practicing Company Secretary confirming compliance is set out in the Annexure forming part of Corporate Governance Report attached as Annexure - G.

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

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

36. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

In line with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under, the Company has adopted a "Policy on Prevention of Sexual Harassment at Workplace" There is no complaint related to the Sexual Harassment received during the year under review.

37. VIGIL MECHANISM / WHISLTE BLOWER POLICY

The Board of Directors had adopted the Vigil Mechanism / Whistle Blower Policy. The Policy has provided a mechanism for Directors, Employees and other persons dealing with the company to report to the Chairman of the Audit Committee, any instance of unethical behavior, actual or suspected fraud or violation of the Code of Conduct of the company. The details of the policy has been uploaded on the website of the company www.mazdalimited.com.

38. APPRECIATION

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

39. CAUTIONARY NOTE

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

For and on behalf of the Board,

Place : Ahmedabad
Date : 06/08/2016

Sorab Mody
Managing Director

Percy Avari
Whole-Time Director

ANNEXURE – A

Form No. MGT-9

Extract of Annual Return as on the Financial Year ended on 31/03/2016

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

I. Registration and other details:

CIN	L29120GJ1990PLC014293
Registration Date	03/09/1990
Name of the Company	Mazda Limited
Category / Sub- Category of the company	Public Limited / Limited by Shares
Address of Registered Office & Contact Details	C/1-39/13/16, G.I.D.C., Naroda, Ahmedabad – 382 330 Ph. 079 4000 7000 Fax: 079 2656 5605 E-mail: info@mazdalimited.com
Whether listed company	YES
Name, address & Contact details of the Registrar & Transfer Agent, if any	Link Intime India Private Limited Unit No. 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, B/h Shoppers Plaza II, Off. C. G. Road, Ahmedabad - 380 009 Phone No: 079-26465179 Email: ahmedabad@linkintime.co.in

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

Sl. No.	Name & description of main product / services	NIC code of the product / services	% to total turnover of the company
1.	Engineering Products – Vacuum system, Evaporators and others	359.9	89.62
2.	Food Products	202.4 & 202.5	10.38
	TOTAL		**100.00**

III. Particulars of Holding, Subsidiary and Associate companies –

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

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

(i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01/04/2015				No. of Shares held at the end of the year i.e. 01/04/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a)Individual / HUF	1684478	-	1684478	39.56	1704478	-	1704478	40.03	0.47
b) Central/ State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total(A) (1) :-	**1684478**	**-**	**1684478**	**39.56**	**1704478**	**-**	**1704478**	**40.03**	**0.47**
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-		-
b) Other-Individuals	-	-	-	-	-	-	-		-
c) Bodies Corporate	-	-	-	-	-	-	-		-
d) Banks / FI	-	-	-	-	-	-	-		-
e) Any Other	-	-	-	-	-	-	-		-
Sub Total(A) (2) :-	-	-	-	-	-	-	-		-
Totalshareholding of Promoter (A) =(A)(1)+(A)(2)	**1684478**	**-**	**1684478**	**39.56**	**1704478**	**-**	**1704478**	**40.03**	**0.47**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) MutualFunds	9753	-	9753	0.23	9753	-	9753	0.23	0.00
b) Banks / FI	800	-	800	0.02	800	-	800	0.02	0.00
c) Central / State Govt.	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	21000	-	21000	0.49	18969	-	18969	0.44	-0.05
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	31553	-	31553	0.74	29522	-	29522	0.69	-0.05
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	265876	300	266176	6.25	235102	300	235402	5.53	-0.72
ii) Overseas	-	289500	289500	6.80	-	289500	289500	6.80	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	1021525	69310	1090835	25.62	1071249	64810	1136059	26.68	1.06
ii) Individual shareholders holding nominal share capital inexcess of ₹ 1 lac	777090	-	777090	18.25	787636	-	787636	18.50	0.25
c) Others (specify)									
NBFC registered with RBI	-	-	-	-	4328	-	4328	0.10	0.10
Non-Resident Individuals	106768	11600	118368	2.78	59475	11600	71075	1.67	-1.11
Any Other -	-	-	-	-	-	-	-	-	
Sub-total(B)(2):-	2171259	370710	2541969	59.70	2157790	366210	2524000	59.28	-0.42
Total PublicShareholding (B)=(B)(1)+(B)(2)	**2202812**	**370710**	**2573522**	**60.44**	**2187312**	**366210**	**2553522**	**59.97**	**-0.47**
C. SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs	**-**	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**3887290**	**370710**	**4258000**	**100.00**	**3891790**	**366210**	**4258000**	**100.00**	-

(ii) Shareholding of Promoters:

Sl. no.	Shareholder's name	Shareholding at the beginning of the year 01/04/2015			Shareholding at the end of the year 31/03/2016			% change in holding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged /encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged /encumbered to total shares	
1	Sorab R. Mody	1183156	27.79	0.00	1203156	28.25	0.00	0.47
2	Shanaya Mody Khatua	425622	10.00	0.00	425622	10.00	0.00	0.00
3	Sheila S. Mody	75700	1.77	0.00	75700	1.78	0.00	0.00
	Total	**1684478**	**39.56**	**0.00**	**1704478**	**40.03**	**0.00**	**0.47**

(iii) Change in Promoters' shareholding

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year 01/04/2015		Date	Increase / (Decrease) in shareholding	Reason	Cumulative shareholding during the year 01/04/2015 to 31/03/2016	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Sorab R. Mody	1183156	27.79	28/04/2015	10000	Transfer	1193156	28.02
				22/06/2015	10000	Transfer	1203156	28.26
	At the end of the year						**1203156**	**28.26**
There is no change in promoter's shareholding except Mr. Sorab R. Mody which is given above.								

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

Sr. no	Top 10 Shareholders	Shareholding at the beginning of the year 01/04/2015		Cumulative shareholding end of the year 31/03/2016	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Croll Reynolds International Inc.	289500	6.80	289500	6.80
2.	Anil Kumar Goel	115000	2.70	104000	2.44
3.	Dimple Amar Parikh	-	-	85396	2.01
4.	Seema Goel	85000	2.00	85000	2.00
5.	Dorabjee and Co. Pvt. Ltd.	62859	1.48	62859	1.48
6.	Sharad Kanayalal Shah	50000	1.17	51000	1.20
7.	Javed Sajjadmehdi Saiyed	67099	1.58	45584	1.07
8.	Nilesh Hastimal Shah	42300	0.99	42300	0.99
9.	Shailesh Babalal Shah	42120	0.99	42120	0.99
10.	Bharat Jamnadas Dattani	37809	0.89	36892	0.87
11.	Suketu H. Nanavati	30000	0.70	29000	0.68
12.	Nilesh Rameshchandra Pethani	43438	1.02	-	-

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

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director & KMP	Shareholding as at 1st April, 2015		Shareholding as at 31st March, 2016	
		Number of shares	% of total shares of the company	Number of shares	% of total shares of the company
1.	Mr. Sorab Mody, Managing Director	1183156	27.79	1203156	28.26
2.	Mr. Mohib Khericha, Chairman & Independent Director	-	-	-	-
3.	Mr. Samuel Croll – III, Non-Executive Director	-	-	-	-
4.	Mrs. Sheila Mody, Non-Executive Director	75700	1.78	75700	1.78
5.	Mrs. Houtoxi Contractor, Non-Executive Director	592	0.01	592	0.01
6.	Mr. Nilesh Mankiwala, Independent Director	-	-	-	-
7.	Mr. Saurin Palkhiwala, Independent Director	-	-	-	-
8.	Mr. Percy Avari, Whole-Time Director	45205	1.06	45205	1.06
9.	Mrs. Shanaya Mody Khatua, Whole-Time Director	425622	10.00	425622	10.00
	Key Managerial Personnel				
10.	Mr. Cyrus Bhagwagar, Chief Financial Officer (CFO)	1000	0.02	1000	0.02
11.	Mr. Nishith Kayasth, Company Secretary	-	-	-	-

Notes: 1. Details of changes in the shareholding of Mr. Sorab Mody, Managing Director of the company during the year are as under:

Particulars	Number of shares	% to total shares of the company
As at 01/04/2015	1183156	27.79
Purchase of equity shares through open market as on 28/04/2015	10000	0.23
Purchase of equity shares through open market as on 28/04/2015	10000	0.23
As at 31/03/2016	1203156	28.26

2. There are no purchase and sale of shares by other Directors during the year.

V. Indebtedness

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

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amt	271.17	-	-	271.17
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
i) Principal Amt ii) Interest due but not paid iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	271.17	-	-	271.17
Change in Indebtedness during the financial year · Addition · Reduction	478.73 (561.02)	- -	- -	478.73 (561.02)
Net Change	82.29	-	-	82.29
Indebtedness at the end of the financial year i) Principal Amt ii) Interest due but not paid iii) Interest accrued but not due	188.88	-	-	188.88
Total (i+ii+iii)	188.88	-	-	188.88

VI. Remuneration of Directors and Key Managerial Personnel

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

Sr. no.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Sorab Mody	Percy Avari	Shanaya Mody Khatua	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	49,28,000 32,400	49,28,000 32,400	49,28,000 32,400	**1,47,84,000** **97,200**
2.	Stock Option	-	-	-	**-**
3.	Sweat Equity	-	-	-	**-**
4.	Commission - as %age of profit - others, specify	31,53,185 -	31,53,185 -	31,53,185 -	**94,59,555** **-**
5.	Others, please specify	-	-	-	**-**
	Total (A)	81,13,585	81,13,585	81,13,585	**2,43,40,755**
	Ceiling as per the Act	84,00,000	84,00,000	84,00,000	**2,52,00,000**

B. Remuneration to other Directors:

Sr. no.	Particulars of Remuneration	Name of the Director			Total Amount
1.	**Independent Directors**	**Mohib Khericha**	**Nilesh Mankiwala**	**Saurin Palkhiwala**	
	(a) Fee for attending board / Committee Meetings	4,60,000	2,50,000	3,55,000	10,65,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	**4,60,000**	**2,50,000**	**3,55,000**	**10,65,000**
2.	**Other Non-Executive Directors**	**Sheila Mody**	**Houtoxi Contractor**	**Samuel Croll-III**	**Total Amount**
	(a) Fee for attending board / Committee Meetings	5,50,000	50,000	-	6,00,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (2)	**5,50,000**	**50,000**	**-**	**6,00,000**
	Total (B)=(1+2)				**16,65,000**
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

Sr. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amt
		Cyrus Bhagwagar, CFO	Nishith Kayasth, Company Secretary	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	31,26,800 32,400 -	11,21,705 32,400 -	**42,48,505** **64,800** **-**
2.	Stock Option	-	-	**-**
3.	Sweat Equity	-	-	**-**
4.	Commission - as % age of profit - others, specify	- -	- -	**-** **-**
5.	Others, please specify	-	-	**-**
	Total	**31,59,200**	**11,54,105**	**43,13,305**

VI. Penalties / Punishment / Compounding of Offences:

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

ANNEXURE – B

Nomination & Remuneration Policy

Introduction:

This policy applies to the Board of directors, key Managerial Personnel and senior Management Personnel of Mazda Limited. ('The company').

The policy envisages framework for nomination, remuneration and evaluation of Board of Directors, Key Managerial Personnel and Senior Management Personnel In adherence to the requirement of section 178 of the Companies Act, 2013, including rules thereof and SEBI (Listing Obligations and disclosure Requirements) Regulations,2015(Listing Regulations') and in line with the company philosophy toward nurturing its human resource.

The Company has a Remuneration Committee of the Board, consisting of three Non Executive Directors, pursuant to requirements of the Companies Act, 2013 and Listing Regulations with the Stock Exchanges.

1. Definitions:

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

"Key Managerial Personnel ('KMP')" means

(i) Chief Executive Officer or the Managing Director or the Manager;

(ii) Whole-time Director;

(iii) Chief Financial Officer

(iv) Company Secretary; and

(v) Such other officers as may be prescribed under the act from time to time.

"Nomination and Remuneration Committee"(hereinafter called 'Committee') means the Committee of the Board constituted or re-constituted from time to time under the provisions of Clause 49 of the Listing Regulations and Section 178of the Companies Act, 2013.

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

2. Appointment and removal of Director, KMP and SMP

a) The Committee shall consider criteria such as qualifications, skills, expertise and experience of the person to be appointed as Director, KMP or at Senior Management level and accordingly recommend to the board his/her appointment.

b) The age of person to be appointed as Non Executive Director shall not be less than 21 years and more than 75 years. The Committee at its discretion may recommend to the board continuation of Director for further term of appointment who has completed 75 years.

The age of person to be appointed as Executive Director shall not be less than 21 years and not more than 70 years. The Committee at its discretion may recommend to the board continuation of Director for further term of appointment who has completed 70 years.

c) The Company should ensure that the person so appointed as Director shall not be disqualified under Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.

d) The Director/ independent Director/KMP/SMP shall be appointed as per the provisions and procedure laid down under the Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.

e) the Committee may recommend to the Board for removal of a Director on account of any disqualification mentioned in Companies Act,2013, rules made thereunder or under any other applicable act, rules and regulations or any other reasonable ground. The committee may also recommend to the Board for removal of KMP or SMP subject to the provisions and compliance of applicable Act, rules and regulation.

f) term and tenure of a Director shall be in accordance with the provisions of the Companies Act, 2013 rules thereof and Listing Regulations as amended from time to time

3. Board Diversity

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

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

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

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

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

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

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

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

5. Remuneration to Non Executive / Independent Director:

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

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

6. Nomination and Remuneration of KMP & SMP:

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

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

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

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

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

7. Criteria for evaluation of Board

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

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

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

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

8. Amendment

Based on the recommendation of the committee, the board reserves its right to modify this Policy in whole or in part, at any time, when it deems appropriate, in accordance with any amendment to the applicable provisions of the Companies act, 2013, including rules thereof and the Listing Regulations.

ANNEXURE – C

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,
The Members,
Mazda Limited,
C/1 39/13/16, G.I.D.C, Naroda,
Ahmedabad - 382330
Gujarat, India

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the company management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2016 according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

  (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 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit Period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit Period);

(vi) As identified by the company management, and based on the compliance system prevailing in the Company and explanations and clarifications given to us and relied on the representations made by the company management, and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. The Indian Boilers Act, 1923 & Indian Boiler Regulations, 1950
2. Food Safety and Standards Act, 2006

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (effective from 1st July, 2015)

(ii) The Equity Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and the Ahmedabad Stock Exchange Limited till 30th November, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from 1st December, 2015.

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

We further report that

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

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

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

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

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

(i) Public / Right / Preferential issue of shares / debentures / sweat equity, etc.

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iv) Merger / amalgamation / reconstruction, etc.

(v) Foreign technical collaborations.

For Rutul Shukla & Associates,
Company Secretaries

Place: Ahmedabad
Date: 06/08/2016

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

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

'Annexure'

To,
The Members,
Mazda Limited,
C/1 39/13/16, G.I.D.C, Naroda,
Ahmedabad - 382330
Gujarat, India

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

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

For Rutul Shukla & Associates,
Company Secretaries

Place: Ahmedabad
Date : 06/08/2016

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

ANNEXURE – D

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

Sr. No.	Particulars	Action taken
1.	**Details of Conservation of Energy**	• Installed solar power panel in the Corporate Office premise to conserve the energy. • Use of star rating products for air conditioners, ceiling fans and tube lights in all utility areas • Replacement of old machinery with power efficient machinery from time to time
2.	**Research & Development (R&D)**	
A.	Specific areas in which R&D carried out by the company	<u>Freeze Crystallization Technology</u> • Improvement and modification of Freeze Crystallization lab plant for treating Industrial waste and product testing • Conducting trials and collection of data for various industrial waste and products <u>Spindle operated Thermo Compressor</u> • Designing of Spindle operated Thermo Compressor • Conducting trials and collections of data for various testing of Spindle operated Thermo Compressor
B.	Benefits derived as a result of the above R&D	• Reduction in Energy Consumption due to application of Freeze Crystallization Technology • Recovery of the valuable product from effluent • Reduction in Steam Consumption with Spindle Operated Thermo Compressor

C.	**Future plan of action**	Development of Freeze Crystallization Technology for other Industrial Application
D.	**Expenditure on R&D** **a. Capital** **b. Recurring** **c. Total** **d. Total R&D expenditure as a percentage of total turnover**	 ₹ 151.23 Lacs ₹ 128.69 Lacs ₹ 279.92 Lacs 2.15%
3A.	**Technology absorption, adaptation and innovation**	
a)	Efforts, in brief, made towards technology absorption, adaptation and innovation	License Agreement has been signed for import of technology for manufacturing of Absorption Refrigeration Units.
b)	Benefits derived as a result of the above efforts	More efficient system than currently available in the Indian Market
c)	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: a. Technology imported b. Year of import c. Has technology been fully absorbed? d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	 Vapor Absorption Chiller Technology 2014 No. The same is in process. Involves many different models and hence time consuming.
3B.	**Technology absorption, adaptation and innovation**	
a)	Efforts, in brief, made towards technology absorption, adaptation and innovation	License Agreement has been signed for import of technology for manufacturing of Freeze Crystallizers
b)	Benefits derived as a result of the above efforts	Massive reduction in utilities
c)	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: a. Technology imported b. Year of import c. Has technology been fully absorbed? d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	 Freeze Crystallization Technology 2014 No. The same is in process. Since it is used for varied applications, it is time consuming.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Inflow:

• Exports sales earnings	₹ 25,83,14,299
• Cancellation of order	₹ 44,800
• Consultancy Income	₹ 40,79,796
TOTAL	₹ **26,24,38,895**

Foreign Exchange Outgo:

• On Purchase of Materials	₹ 2,11,20,834
• On purchase of Capital goods	₹ 2,26,66,650
• Foreign Travelling expense	₹ 7,11,402
• Subscription & Registration fees	₹ 22,139
• Repairs & Maintenance expenses	₹ 41,29,229
• Professional & Consultancy charges	₹ 19,18,967
• Staff Training expenses	₹ 26,932
• Bank charges	₹ 5,85,724
• Payment of Dividend	₹ 17,37,000
TOTAL	₹ **5,29,18,877**

ANNEXURE – E

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

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

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

Details of the expenditure on CSR activities are as follows:

Average net Profit of the company for the financial year 2012-13, 2013-14 & 2014-15	₹16,54,81,333
Prescribed CSR Expenditure (2% of the Average Net Profit)	₹ 33,09,627
Total Amount spent on CSR activities	₹ 33,25,000

Manner in which the amount spent during the financial year 2015-16 is detailed below:

Sr. No.	CSR project	Sector in which the project is covered	Projects or programs 1) Local Areas or other 2)Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs. 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent (Direct or through implementing agency)
1.	Prime Minister's National Relief Fund	Socio economic Development & relief	Not ascertainable	Amount not specified	₹ 33.25 Lacs	₹ 33.25 Lacs	₹ 33.25 Lacs Direct payment to the Fund

ANNEXURE – F

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

1) Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March, 2016:

Sr. No.	Executive Directors	Remuneration ₹ in Lacs	Median remuneration ₹ in Lacs	Ratio
1.	Mr. Sorab Mody, Managing Director	81.14	3.60	22.54
2.	Mr. Percy Avari, Whole-Time Director	81.14	3.60	22.54
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	81.14	3.60	22.54

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

Sr. No.	Director, CFO & Company Secretary	% increase in the remuneration in the financial year
1.	Mr. Sorab Mody, Managing Director	0.24%
2.	Mr. Percy Avari, Whole-Time Director	24.31%
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	24.31%
4.	Mr. Cyrus Bhagwagar, CFO	11.10%
5.	Mr. Nishith Kayasth, Company Secretary	10.96%

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

3) Percentage increase in median remuneration of employees in the financial year:30%

4) The number of permanent employees on the rolls of the company as on 31st March, 2016: 217

5) Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

The average increase in salaries of the employees other than Managerial Personnel in 2015-16 was 10% and average percentage increase in the Managerial Remuneration for the year was 16% which is in line with the overall remuneration of the company.

6) It is affirmed that the remuneration paid is as per the remuneration policy of the company.

ANNEXURE – G

REPORT ON CORPORATE GOVERNACE

[Pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

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

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

MAZDA LIMITED is committed to the highest standards of business ethics and values. Corporate Governance is a set of system and practices to ensure that the affairs of the company are managed in such a way to ensure transparency trusteeship, maintaining integrity, and accountability in all levels of the management.

Timely and accurate disclosure of information regarding financial position, performance, ownership and governance of the company is an important part of the Corporate Governance, this improves understanding of the structure, activities and policies of the organization to investors and public at large. Consequently, the organization is able to attract and retain investors and enhance the trust and confidence of the stakeholders including shareholders, employees, customers, suppliers and communities.

The Compliance Report on Corporate Governance herein signifies compliance of all mandatory requirements of clause 49 of the Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the 'Listing Regulations'].

2. BOARD OF DIRECTORS

Your Board of Directors ('The Board'), closely monitors the performance of the company and management, approves the plans, reviews the strategy and strives to achieve organizational goals. It holds itself accountable to the shareholders as well as other stakeholders for the long term well-being of the company.

(a) Composition of Board

Your company's Board has an optimum combination of executive, non-executive, independent and women directors as per the requirement of Listing Regulations.

The Board comprises of nine Directors as on 31st March, 2016 of which one is Managing Director, two are Whole-Time Directors, three are Non-Executive Directors and three are Independent Non-Executive Directors, with diverse experience in different areas. The Company does not have any Nominee Director appointed by Financial Institutions.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership/chairmanship in committees of other companies, the details of which are mentioned under, the particulars of composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting are as under:

Name of the Directors	Category of Directors	No. of Board Meetings		Attendance at the last AGM	No. of Directorship in other Companies	No. of Committees in which	
		Held while holding the office	Attended while holding the office			Member	Chair person
Mr. Mohib N. Khericha, Chairman (DIN: 00010365)	Non-Executive & Independent	5	5	Yes	4	4	3
Mr. Sorab R. Mody, Managing Director (DIN: 00498958)	Promoter & Executive	5	5	No	NIL	None	
Mr. Samuel W. Croll– III (DIN: 01407244)	Non-Executive	5	1	No	NIL	None	
Mrs. Sheila S. Mody (DIN: 00496561)	Non-Executive	5	5	Yes	NIL	None	
Mrs. Houtoxi F. Contractor (DIN: 01407244)	Non-Executive	5	1	No	NIL	None	
Mr. Nilesh C. Mankiwala (DIN: 06927530)	Non-Executive & Independent	5	5	Yes	NIL	None	
Mr. Saurin V. Palkhiwala (DIN: 03604769)	Non-Executive & Independent	5	4	Yes	NIL	None	
Mr. Percy X. Avari, Whole-Time Director (DIN: 00499114)	Executive	5	4	Yes	NIL	None	
Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)	Executive	5	1	No	NIL	None	

Notes:

These numbers exclude the directorship/committee membership held in your company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 and alternate directorship.

It includes only the chairmanship/membership of the Audit Committee, Stakeholders' Relationship Committee, and Nomination & Remuneration Committee.

As per the disclosure received from the Directors, none of the Directors serves as member of more than 10 committees nor the Chairman of more than 5 committee as per the requirement of Listing Regulations.

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

Mr. Percy Avari and Mrs. Shanaya Mody Khatua are liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, has offered themselves for re-appointment. Relevant details pertaining to Mr. Percy Avari and Mrs. Shanaya Mody Khatua are provided in the Notice of the AGM.

All Independent Directors of the Company have furnished declarations that they qualify the conditions of being independent as per Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing regulations. These were placed before the Board.

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

To review the company's performance the Board meets at least once in a quarter. The maximum time gap between any two consecutive meetings did not exceed 120 days. In the year under review, five Board meetings were held on the below mentioned dates:

30 May 2015 01 August 2015 31 October 2015 12 February 2016 01 March 2016

(c) Shareholding of the Directors:

Statement showing number of equity shares of the company held by the Directors as on 31st March, 2016:

Name of the Directors	Category of the Director	Number of Equity Shares of ₹ 10/- each
Mr. Mohib Khericha	Non-Executive & Independent	NIL
Mr. Sorab Mody	Promoter &Executive	12,03,156
Mr. Samuel Croll- III	Non-Executive	NIL
Mrs. Sheila Mody	Non-Executive	75,700
Mrs. Houtoxi Contractor	Non-Executive	592
Mr. Nilesh Mankiwala	Non-Executive & Independent	NIL
Mr. Saurin Palkhiwala	Non-Executive & Independent	NIL
Mr. Percy Avari	Executive	45,205
Mrs. Shanaya Mody Khatua	Executive	4,25,622

3. AUDIT COMMITTEE

The constitution of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations which has replaced the Clause 49 of the Listing Agreement.

The company has an Audit Committee at the Board level, with the powers and roles in accordance with the requirements of the Clause 49 of the Listing Agreement / Regulation 18 of the Listing Regulation and the Companies Act, 2013. The Audit Committee constituted with following members:

Sr. No.	Name of the Director(s)	Chairman / Member	Category of Director as per Regulation 18 of the Listing Regulation
1.	Mr. Mohib Khericha	Chairman	Non-Executive & independent
2.	Mrs. Sheila Mody	Member	Non-Executive
3.	Mr. Saurin Palkhiwala	Member	Non-Executive & Independent

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

The Audit Committee acts as a link between the management, the statutory Auditors, Internal Auditors and the board of Directors.

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

The terms of reference of the Audit Committee

The terms of reference of Audit Committee are set out in accordance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the regulation inter alia consist of;

- overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the company and fixation of fees;
- Approval of the payment to statutory auditors for other services;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    - 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;
    - any change in accounting policies and practices and reasons for the same;
    - major accounting entries involving estimates based on the exercise of judgment by management;
    - significant adjustments made in the financial statements arising out of audit findings;
    - compliance with listing and other legal requirements relating to financial statements;
    - disclosure of any related party transactions;
    - modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit 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;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
- to review the functioning of the whistle blower mechanism;
- Such other functions as may be specified by the Board of Directors of the company from time to time.

The Committee has full access to information and records of the company and can seek information from any employee of the company and may invite such of Executives, as it considers appropriate to be present at the meetings of Committee. The Committee may access external professionals and obtain legal advice, if so required, and secure attendance of outsiders with relevant expertise, if it considers necessary, in discharge of its functions.

In addition to the above, the Committee shall have such functions / role / powers as may be specified in the terms of reference of the Audit Committee under applicable laws or as required by any statute.

Details of Audit Committee meetings and attendance:

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

30 May 2015 01 August 2015 31 October 2015 12 February 2016

All members of the committee have attended the meetings held during the period under review except Mr. Saurin Palkhiwala had not attended the meeting held on 30th May, 2015. The Chairman of the Audit Committee has attended the Annual General Meeting of the company.

Audit Committee Meetings were also attended by Chief Financial Officer, Statutory Auditors, Internal Auditors and Cost Auditors of the Company are also invited to the meetings, as and when required.

4. NOMINATION & REMUNERATION COMMITTEE

The company has a Nomination and Remuneration Committee at the Board level, with the powers and roles in accordance with the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement / Regulation 19 read with Part D of Schedule II to the Listing Regulations.

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

Name & Designation	Category of Directorship	No. of meetings held during the tenure	No. of meetings attended
Mr. Saurin Palkhiwala, Chairman	Non-Executive & independent	1	1
Mr. Mohib Khericha	Non-Executive & independent	1	1
Mrs. Sheila Mody	Non-Executive	1	1

The Company Secretary acts as a Secretary to the Committee.

The meeting of the Nomination and Remuneration Committee was held on 12 February, 2016 during the financial year under review.

The Board of Directors has, on the recommendation of the Nomination and Remuneration Committee adopted the Nomination and Remuneration Policy for selection and appointment of Directors, Senior Management and their Remuneration. The copy of the same has been attached as Annexure B to the Director's Report.

(a) Terms of reference of the Nomination & remuneration Committee

The Nomination & remuneration Committee shall act in accordance with the terms of reference, which shall include:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board change in a policy, relating to the remuneration for the Directors, key managerial Personnel, senior management personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of Directors;
- 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 of directors their appointments and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Carry out evaluation of Director's performance;
- Devising a policy on the diversity of Board of Directors;
- Performance of such function as may be assigned by the board of Directors from time to time and
- Perform such function as required as per the provision of the Companies Act, 2013, rules thereof and the Listing Regulations.

(b) Remuneration to Non-executive Directors:

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

(c) Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Managing Director and Whole-Time Directors are governed by the recommendation of Nomination and Remuneration Committee.

The Company pays remuneration to its Managing Director and Whole Time Directors by way of salary, commission, perquisites and allowances within the limit as approved by the Board of Directors and Shareholders of the company.

The Board, on the recommendations of the Nomination & Remuneration Committee, approved annual increments to the Managing Director & Whole-Time Directors including commission payable to the Managing Director and Whole Time Directors calculated having regard to the net profits of the company in a particular financial year, subject to the overall ceiling as stipulated in Sections 197 and Schedule V of the Companies Act, 2013.

The Board of Directors as per the recommendation of the Nomination & Remuneration Committee in their meeting held on 1st March, 2016 increased the remuneration of Mr. Percy Avari and Mrs. Shanaya Mody Khatua, Whole Time Directors of the Company, w.e.f. 1st April, 2015 by increasing the rate of commission from 1% of the Net Profits to 2% of the Net Profits of the Company computed under Section 198 of the Companies Act, 2013 for the remaining tenure till 31st March, 2017 within overall permissible limits, under Section II of Part II of Schedule V of the Companies Act, 2013 subject to approval of the members of the Company by way of Special Resolution at the ensuing Annual General Meeting.

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

Name of Directors	Sitting Fees (₹)	Salaries, Perquisites & Other allowances (₹)	Commission (₹)	Total (₹)
Mr. Sorab R. Mody (Managing Director)	NIL	49,60,400	31,53,185	**81,13,585**
Mr. Mohib N. Khericha(Chairman)	4,60,000	NIL	NIL	**4,60,000**
Mr. Samuel W. Croll – III	NIL	NIL	NIL	**NIL**
Mrs. Sheila S. Mody	5,50,000	NIL	NIL	**5,50,000**
Mrs. Houtoxi F. Contractor	50,000	NIL	NIL	**50,000**
Mr. Percy X. Avari	NIL	49,60,400	31,53,185	**81,13,585**
Mrs. Shanaya Mody Khatua	NIL	49,60,400	31,53,185	**81,13,585**
Mr. Nilesh C. Mankiwala	2,50,000	NIL	NIL	**2,50,000**
Mr. Saurin V. Palkhiwala	3,55,000	NIL	NIL	**3,55,000**

(e) Criteria for Performance evaluation of Directors:

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

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

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

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The company has constituted Stakeholders Relationship Committee to look into the investors' complaints and to redress the same expeditiously accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement / Regulation 19 read with Part D of Schedule II to the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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

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

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

All other requests like non-receipt of Annual Reports, dividends, change in address or any other details of the shareholders, etc., were resolved to the satisfaction of the shareholders. During the year, 18 complaints were received from the Shareholders which have been resolved to the satisfaction of the shareholders. There was no outstanding complaint at the beginning of the year or at the end of the year.

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

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

During the year under review, the company has spent ₹ 33.25 Lacs on CSR activities in line with the requirements of Section 135 of the Companies Act, 2013 and Rules made thereunder.

The Corporate Social Responsibility Committee meeting was held on 12th February, 2016 during the financial year.

7. INDEPENDENT DIRECTORS MEETING

With reference to the Schedule IV of the Companies Act, 2013 one meeting of the Independent Directors was held on 12th February, 2016. All the Independent Directors have attended the meeting. The Chairman of the company has also chaired the meeting. At the meeting, the Independent Directors reviewed the performance of the non-independent directors and the Board as whole and assessed the quality, quantity and timeliness of flow of information between the company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarisation programme for Independent Directors:

Independent Directors at the time of their appointment are given the formal appointment letter mentioning various terms and conditions of their engagement. Independent Directors of the company are made aware of their role, duties, rights and responsibilities at the time of their appointment. The terms and conditions of appointment of Independent Directors are mentioned in the website of the Company www.mazdalimited.com.

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

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

8. GENERAL BODY MEETINGS

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

Meeting	25th AGM	24th AGM	23rd AGM
Year	2014-15	2013-14	2012-13
Venue	C/1-39/13/16 G.I.D.C., Naroda, Ahmedabad – 382 330	C/1-39/13/16 G.I.D.C., Naroda, Ahmedabad – 382 330	C/1-39/13/16 G.I.D.C., Naroda, Ahmedabad– 382 330
Date & Time	1st September, 2015 at 9.30 A M	30th September, 2014 at 9.30 A M	17th September, 2013 at 9.30 A M
No. of Special Resolution	01	03	No

- **Postal Ballot**

  During the financial year under review, no approval of the shareholders was taken through the postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through Postal Ballot. Hence the procedure for Postal Ballot is not laid down.

9. SUBSIDIARY COMPANY

The company does not have any subsidiary company.

10. POLICY FOR PROHIBITION OF INSIDER TRADING

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the company has adopted a Code for Prohibition of Insider Trading for Directors/ designated persons of the company, relating to dealings by them in the securities of the company. The Code also provides for periodical disclosures from Directors/designated persons as well as pre-clearance of transactions by such persons.

11. DISCLOSURES

- There are no transactions of a materially important character and which are not in the ordinary course of business and all the transactions are on Arm's length basis with the promoters, the Directors or the Management or relatives that may have potential conflict with the concern of the company at large.
- The Board of Directors has adopted the policy on Related Party Transactions and the same has been available on the website of the company.
- Related party transactions are disclosed in the Note No. 33 forming Parts of Accounts in this Annual Report.
- While preparing the financial statements, the company has followed all relevant Accounting Standards.
- The company has complied with the requirements of the stock exchanges, SEBI, statutory authorities on all matter related to capital markets during the last three years. There are no penalties or strictures imposed on the company by them.
- The Company has adequate risk assessment and minimization system in place. The risk management procedure is reviewed in the Board Meetings periodically.
- The company has implemented the vigil mechanism and the same has been reviewed by the Audit Committee. No complaints have been received under the policy during the financial year under review. In the opinion of the Board there are no cases where a person was denied access to the grievance process set up by the company.
- The company has a well-defined 'Code of Business Conduct' applicable to all the Board members and senior management personnel. The compliance to 'Code of Business Conduct' has been affirmed by the Managing Director of the company. The certificate for the affirmation to the same forms part of the Corporate Governance Report.
- A certificate from the Managing Director and Chief Financial Officer on the financial statements of the company in terms of Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was placed before the Board of Directors and the same forms part of Corporate Governance Report.
- The Board receives on a quarterly basis, certificates of compliance with the provisions of all applicable laws from the Managing Director and Compliance Officer, which are taken on record by the Board.
- A Practicing Company Secretary carries out Reconciliation of share capital to reconcile to total admitted capital with NSDL and CDSL and total issued and listed capital. This audit is carried out every quarter and the report is submitted to the stock exchanges.
- The Managing Director and Chief Financial Officer (CFO) of the company give an annual certificate on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Managing Director and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2) (a) of the Listing Regulations.
- There is a Policy on protection of Women against Sexual Harassment at Work Place and the Committee has been formed to observe the complaints under the said act. There is no complaint received during the year under review.
- Mazda Limited has complied with mandatory requirements of Corporate Governance Code. The company would review implementation of other non-mandatory requirements of Corporate Governance Code in

due course of time. Practicing Company Secretary's certificate regarding compliance of Corporate Governance Code for the financial year 2015-16 forms part of the Corporate Governance Report.

- The Management Discussion and Analysis Report forms part of the Annual Report and is in accordance with the requirements laid out in Schedule V of the Listing Regulations.

12. MEANS OF COMMUNICATION

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

13. GENERAL SHAREHOLDERS INFORMATION

• AGM	– Date	- Tuesday, 27th September, 2016
	– Time	- 9.30 AM
	– Venue	- Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330
• Financial Calendar (Tentative)		April 2016 to March 2017
(a) First Quarter Results		First week of August 2016
(b) Second Quarter Results		First week of November 2016
(c) Third Quarter Results		First week of February 2017
(d) Fourth Quarter results		Last week of May 2017
(d) Results for the year ending March 2017 (Audited)		May 2017
• Date of Book Closure		10th September, 2016 to 17th September, 2016 (Both days inclusive)
• Dividend Payment Date (Tentative)		5th October, 2016
• Listing on Stock Exchanges		-Bombay Stock Exchange Limited -Ahmedabad Stock Exchange Limited Listing fees for the period 2016-2017 has been paid to the stock exchanges.
• Stock Code		Bombay Stock Exchange Limited : 523792 Ahmedabad Stock Exchange Limited : 36100
• Demat ISIN No.		For NSDL and CDSL INE885E01034
• CIN		L29120GJ1990PLC014293
• Registrar and Share Transfer Agent		Link Intime India Pvt. Ltd C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (W), Mumbai 400 078 Phone No: (022) 25946970
• Share Transfer System		Transfers of Shares are processed by the Share Transfer Agents and approved by the Stakeholders' Relationship Committee, which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respects.
• Name and email address of the Compliance officer of the company		Mr. Nishith C. Kayasth Company Secretary Email:nishith@mazdalimited.com Phone : 079-4000 7000
• Dematerialization of shares and liquidity		91.40% of the paid-up capital has been dematerialized as on March 31, 2016.
• Plant Location		**Unit-I** C/1-39/13/16 GIDC, Naroda, Ahmedabad-382 330 **Unit-II** Plot No. 11 & 12, Hitendranagar Sahakari Vasahat Ltd., N.H. Road, Naroda, Ahmedabad- 382 340

Unit-III C/1, A-5, GIDC, Odhav, Ahmedabad- 382 415
Unit-IV Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad-382 330

- Address for correspondence — **Mazda Limited**:
  Corporate Office: Mazda House, 650/1 Panchwati 2nd Lane, Ambawadi, Ahmedabad- 380 006

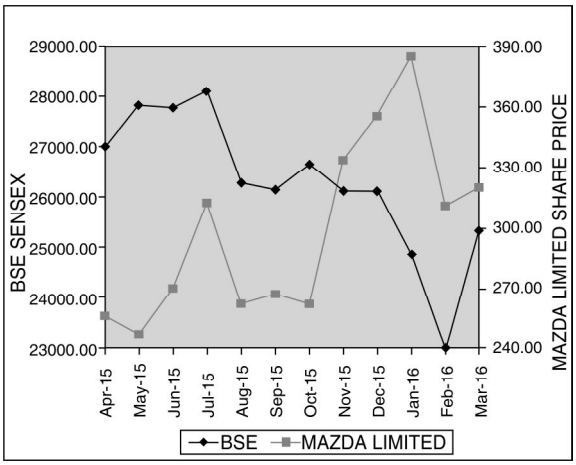
Shareholders holding shares in electronic mode should address all their correspondence to their respective Depositary Participant for any queries related to change of address or change in bank mandate.

- **Monthly Highs and Lows of Market Price of the Company's Shares Traded on Bombay Stock Exchange Limited for the period April 2015 to March 2016:**

Month	Bombay Stock Exchange Limited (BSE)	
	High	Low
April, 2015	290.00	240.00
May, 2015	265.00	227.10
June, 2015	276.90	226.00
July, 2015	324.90	274.00
August, 2015	301.50	241.10
September, 2015	274.40	238.10
October, 2015	289.00	250.00
November, 2015	344.00	288.20
December, 2015	371.40	301.30
January, 2016	433.00	310.00
February, 2016	399.00	279.00
March, 2016	354.00	300.00

Source: BSE Website

- **"Stock Price Performance in comparison to BSE Sensex**



- Shareholding pattern as on March 31, 2016

Categories	No. of Shares held	% of Total Shareholding
Promoter's Holding		
Promoters and its group – Indian	**17,04,478**	**40.03**
Foreign Promoters	NIL	NIL
Sub – Total	**17,04,478**	**40.03**
Non – promoter's Holding		
Mutual Funds	9,753	0.23
Banks & NBFC	5,128	0.12
Domestic companies	2,35,402	5.53
Foreign Institutional Investors (FIIs)	18,969	0.45
Indian Public	19,23,695	45.18
NRI's	71,075	1.66
Foreign Company	2,89,500	6.80
Sub – Total	**25,53,522**	**59.97**
GRAND TOTAL	**42,58,000**	**100.00**

- Distribution of shareholding as on March 31, 2016

Shareholding			Shareholders		No. of shares	
			Folios	% of total Nos.	Shares	% of total shares
Less than		500	3427	87.60	397069	9.33
501	To	1000	225	5.75	182560	4.29
1001	To	2000	90	2.30	134122	3.15
2001	To	3000	48	1.23	122390	2.87
3001	To	4000	26	0.67	95327	2.24
4001	To	5000	26	0.67	119945	2.82
5001	To	10000	36	0.92	260566	6.12
10001	And	above	34	0.87	2946021	69.19
		Total	**3912**	**100.00**	**42,58,000**	**100.00**

- **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on the company : NIL**

- **Commodity price risk or foreign exchange risk and hedging activities**

  During the financial year 2015-16, the company had managed the foreign exchange risk and hedge to the extent consider necessary. The company enters into forward contracts for hedging foreign exchange exposures against exports. The details of foreign currency exposure are disclosed in note no. 35 forming part of the financial statements.

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

  Pursuant to Sections 205A & 205C and other applicable provisions, if any, of the Companies Act, 1956 dividends that are unclaimed for a period of seven years, are statutorily required to be transferred to Investors Education & Protection Fund (IEPF).

  In accordance with the provisions mentioned above the unpaid/unclaimed dividend of ₹ 92,279/- was lying in the company's separate unpaid dividend account and lasting unclaimed for a period of seven years, was transferred to the Investors Education & Protection Fund (IEPF).

  Due dates for transfer of unclaimed dividend declared in the previous financial years to IEPF are as under:

Financial Year	Dates of Declaration of Dividend	Dividend Percentage	Dates on which dividend will become part of IEPF
2008-2009	29th September, 2009	20	28th October,2016
2009-2010	28th September, 2010	25	27th October,2017
2010-2011 (Interim)	29th January, 2011	35	28th February,2018
2010-2011 (Final)	29th September, 2011	35	26th October,2018
2011-2012	25th September, 2012	40	24th October,2019
2012-2013	17th September, 2013	50	16th October,2020
2013-2014	30th September, 2014	55	29th October, 2021
2014-2015	01st September, 2015	60	30th September, 2022

Members who have not yet encashed their dividend warrants are requested to make their claims without any delays to the company.

For and on behalf of the Board,

Place: Ahmedabad
Date: 06/08/2016

SORAB R. MODY
Managing Director

AFFIRMATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Members of the company

The Board of Directors of the company has adopted a Code of Conduct for all the Board members and senior executives of the company, including the Managing Director; they have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended 31st March, 2016.

Place: Ahmedabad
Date : 06/08/2016

Sorab. R. Mody
Managing Director

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

To,
The Board of Directors
Mazda Limited

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

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief :
   a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company during the year which are fraudulent, illegal or against the company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We further certify that :
   a. There have been no significant changes in internal control over financial reporting during the year;
   b. There have been no significant changes in accounting policies during the year and the same have been disclosed in notes to the financial statements; and
   c. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Ahmedabad
Date: 30/05/2016

Cyrus J. Bhagwagar
Chief Financial Officer

Sorab R. Mody
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
MAZDA LIMITED,

1. We have examined the compliance of the conditions of Corporate Governance by MAZDA LIMITED ('the Company') for the year ended on March 31, 2016 as stipulated in:
   - Clause 49 (excluding clause 49 (VII)(E) of the Listing Agreement of the Company with stock exchanges) for the period April 1, 2015 to November 30, 2015.
   - Clause 49 (VII)(E) of the Listing Agreements of the Company with Stock Exchanges for the period April 1, 2015 to September 30, 2015.
   - Regulation 23 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period September 2, 2015 to March 31, 2016 and
   - Regulations 17 to 27 (excluding regulations 23 (4) and clauses (b) to (i) of regulations 46 (2) and paragraph C, D and E of schedule V of the SEBI Listing Regulations for the period December 1, 2015 to March 31, 2016.
2. 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 Corporate Governance Certificate issued by the Institute of Company Secretaries 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.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and Regulations 17 to 27 and Clauses (b) to (i) of Regulations 46 (2) and paragraph C, D and E of schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
4. We further 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 Rutul Shukla & Associates,
Company Secretaries

Place: Ahmedabad
Date : 6th August, 2016

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAZDA LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Mazda Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

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

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure–A" statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014;

e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 31 of notes to the financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Tehmul B. Sethna
Partner
Membership No: 035476

Place: Ahmedabad
Date: 30/05/2016

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 of our report of even date)

1) In respect of its fixed assets:

a) The Company has maintained proper records showing full particulars including quantitative details and situation of all fixed assets.

b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regards to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2) As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.

3) The Company has not granted any loans secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.

4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect of grant of loans, making investment and providing guarantees and securities as applicable.

5) According to the information and explanations provided to us, the company has not accepted any deposits from

the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, would apply.

6) We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Act and are of the opinion that, the prescribed accounts and cost records have been made and maintained. We have, however, not made a detailed examination of the same.

7) In respect of statutory dues:

   a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues have been regularly deposited with the appropriate authorities. According to information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March, 2016 for a period of more than six months from the date they become payable.

   b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues Income-Tax, Sales Tax, Value Added Tax, Service Tax, Duty of Customs, Duty of Excise which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in Note 31 of notes to the financial statements.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks. The company does not have any borrowings from financial institution, government or by way of debentures.

9) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.

10) According to information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

11) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

12) According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

16) The company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the company.

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

Tehmul B. Sethna
Partner
Membership No: 035476

Place: Ahmedabad
Date: 30/05/2016

ANNEXURE-B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Mazda Limited ('the Company') as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Tehmul B. Sethna
Partner
Membership No: 035476

Place: Ahmedabad
Date: 30/05/2016

BALANCE SHEET AS AT 31ST MARCH, 2016

Sr. No.	Particulars	Notes	AS AT 31/03/2016 ₹	AS AT 31/03/2015 ₹
I	**Equity and Liabilities**			
1	**Shareholders' Funds**			
	(a) Share Capital	3	**42,580,000**	42,580,000
	(b) Reserves and Surplus	4	**952,510,549**	865,965,623
			995,090,549	908,545,623
2	**Non-current Liabilities**			
	(a) Deferred Tax Liabilities (Net)	5	**22,672,393**	18,671,045
	(b) Long Term Provisions	6	**7,681,456**	5,462,829
			30,353,849	24,133,874
3	**Current Liabilities**			
	(a) Short Term Borrowings	7	**18,838,544**	27,116,914
	(b) Trade Payables	8	**127,218,404**	123,656,505
	(c) Other Current Liabilities	9	**91,546,303**	90,731,070
	(d) Short Term Provisions	10	**61,282,303**	54,624,475
			298,885,554	296,128,964
	TOTAL		**1,324,329,952**	1,228,808,461
II	**Assets**			
1	**Non-current Assets**			
	(a) Fixed Assets			
	(i) Tangible Assets	11	**176,130,829**	178,422,780
	(ii) Intangible Assets	12	**49,763,023**	33,908,496
	(iii) Capital Work-in-Progress	11	**32,159,117**	2,280,053
	(iv) Intangible Assets under Development	12	**1,469,750**	1,469,750
	(b) Long Term Loans and Advances	13	**51,113,218**	48,214,962
			310,635,937	264,296,041
2	**Current Assets**			
	(a) Current Investments	14	**411,630,749**	326,630,749
	(b) Inventories	15	**187,455,693**	197,972,841
	(c) Trade Receivables	16	**228,357,973**	224,990,656
	(d) Cash and Bank Balance	17	**98,820,970**	107,613,698
	(e) Short Term Loans and Advances	18	**55,878,137**	52,959,903
	(f) Other Current Assets	19	**31,550,493**	54,344,572
			1,013,694,015	964,512,420
	TOTAL		**1,324,329,952**	1,228,808,461
	Summary of Significant Accounting Policies	2		

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

As per our attached report of even date

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

Tehmul Sethna
Partner
Membership No.: 35476

Place : Ahmedabad
Date : 30/05/2016

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

Sorab Mody
Managing Director
(DIN: 00498958)

Percy Avari
Whole-Time Director
(DIN: 00499114)

Mohib Khericha
Chairman
(DIN: 00010365)

Cyrus Bhagwagar
Chief Financial Officer

Nishith Kayasth
Company Secretary

Place : Ahmedabad
Date : 30/05/2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Sr. No.	Particulars	Notes	Year Ended 31/03/2016 ₹	Year Ended 31/03/2015 ₹
I	**Revenue**			
	Revenue from Operations (Gross)	20	**1,324,118,237**	1,273,266,647
	Less: Excise Duty		**103,763,781**	95,178,004
	Revenue from Operations (Net)		**1,220,354,456**	1,178,088,643
	Other Income	21	**20,468,112**	14,455,504
	Total Revenue (I)		**1,240,822,568**	1,192,544,147
II	**Expenses**			
	Cost of Raw Materials and Packing Materials Consumed	22	**627,631,166**	598,115,184
	(Increase) / Decrease in Finished and WIP Inventories	23	**(7,748,514)**	34,713,017
	Manufacturing Expenses	24	**163,090,862**	124,646,773
	Employee Benefits Expenses	25	**136,234,016**	126,440,838
	Finance Costs	26	**8,652,089**	4,972,957
	Depreciation and Amortisation Expenses	27	**22,769,574**	21,328,595
	Other Expenses	28	**121,123,286**	121,703,308
	Total Expenses (II)		**1,071,752,479**	1,031,920,672
III	**Profit Before Exeptional Items & Tax (I-II)**		**169,070,089**	160,623,475
IV	**Exceptional Item -Prior Period Items**		**49,946**	126,692
V	**Tax Expenses**			
	(i) Current Tax		**44,650,000**	50,808,348
	(ii) Deferred Tax		**4,001,348**	(2,613,683)
	(iii) Wealth tax		-	11,707
	Total Tax Expenses		**48,651,348**	48,206,372
VI	**Net Profit for the Year (III-IV-V)**		**120,368,795**	112,290,411
	Earnings Per Equity Share:			
	[Nominal value of Share ₹ 10 (March 31, 2015: ₹ 10)]			
	Basic and Diluted (in ₹)		**28.27**	26.37
	Summary of Significant Accounting Policies	2		

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

As per our attached report of even date

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

Tehmul Sethna
Partner
Membership No.: 35476

Place : Ahmedabad
Date : 30/05/2016

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

Sorab Mody
Managing Director
(DIN: 00498958)

Percy Avari
Whole-Time Director
(DIN: 00499114)

Mohib Khericha
Chairman
(DIN: 00010365)

Cyrus Bhagwagar
Chief Financial Officer

Nishith Kayasth
Company Secretary

Place : Ahmedabad
Date : 30/05/2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Sr. No.	Particulars	Year Ended 31/03/2016 ₹	Year Ended 31/03/2015 ₹
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before extraordinary items and tax	**169,070,089**	160,623,475
	Adjustments for:		
	Depreciation and amortisation	**22,769,574**	21,328,595
	(Profit) / Loss on Sale / write off of Fixed Assets (Net)	**6,280,918**	431,967
	Interest Income	**(2,662,535)**	(3,197,589)
	Dividend Income	**(100,000)**	(300,000)
	(Gain)/Loss on Forward Contracts	**2,591,911**	(1,332,607)
	(Gain)/Loss on Sale of Investments	**(11,209,807)**	(3,946,556)
	Interest paid	**400,503**	658,373
	Security transaction Tax expenses	**262**	112
	Net unrealised exchange (gain) / loss	**1,727,272**	(1,493,342)
		19,798,098	12,148,953
	Operating profit / (loss) before working capital changes	**188,868,187**	172,772,428
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Trade receivables	**(3,367,317)**	(5,106,515)
	Short-term loans and advances	**(2,918,237)**	9,121,842
	Long-term loans and advances	**197,810**	2,299,358
	Inventories	**10,517,148**	52,156,338
	Other current assets	**19,437,241**	(27,440,816)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	**3,561,899**	(19,538,700)
	Other current liabilities	**815,234**	10,197,502
	Long-term provisions	**2,218,627**	5,108,665
	Short-term provisions - Employees benefit payable	**7,228,151**	1,194,872
	Net unrealised exchange gain / (loss)	**(1,727,272)**	1,493,342
		35,963,284	29,485,888
	Cash flow from extraordinary items:		
	Prior Period Adjustment	**(49,946)**	(126,692)
	Cash generated from operations	**224,781,525**	202,131,624
	Net income tax (paid) / refunds	**(51,361,390)**	(45,664,915)
	Net cash flow from / (used in) operating activities (A)	**173,420,135**	156,466,709

Sr. No.	Particulars	Year Ended 31/03/2016 ₹	Year Ended 31/03/2015 ₹
B.	**Cash flow from investing activities**		
	Capital expenditure on fixed assets, including capital advances	**(72,603,031)**	(44,052,259)
	Proceeds from sale of fixed assets	**110,900**	235,000
	Purchase of current investment	**(245,173,125)**	(217,297,881)
	Current Investments not considered as Cash and Cash equivalents:		
	Proceeds from sale	**143,507,427**	169,427,449
	Interest received	**6,019,373**	2,320,272
	Dividend Income	**100,000**	300,000
	Net cash flow from / (used in) investing activities (B)	**(168,038,456)**	(89,067,419)
C.	**Cash flow from financing activities**		
	Net increase / (decrease) in working capital borrowings:		
	Dividend Paid	**(25,548,000)**	(23,419,000)
	Dividend Distribution tax	**(5,230,869)**	(3,980,059)
	Interest paid	**(400,503)**	(658,373)
	Gain/(Loss) on Forward Contracts	**(2,591,911)**	1,332,607
	Repayment of short term borrowings	**(8,278,370)**	(12,308,555)
	Other Bank Balances	**(256,842)**	(36,909)
	Net cash flow from / (used in) financing activities (C)	**(42,306,495)**	(39,070,289)
	Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**(36,924,816)**	28,329,001
	Cash and cash equivalents at the beginning of the year	**83,891,357**	55,562,356
	Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	**-**	-
	Cash and cash equivalents at the end of the year [Note No. 17]	**46,966,544**	83,891,357

Notes :

1 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in accounting standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

2 The previous year's figures have been regrouped wherever necessary to make them comparable with this year's figures.

As per our attached report of even date

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

Tehmul Sethna
Partner
Membership No.: 35476

Place : Ahmedabad
Date : 30/05/2016

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

Sorab Mody
Managing Director
(DIN: 00498958)

Percy Avari
Whole-Time Director
(DIN: 00499114)

Mohib Khericha
Chairman
(DIN: 00010365)

Cyrus Bhagwagar
Chief Financial Officer

Nishith Kayasth
Company Secretary

Place : Ahmedabad
Date : 30/05/2016

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

1 CORPORATE INFORMATION

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

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

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

(b) Use of Estimates

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

(c) Tangible Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises Purchase Price, Borrowing Costs if capitalization criteria are met and any other directly attributable cost of bringing the asset to its working condition for the intended use, net off of any trade discounts and rebates.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are changed to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Capital assets under erection/installation are stated in the Balance Sheet as "Capital Work-in-Progress".

(d) Intangible Assets

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

(e) Research and Development

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

(f) Depreciation and Amortisation

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

(g) Impairment of Assets

The company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indications exist, the carrying value of such assets is reduced to its estimated recoverable amount and the

amount of such impairment loss is charged to Profit and Loss Account. If at the Balance Sheet date there is an indication that previously assessed impairment losses no longer exist, than such loss is reversed and the asset is restated to that effect.

(h) Leases

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

(i) Investments

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

(j) Inventories

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

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

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

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

(k) Revenue Recognition

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

(i) Sale of Goods

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

(ii) Interest

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

(iii) Export Incentives

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

(iv) Other Income

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

(v) Services

Income from services is recognized when the services are rendered.

(vi) Dividend

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

(l) Expenditure during Construction period

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

(m) Foreign Currency Transaction

(i) Initial Recognition: Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

(ii) Conversion: At the year end, monetary items denominated in foreign currencies other than those covered by forward contracts are converted into rupee equivalents at the year-end exchange rates.

(iii) Forward Exchange Contracts: In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expense over the period of the contract.

(iv) Exchange Differences: All exchange differences arising on settlement/Conversion of foreign Currency transactions are recognized in the Profit and Loss Account.

(n) Retirement and Other Employee Benefits

(i) Gratuity

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

(ii) Leave Encashment

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

(iii) Provident Fund

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

(o) Income Taxes

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

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

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

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the

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

(p) Earnings Per Share

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

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

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

(q) Cash and Cash Equivalents

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

(r) Derivative Instruments

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

(s) Provisions and Contingent Liabilities

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

(t) Borrowing Costs

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

(u) Segment Reporting - Identification of Segment

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

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016

3 SHARE CAPITAL

	March 31, 2016		March 31, 2015	
	No.	**₹**	No.	₹
Authorised Shares				
Equity Shares of ₹ 10 each	**5,000,000**	**50,000,000**	5,000,000	50,000,000
TOTAL	**5,000,000**	**50,000,000**	5,000,000	50,000,000
Issued, Subscribed and Fully Paid-up Shares				
Equity Shares of ₹ 10 each fully paid- up	**4,258,000**	**42,580,000**	4,258,000	42,580,000
TOTAL	**4,258,000**	**42,580,000**	4,258,000	42,580,000

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

	March 31, 2016		March 31, 2015	
	No.	**₹**	No.	₹
Equity Shares				
At the Beginning of the year	**4,258,000**	**42,580,000**	4,258,000	42,580,000
Outstanding at the end of the year	**4,258,000**	**42,580,000**	4,258,000	42,580,000

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

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

	March 31, 2016		March 31, 2015	
	No. of shares	**% Holding in the Class**	No. of shares	% Holding in the Class
Equity Shares				
Sorab R. Mody	**1,203,156**	**28.26**	1,183,156	27.79
Shanaya Mody Khatua	**425,622**	**10.00**	425,622	10.00
Croll Reynolds International Inc.	**289,500**	**6.80**	289,500	6.80
	1,918,278	**45.06**	1,898,278	44.59

(d) For current financial year the Dividend Proposed to be distributed to equity shareholders is ₹ 6.60 Per Share (Previous Year ₹ 6.00 Per Share as final dividend). The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

(e) There are no shares alloted as fully paid up during the period of five years immediately preceeding the reporting date i.e. 31/03/2016.

		AS AT 31/03/2016 ₹	AS AT 31/03/2015 ₹
4	**RESERVES AND SURPLUS**		
	(a) Capital Reserve		
	Balance as per Last Financial Statements	**424,937**	424,937
	Closing Balance	**424,937**	424,937
	(b) Security Premium Account		
	Balance as per Last Financial Statements	**30,000,000**	30,000,000
	Closing Balance	**30,000,000**	30,000,000
	(c) Capital Buyback Reserve		
	Balance as per Last Financial Statements	**4,168,000**	4,168,000
	Closing Balance	**4,168,000**	4,168,000
	(d) General Reserve		
	Balance as per Last Financial Statements	**99,510,750**	87,010,750
	Add: Transferred from Surplus in Statement of Profit and Loss	**12,500,000**	12,500,000
	Closing Balance	**112,010,750**	99,510,750
	(e) Surplus in Statement of Profit and Loss Account		
	Balance as per Last Financial Statements	**731,861,936**	668,497,750
	Less: Depreciation on transition to schedule II of the companies Act, 2013on tangible fixed assets with nil remainig useful life	**-**	5,647,356
	Add: Profit for the year	**120,368,795**	112,290,411
		852,230,731	775,140,805
	Less: Appropriations:		
	Proposed Final Dividend		
	- On Equity Shares [₹ 6.60 per share (March 31, 2015: ₹ 6.00)]	**28,102,800**	25,548,000
	Tax on Proposed Final Dividend	**5,721,069**	5,230,869
	Transfer to General Reserve	**12,500,000**	12,500,000
	Net Surplus in the Statement of Profit and Loss Account	**805,906,862**	731,861,936
	GRAND TOTAL	**952,510,549**	865,965,623
5	**DEFERRED TAX LIABILITIES (NET)**		
	Deferred Tax Liability		
	Related to Fixed Assets	**25,330,791**	20,561,620
	Gross Deferred Tax Liabilities	**25,330,791**	20,561,620
	Deferred Tax Asset		
	Provision for employee benefits	**2,658,398**	1,890,575
	Gross Deferred Tax Assets	**2,658,398**	1,890,575
	Deferred Tax Liabilities (Net)	**22,672,393**	18,671,045

		AS AT 31/03/2016 ₹	AS AT 31/03/2015 ₹
6	**LONG TERM PROVISIONS**		
	Provision for Employee Benefits (Note No. 34)		
	Provision for Leave Encashment	**2,772,749**	2,245,718
	Provision for Gratuity	**4,908,707**	3,217,111
		7,681,456	5,462,829
7	**SHORT-TERM BORROWINGS**		
	Secured Borrowings From Banks:		
	Packing Credit Facilities (PCFC) (secured) *	**18,838,544**	27,116,914
		18,838,544	27,116,914
	* Cash credit facility, Export Packing Credit facility from the State Bank of India are secured by the Pledge/Hypothecation of stock, book debts and equitable mortgage of the assets of the company and co-lateral security of premise owned by Mr. S.R. Mody, situated at Odhav GIDC and also personally guaranteed by Mr. S.R. Mody, who is the Managing Director of the company.		
8	**TRADE PAYABLES**		
	Dues to Related Parties (Note 33)	**2,908,608**	5,163,456
	Other Payables	**124,309,796**	118,493,049
	(Refer Note 36 for details of Dues to Micro & Small & Medium Enterprises)		
		127,218,404	123,656,505
9	**OTHER CURRENT LIABILITIES**		
	Advance from Customers	**50,042,987**	33,069,569
	Unclaimed Dividends	**1,681,302**	1,424,460
	Deffered Premium Account	**677,476**	1,327,691
	Forward Contracts	**30,284,008**	48,503,832
	Statutory dues including Provident Fund & Tax Deducted at Source	**7,185,588**	5,179,036
	Other Payable	**1,674,943**	1,226,481
		91,546,303	90,731,070
	There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at March 31, 2016.		
10	**SHORT TERM PROVISIONS**		
	Provision for Employee Benefits		
	Employee Benefits Payable	**27,458,434**	20,230,283
	Others		
	Provision for Wealth Tax (net of advances)	**-**	11,707
	Provision For Income-tax (net of Advances)	**-**	3,603,616
	Proposed Dividend	**28,102,800**	25,548,000
	Tax on Proposed Dividend	**5,721,069**	5,230,869
		61,282,303	54,624,475

11 TANGIBLE ASSETS

	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at April 1, 2015	Additions	Disposals	Balance as at March 31, 2016	Balance as at April 1, 2015	Charge for the year	Adjustment recorded against surplus balance in Statement of P & L	Disposals	Balance as at March 31, 2016	Balance as at March 31, 2015	Balance as at March 31, 2016
Buildings	117,626,314	102,408	-	117,728,722	25,110,507	3,662,964	-	-	28,773,471	92,515,807	88,955,251
Plant and Machineries	106,813,352	18,094,985	13,200,594	111,707,743	40,616,577	7,170,365	-	7,051,490	40,735,452	66,196,775	70,972,291
Furniture, Fixtures	14,889,644	235,543	-	15,125,187	9,107,485	1,209,998	-	-	10,317,483	5,782,159	4,807,704
Vehicles	12,030,868	-	885,327	11,145,541	7,860,194	1,455,372	-	654,983	8,660,583	4,170,674	2,484,958
Computers	15,022,930	708,042	-	15,730,972	13,420,789	632,287	-	-	14,053,076	1,602,141	1,677,896
Office Equipment	9,146,176	867,389	51,890	9,961,675	7,577,985	659,589	-	49,295	8,188,279	1,568,191	1,773,396
Patterns	646,989	-	-	646,989	45,930	39,851	-	-	85,781	601,059	561,208
Electrical Installation	15,255,188	-	-	15,255,188	9,269,214	1,087,849	-	-	10,357,063	5,985,974	4,898,125
Total	**291,431,461**	**20,008,367**	**14,137,811**	**297,302,017**	**113,008,681**	**15,918,275**	**-**	**7,755,768**	**121,171,188**	**178,422,780**	**176,130,829**
Capital Work-In-Progress	2,280,053	29,888,839	9,775	32,159,117	-	-	-	-	-	2,280,053	32,159,117
GRAND TOTAL	**293,711,514**	**49,897,206**	**14,147,586**	**329,461,134**	**113,008,681**	**15,918,275**	**-**	**7,755,768**	**121,171,188**	**180,702,833**	**208,289,946**
Previous Year's Figures	*284,936,070*	*10,701,095*	*1,925,651*	*293,711,514*	*89,803,176*	*18,383,008*	*5,848,876*	*1,026,379*	*113,008,681*	*195,132,894*	*180,702,833*

12 INTANGIBLE ASSETS

	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at April 1, 2015	Additions	Disposals	Balance as at March 31, 2016	Balance as at April 1, 2015	Charge for the year	Adjustment recorded against surplus balance in Statement of P & L	Disposals	Balance as at March 31, 2016	Balance as at March 31, 2015	Balance as at March 31, 2016
Computer software	11,422,646	39,175	-	11,461,821	6,526,926	963,614	-	-	7,490,540	4,895,720	3,971,281
Licences & Commercial Rights	30,995,000	22,666,650	-	53,661,650	1,982,224	5,887,684	-	-	7,869,908	29,012,776	45,791,742
Total	**42,417,646**	**22,705,825**	**-**	**65,123,471**	**5,765,083**	**6,851,298**	**-**	**-**	**15,360,448**	**33,908,496**	**49,763,023**
Intangible Assets under Development	**1,469,750**	**-**	**-**	**1,469,750**	**-**	**-**	**-**	**-**	**-**	**1,469,750**	**1,469,750**
GRAND TOTAL	**43,887,396**	**22,705,825**	**-**	**66,593,221**	**5,765,083**	**6,851,298**	**-**	**-**	**15,360,448**	**35,378,246**	**51,232,773**
Previous Year's Figures	*10,303,927*	*33,583,469*	*-*	*43,887,396*	*5,765,083*	*2,945,587*	*(201,520)*	*-*	*8,509,150*	*4,538,844*	*35,378,246*

		AS AT 31/03/2016 ₹	AS AT 31/03/2015 ₹
13	**LONG-TERM LOANS AND ADVANCES**		
	(Unsecured, Considered good unless otherwise stated)		
	Capital Advances	**39,000,000**	39,000,000
	Total (A)	**39,000,000**	39,000,000
	Security deposit against Property		
	Related Parties	**5,000,000**	5,000,000
	Other deposits	**3,250,121**	3,333,137
	Total (B)	**8,250,121**	8,333,137
	Other Loans and Advances		
	Advance Income Tax (Net of Provision)	**3,096,067**	-
	Loans to employees	**767,031**	881,825
	Total (C)	**3,863,098**	881,825
	Total (A + B + C)	**51,113,219**	48,214,962

		March 31, 2016		March 31, 2015	
		Nos.	₹	Nos.	₹
14	**CURRENT INVESTMENTS**				
	(at lower of Cost or Market Value)				
(A)	**Mutual Funds (Quoted)**				
	Units of ₹ 10 Each, unless otherwise specified				
	Kotak FMP Series 145 Growth	**-**	**-**	2500000.000	25,000,000
	BNP Paribas Bond Fund- Subscritption	**1153526.716**	**15,000,000**	1153526.716	15,000,000
	Birla Sunlife Corporate Bond Fund	**4991278.000**	**50,000,000**	**-**	-
	BNP Paribas Medium Term Income Fund	**2000000.000**	**20,000,000**	2000000.000	20,000,000
	BNP Paribas Flexi Debt Fund Growth	**243989.323**	**5,000,000**	243989.323	5,000,000
	DSP Black Rock Income Opportunities Fund	**2053024.016**	**40,000,000**	2053024.016	40,000,000
	Franklin India Corporate Bond Opportunities Fund Growth	**1801827.774**	**25,000,000**	1801827.774	25,000,000
	HDFC Corporate Debt Opp. Fund	**3051112.644**	**35,000,000**	971685.096	10,000,000
	ICICI Prudential Equity Income Fund (Qtrly Div.)	**2500000.000**	**25,000,000**	2500000	25,000,000
	DSP Black Rock Income Opportunities Fund-Growth Option	**630790.128**	**15,000,000**	-	-
	IDFC Super Saver Income Fund	**-**	**-**	739844	25,000,000
	JM Arbitrage Advantage Fund Bonus Op. Reg. Plan	**-**	**-**	915245	-
	JM Arbitrage Advantage Fund-Direct Option	**478732.073**	**-**	453713	10,000,000
	Franklin India Dynamic Accrual Growth	**199595.221**	**10,000,000**	-	-
	Kotak Medium Term Fund	**3823660.363**	**40,000,000**	3823660	40,000,000
	Kotak Monthly Income Plan	**953079.878**	**20,000,000**	953080	20,000,000
	DHFL -Pramierca Credit Opportunities Fund	**527726.430**	**5,000,000**	4125.243	5,000,000
	Reliance Regular Savings Fund Debt	**2436329.842**	**40,000,000**	2436329.842	40,000,000
	L & T Income Opportunities Fund	**1248954.001**	**20,000,000**	-	-
	Franklin India Short Term Income Plan	**8357.270**	**20,000,000**	8357.270	20,000,000
	SBI Corporate Bond Funds (Against Bank Guarantee Lien)	**1052259.411**	**25,000,000**	-	-
	TOTAL (A)		**410,000,000**		325,000,000

		March 31, 2016		March 31, 2015	
		Nos.	₹	Nos.	₹
(B)	**Equity shares**				
	Chartered Capital and Investment Limited (Quoted)	**45732**	**1,627,749**	45,732	1,627,749
	Bombay Mercantile Co-Op Banks Ltd (Unquoted)	**100**	**3,000**	100	3,000
	TOTAL (B)		**1,630,749**		1,630,749
	TOTAL (A+B)		**411,630,749**		326,630,749

		March 31, 2016		March 31, 2015	
		Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
	Aggregate Value of Quoted Investement	**411,627,749**	**492,679,103**	326,627,749	359,047,312
	Aggregate Value of Unquoted Investment	**3,000**	**-**	3,000	-
	TOTAL	**411,630,749**	**492,679,103**	326,630,749	359,047,312

		AS AT 31/03/2016 ₹	AS AT 31/03/2015 ₹
15	**INVENTORIES**		
	(Valued at lower of cost and net realisable value)		
	Raw Materials and Packing Materials-Engineering	**58,907,846**	85,223,069
	Raw Materials and Packing Materials-Food division	**21,486,911**	12,838,729
	Work-in-Progress-Engineering	**65,664,907**	69,721,637
	Work-in-Progress-Food division	**2,028,639**	-
	Finished Goods-Engineering	**35,374,808**	22,311,252
	Stores and Spares-Engineering	**2,841,263**	3,439,884
	Goods in Transist	**1,151,319**	4,438,270
		187,455,693	197,972,841
16	**TRADE RECEIVABLES**		
	(Unsecured, considered good)		
	Outstanding for a period exceeding six months from the date they are due for payment **(A)**	**47,086,227**	34,343,172
	Other receivables		
	Dues from Related Parties (Note 33)	**2,908,608**	5,163,456
	Other Debtors	**178,363,139**	185,484,028
	(B)	**181,271,746**	190,647,484
	TOTAL (A+B)	**228,357,973**	224,990,656
17	**CASH AND BANK BALANCE**		
	Cash and Cash Equivalents:		
	Cash on Hand	**238,107**	626,121
	Bank Balances with Schedule Banks:		
	In Current Accounts	**43,989,985**	64,826,289
	In Exchage Earners Foreign Currency account	**2,738,452**	8,057,740
	Fixed Deposits maturing less than 3 months (against Bank Gurantee)	**-**	10,381,207
	TOTAL (A)	**46,966,544**	83,891,357
	Other Bank Balances:		
	Unpaid Dividend A/c	**1,681,302**	1,424,460
	Fixed Deposits maturing greater than 3 months (against bank Gurantee)	**-**	22,297,881
	Highly Liquid Investments	**50,173,125**	-
	TOTAL (B)	**51,854,427**	23,722,341
	TOTAL (A+B)	**98,820,970**	107,613,698

		AS AT 31/03/2016 ₹	AS AT 31/03/2015 ₹
18	**SHORT-TERM LOANS AND ADVANCES**		
	(Unsecured, considered good)		
	Advance to Suppliers	**4,712,483**	1,528,561
	Prepaid expenses	**5,705,342**	4,109,487
	Loans to employees	**478,012**	645,162
	Balances with Statutory Authorities	**44,982,300**	46,676,693
		55,878,137	52,959,903
19	**OTHER CURRENT ASSETS**		
	Forward Contract Receivable	**31,387,989**	50,825,230
	Accrued Interest	**162,504**	3,519,342
		31,550,493	54,344,572

		2015 - 16 ₹	2014 - 15 ₹
20	**REVENUE FROM OPERATIONS**		
	Sale of Goods (Gross value)		
	Domestic	**1,017,607,039**	919,584,882
	Exports	**281,691,184**	334,796,433
	Sale of Services		
	Domestic		
	Consultancy Income	**3,934,385**	525,000
	Equipment Repairs income	**2,174,751**	961,745
	Erection, Commissioning & Installation income	**3,651,000**	2,564,350
	Exports		
	Consultancy Income	**3,965,585**	-
	Equipment Repairs Income	**-**	886,824
	Other Operating Revenues		
	Export incentive Income	**3,777,958**	4,430,095
	Sale of Scrap	**5,485,060**	6,290,326
	Other Income-Miscellaneous	**1,212,430**	383,412
	Sale of Licence	**-**	2,843,580
	Other Operating Income	**618,845**	-
	Revenue from Operations (Gross)	**1,324,118,237**	1,273,266,647
	Less: Excise Duty *	**103,763,781**	95,178,004
	Revenue from Operations (Net)	**1,220,354,456**	1,178,088,643

* Excise Duty on Sales amounting to ₹ **1037.64 lacs** (March 31, 2015: ₹ 951.78 lacs) has been reduced from sales in Statement of Profit and Loss. Excised duty amounting to ₹ **11.61 lacs** (March 31, 2015: (₹ 9.07 lacs) has been considered as manufacturing expense under the head of Excise & Customs duty in Note 24 of financial statements.

		2015 - 16 ₹	2014 - 15 ₹
	Sale of Finished Goods		
	Vacuum Systems	**369,636,917**	453,059,284
	Condenser	**111,327,854**	84,638,779
	Heaters	**103,536,191**	27,442,100
	Vacuum Pumps	**24,237,879**	29,984,642
	Pollution Control Equipments	**42,527,337**	9,391,860
	Chill Vactor	**3,141,000**	3,591,250
	Rotajectors	**3,663,259**	5,048,738
	Evaporators	**294,434,800**	324,319,094
	Thermo Compressors	**54,055,601**	48,570,063
	B Cool (Food Division)	**124,146,601**	113,529,191
	Others (Including Spares)	**64,827,003**	59,628,310
		1,195,534,442	1,159,203,311
21	**OTHER INCOME**		
	Interest Income		
	From Bank	**2,471,664**	3,036,654
	From Others	**357,479**	313,674
	Income from Current Investments		
	Dividend Income	**100,000**	300,000
	Net Gain on sale of Investments	**11,382,932**	3,946,556
	Other Non-operating Income (net of expenses directly attributable to)		
	Exchange Differences (Net)	**2,840,773**	3,478,114
	Profit on Forward Contracts	**-**	1,332,607
	Premium Income on Forward Contract	**3,315,264**	2,047,899
		20,468,112	14,455,504
22	**COST OF RAW MATERIALS CONSUMED**		
	Inventory at the beginning of the Year	**101,501,682**	118,945,003
	Add: Purchases	**609,365,504**	580,671,863
		710,867,186	699,616,866
	Less: Inventory at the end of the Year	**83,236,020**	101,501,682
	Cost of Raw Materials and Packing Materials Consumed	**627,631,166**	598,115,184

		2015 - 16 ₹	2014 - 15 ₹
	Consumption of Raw Materials		
	Engineering		
(a)	Round Bar	**12,840,850**	15,038,273
(b)	Pipes & Tubes	**94,855,051**	110,630,139
(c)	Plates	**121,499,145**	119,970,329
(d)	Profiles & Circles	**44,374,137**	27,210,740
(e)	Flanges	**26,490,540**	30,799,721
(f)	Stop Valves	**39,784,405**	37,654,080
(g)	Instruments	**62,341,082**	61,115,329
(h)	Bought Outs & Others	**146,499,399**	120,771,099
	Food Division		
(i)	Raw Material	**52,270,075**	49,160,022
(j)	Packing Material	**26,676,482**	25,765,452
		627,631,166	598,115,184
	Inventories of Raw Materials		
	Engineering		
(a)	Round Bar	3,578,193	4,683,502
(b)	Pipes & Tubes	10,784,651	15,853,913
(c)	Plates	16,051,671	28,128,376
(d)	Profiles & Circles	635,457	556,466
(e)	Flanges	3,881,052	4,533,765
(f)	Stop Valves	9,012,382	12,035,256
(g)	Instruments	3,802,191	5,357,423
(h)	Bought Outs & Others	14,003,513	17,514,252
	Food Division		
(i)	Raw Material	10,620,653	5,636,762
(j)	Packing Material	10,864,297	7,200,007
(k)	Bought Outs & Others	1,960	1,960
		83,236,020	101,501,682
23	**(INCREASE)/DECREASE IN INVENTORIES**		
	Inventory at the end of the Year		
	Work-in-progress	**67,693,546**	69,721,637
	Goods-in-transit	**1,151,319**	4,438,270
	Finished Goods	**35,374,808**	22,311,252
	(A)	**104,219,673**	96,471,159
	Inventory at the beginning of the Year		
	Work-in-progress	**69,721,637**	99,930,634
	Goods-in-transit	**4,438,270**	-
	Finished Goods	**22,311,252**	31,253,542
	(B)	**96,471,159**	131,184,176
	TOTAL (B - A)	**(7,748,514)**	34,713,017

		2015 - 16 ₹	2014 - 15 ₹
24	**MANUFACTURING EXPENSES**		
	Factory Consumables	**16,228,944**	12,805,516
	Power and Fuel	**6,978,842**	7,334,608
	Labour Charges	**113,664,578**	85,837,246
	Inspection and Testing Charges	**6,064,521**	4,483,493
	Excise & Custom duty	**5,409,206**	1,089,732
	Inward Freight and Carting Charges	**8,365,836**	5,797,434
	Lease & Rent	**2,923,100**	3,524,600
	Repairs and Maintenance - Plant & Machineries	**2,862,018**	2,565,494
	Other Manufacturing Expense	**593,819**	1,208,650
		163,090,862	124,646,773
25	**EMPLOYEE BENEFIT EXPENSES**		
	Salaries, Wages and Bonus	**124,216,102**	112,326,720
	Contribution to Provident and Other Fund	**4,845,893**	3,894,727
	Gratuity Expense (Note 34)	**3,224,521**	7,477,750
	Staff Welfare Expenses	**3,947,500**	2,741,641
		136,234,016	126,440,838
26	**FINANCE COSTS**		
	Loss on Forward Contracts	**2,591,911**	-
	Interest on PCFC	**308,729**	658,373
	Interest on Bill Purchase	**91,774**	-
	Other Borrowing Cost	**5,659,675**	4,314,584
		8,652,089	4,972,957
27	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation of tangible assets	**15,918,275**	18,383,008
	Amortisation of intangible assets	**6,851,298**	2,945,587
	(Refer note no. 11& 12)		
		22,769,573	21,328,595

		2015 - 16 ₹	2014 - 15 ₹
28	**OTHER EXPENSES**		
	Rent, Rates and Taxes	**10,606,730**	13,003,451
	Insurance	**10,516,186**	9,287,536
	Repairs and Maintenance - Buildings	**471,425**	1,152,644
	- Others	**4,529,353**	3,664,864
	Travelling and Conveyance	**7,730,699**	8,961,558
	Communication Costs	**2,197,805**	2,442,723
	Research & Development Expense (Note No: 29)	**12,868,923**	9,324,875
	Legal and Professional Fees	**11,018,784**	15,355,512
	Directors' Sitting Fees	**1,665,000**	1,485,000
	Payment to Auditor (Refer details below)	**1,264,500**	1,099,000
	Expenditure on CSR Activities	**3,325,000**	3,200,000
	Donations	**115,000**	131,000
	Electricity Expense	**945,590**	782,335
	Loss on Sale / Write Off of Fixed Assets (Net)	**6,271,143**	431,967
	Debit/ Credit Balance Written Off	**1,290,438**	5,322,675
	Other Administrative Expenses	**13,487,703**	12,515,298
	Commission on Sales	**8,134,506**	5,599,057
	Freight and Forwarding Charges	**16,179,406**	21,197,865
	Advertisements and Business Promotions	**820,131**	1,221,092
	Equipment Repairs Expense	**3,514,448**	666,638
	Other Selling and Marketing Expenses	**4,170,514**	4,858,219
		121,123,286	121,703,308
	Payment to Auditor:		
	As Auditor:		
	Audit Fee	**850,000**	700,000
	Tax Audit Fee	**300,000**	250,000
	Limited Review of Quarterly Results	**30,000**	25,000
	In Other Capacity:		
	Other Services (Certification Fees)	**84,500**	124,000
		1,264,500	1,099,000

			2015 - 16 ₹	2014 - 15 ₹
29	**RESEARCH AND DEVELOPMENT EXPENDITURE**			
	Capital Expenditure		**15,123,480**	2,515,025
	Revenue Expenditure		**12,868,923**	9,324,875
			27,992,403	11,839,900
	The details of Revenue Expenditure incurred on Research and Development are as under:			
	Material / Consumable / Spares		**135,607**	143,591
	Salaries and Other Benefits to Employees		**10,813,826**	7,719,507
	Repairs & Maintenance		**607,726**	35,635
	Travelling & Conveyance		**629,790**	189,014
	Other Research & Devlopment Expense		**681,974**	1,237,128
			12,868,923	9,324,875
30	**COMMITMENTS**			
	Capital Commitments			
	Estimated amount of contracts remaining to be executed on capital account and not provided for [Net of advance]		**88,332,310**	163,046,440
			88,332,310	163,046,440
31	**CONTINGENT LIABILITIES NOT PROVIDED FOR**			
	Claims against the company not acknowledged as debts:			
	Income Tax:			
	- In respect of matters decided against the Company, for which the Company is in appeal with higher authorities		1,154,459	1,347,900
	Service Tax:			
	- In respect of matters decided against the Company, for which the Company is in appeal with higher authorities		1,554,325	-
			2,708,784	1,347,900
32	**EARNINGS PER SHARE (EPS)**			
	Net Profit as per Statement of Profit and Loss		**120,368,795**	112,290,411
	Opening number of Equity Shares	Nos.	**4,258,000**	4,258,000
	Equity Shares issued during the year	Nos.	**-**	-
	Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS	Nos.	**4,258,000**	4,258,000
	Basic and Diluted Earnings Per Share (in ₹)		**28.27**	26.37
	Nominal Value of Shares (in ₹)		**10.00**	10.00

33 INFORMATION IN RESPECT OF RELATED PARTIES

(i) List of Related Parties and their Relationships

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

i) List of Related Parties and Nature of Relationship

a) Key Management Personnel
Mr. Sorab R. Mody
Mr. Percy X. Avari
Mrs. Shanaya Mody Khatua

b) Relatives of Key Management Personnel
Mrs. Sheila S. Mody
Mrs. Khushnum Percy Avari

c) Enterprises Having Significant Influence
Panache Holidays
H.T.Engineering (Gujarat) Pvt. Ltd.

(ii) Related Party Transactions

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

Particulars	Key Management Personnel		Relative of Key Management Personnel		Enterprises Having Significant Influence (EHSI)		Total	
	2015-16	2014-15	2015-16	2014-2015	2015-16	2014-15	2015-16	2014-15
(a) Sitting Fees for Board Meetings	**-**	**-**	**550,000**	500,000	-	-	**550,000**	500,000
Mrs. Sheila S. Mody	-	-	550,000	500,000	-	-	550,000	500,000
(b) Labour Charges	**-**	**-**	**-**	**-**	**4,418,681**	2,999,489	**4,418,681**	2,999,489
H.T. Engineering (Guj) Pvt. Ltd.	-	-	-	-	4,418,681	2,999,489	4,418,681	2,999,489
(c) Travelling Expese	**-**	**-**	**-**	**-**	**589,296**	**-**	**589,296**	-
Panache Holidays	-	-	-	-	589,296	-	589,296	-
(d) Purchase of Raw Materials	**-**	**-**	**-**	**-**	**19,299,539**	22,899,014	**19,299,539**	22,899,014
H.T. Engineering (Guj) Pvt. Ltd.	-	-	-	-	19,299,539	22,899,014	19,299,539	22,899,014
(e) Rent Paid	**4,380,000**	4,380,000	**-**	-	**-**	-	**4,380,000**	4,380,000
Mr. Sorab R. Mody	4,380,000	4,380,000	**-**	-	**-**	-	4,380,000	4,380,000
(f) Commission on Profit	**9,459,555**	6,267,288	**-**	-	**-**	-	**9,459,555**	6,267,288
Mrs. Shanaya Mody Khatua	3,153,185	1,566,822	**-**	-	**-**	-	3,153,185	1,566,822
Mr. Percy X. Avari	3,153,185	1,566,822	**-**	-	**-**	-	3,153,185	1,566,822
Mr. Sorab R. Mody	3,153,185	3,133,644	**-**	-	**-**	-	3,153,185	3,133,644
(g) Remuneration Paid	**14,881,200**	14,881,200	**-**	-	**-**	-	**14,881,200**	14,881,200
Mr. Sorab R. Mody	4,960,400	4,960,400	**-**	-	**-**	-	4,960,400	4,960,400
Mr. Percy X. Avari	4,960,400	4,960,400	**-**	-	**-**	-	4,960,400	4,960,400
Mrs. Shanaya Mody Khatua	4,960,400	4,960,400	**-**	-	**-**	-	4,960,400	4,960,400

(iii) Balances at the end of the Year

Particulars	Key Management Personnel		Relative of Key Management Personnel		Enterprises Having Significant Influence (EHSI)		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
(a) Trade Payables	**-**	-	-	-	**2,908,608**	5,163,456	**2,908,608**	5,163,456
H.T. Engineering (Guj) Pvt. Ltd.	**-**	-	-	-	2,908,608	5,163,456	2,908,608	5,163,456
(b) Office Rent Deposit	**5,000,000**	5,000,000	-	-	-	-	**5,000,000**	5,000,000
Security Deposit to Mr. Sorab Mody	5,000,000	5,000,000	-	-	-	-	5,000,000	5,000,000
(c) *Sitting Fees payable*	**-**	**-**	**-**	27,000	-	-	**-**	27,000
Mrs. Sheila S. Mody	-	-	-	27,000	-	-	-	27,000
(d) *Rent Payable*	**-**	238,272	-	-	-	-	**-**	238,272
Mr. Sorab R. Mody	-	238,272	-	-	-	-	-	238,272

34 DETAILS OF EMPLOYEE BENEFITS

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

	Leave Pay		Gratuity	
	2015-2016	2014-2015	**2015-2016**	2014-2015
	₹	₹	**₹**	₹
STATEMENT OF PROFIT AND LOSS				
Net employee benefit expense (recognised in employee cost):				
Current Service Cost	**1,821,376**	1,392,712	**2,844,848**	2,249,343
Interest Cost on Benefit Obligation	**682,581**	583,023	**2,668,945**	2,323,203
Expected Return on Plan Assets	**(769,629)**	(728,383)	**(2,918,926)**	(2,844,330)
Net Actuarial (Gain) / Loss Recognised in the Year	**(571,654)**	952,996	**236,385**	5,749,534
Other Cost	**65,435**	-	**753,344**	-
Net Benefit Expense	**1,228,109**	2,200,348	**3,584,596**	7,477,750
BALANCE SHEET				
Details of Provision	**10,519,349**	9,254,095	**42,624,728**	37,714,357
Defined Benefit Obligation	**9,042,966**	8,163,821	**37,716,021**	34,497,247
Plan Asset / (Liability)	**1,476,383**	1,090,274	**4,908,707**	3,217,110
Changes in the present value of the defined benefit obligation are as follows:				
Opening Defined Benefit Obligation	**9,254,095**	6,783,173	**37,714,358**	28,007,481
Current Service Cost	**1,821,376**	1,392,712	**2,844,848**	2,249,343
Interest Cost on Benefit Obligation	**682,581**	583,023	**2,668,945**	2,323,203
Past Service Cost	**-**	-	**-**	-
Benefits paid	**(559,750)**	(479,290)	**(688,093)**	(1,196,856)
Actuarial (Gains) / Losses on Obligation	**(678,953)**	974,477	**84,670**	6,331,187
Closing Defined Benefit Obligation	**10,519,349**	9,254,095	**42,624,728**	37,714,358

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

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

	%	%	%	%
Discount Rate	**7.85**	9.10	**7.85**	7.80
Increase in compensation cost (salary Growth Rate)	**5.50**	5.50	**5.50**	5.50

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

Defined Benefit Obligation	**10,519,349**	9,254,095	**42,624,728**	37,714,358
Surplus / (Deficit)	**(10,519,349)**	(9,254,095)	**(42,624,728)**	(37,714,358)

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

35 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES

		March 31, 2016		March 31, 2015	
	Currency Type	Foreign Currency Amount	Indian Currency Amount	Foreign Currency Amount	Indian Currency Amount
Derivative Instruments					
Forward Contract to sell US$	USD	**456,511**	**31,387,988**	651,700	42,728,326
Forward Contract to sell GBP	GBP	**-**	**-**	83,400	8,096,902
		456,511	**31,387,988**	735,100	50,825,228

	March 31, 2016 ₹	March 31, 2015 ₹
Unhedged Foreign Currency Exposures		
Receivables	**46,861,013**	60,546,982
Advance From Customers	**18,301,166**	12,749,199
Advance to Suppliers	**224,664**	190,389
Balance in EEFC Bank Account	**2,738,452**	8,057,740
PCFC Account	**18,838,544**	27,116,914
	86,963,839	108,661,224

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

(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
-	Principal amount due to Micro & Small Enterprises	**9,604,980**	3,385,866
-	Interest due on above	-	-
(ii)	The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006;	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-
		9,604,980	3,385,866

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

		2015 - 16 ₹	2014 - 15 ₹
37	**EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)**		
	Exports Sales Earnings	**258,314,299**	313,448,837
	Amount from Cancellation of Order	**44,800**	-
	Consultancy & Reimbursment Income	**4,079,796**	-
	Equipment Repairs Income	**-**	886,824
		262,438,895	314,335,661
38	**VALUE OF IMPORTS ON CIF BASIS**		
	Raw and Packing Materials	**21,120,834**	20,409,045
	Capital Goods	**22,666,650**	34,190,868
		43,787,484	54,599,913
39	**EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS) ***		
	Travelling Expenses	**711,402**	768,997
	Subscriptions & Registration Fees	**22,139**	966,245
	Repair & Maintenance Expense	**4,129,229**	1,001,380
	Professional & Consultancy Charges	**1,918,967**	6,514,786
	Sales Promotion Expense	**-**	60,810
	Staff Training Expense	**26,932**	-
	Bank Charges	**585,724**	764,562
		7,394,393	10,076,780
	* Net of tax deducted at source, wherever applicable		
40	**DIVIDEND REMITTANCES IN FOREIGN CURRENCY**		
	On 2,89,500 Equity Shares of ₹ 10 each to one non-resident shareholder:		
	- For the year ended March 31, 2016 (Final)	**1,737,000**	-
	- For the year ended March 31, 2015 (Final)	-	1,592,250

41 IMPORTED AND INDIGENEOUS MATERIALS CONSUMED

		March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
		% of Total Consumption		**₹**	₹
	Raw Materials				
(a)	Imported	**3.01**	3.28	**18,866,534**	19,616,864
(b)	Indigenous	**96.99**	96.72	**608,764,632**	578,498,320
		100.00	100.00	**627,631,166**	598,115,184

42 OPERATING LEASE:

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

		March 31, 2015 ₹	March 31, 2014 ₹
Lease Payment debited to the Profit & Loss Account		**7,266,014**	7,488,838
Further Minimum Lease Payments in Respect of non-cancelable leases			
(i)	Amounts due within one year from the date of balance-sheet	**5,642,716**	2,390,405
(ii)	Amounts due later than one year and not later than five years from the date of balance-sheet	**6,924,887**	4,243,099

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

44 SEGMENT REPORTING:

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

i) The Company's operation predominantly relates to manufacture of Engineering Goods like Vacuum Products, Evaporators, pollution Control Equipments and also involved in the manufacturing of food products like food colour, various fruit jams & fruit mix powders etc.

ii) The Secondary segment is geographical, determined and based on the location of the Customers. Customers are classified as Domestic and Overseas.

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

Primary segment Information:

	As at and for the year ended 31 March, 2016			**As at and for the year ended 31 March, 2015**		
Particulars	**Engineering Products**	**Food Products**	**Total**	**Engineering Products**	**Food Products**	**Total**
Revenues	1,094,809,051	125,545,353	1,220,354,404	1,061,449,328	116,639,315	1,178,088,643
Identifiable Operating Expenses	847,774,553	94,480,799	942,255,352	822,864,429	104,392,800	927,257,229
Segmental Operating Income	247,034,498	31,064,554	**278,099,052**	238,584,899	12,246,515	250,831,414
Unallocable Expenses			123,390,984			97,764,981
Unallocable Income			14,312,075			7,430,350
Total Profit before Tax			**169,020,143**			160,496,783
Taxes			48,651,348			48,206,372
Net Profit for the Year			**120,368,795**			112,290,411

Secondary segment Information:

	As at and for the year ended 31 March, 2016			**As at and for the year ended 31 March, 2015**		
Particulars	**Domestic**	**Overseas**	**Total**	**Domestic**	**Overseas**	**Total**
Revenues	959,306,114	261,048,290	**1,220,354,404**	857,133,261	320,955,382	1,178,088,643

45 The company has started implementing component accounting as required under Schedule II to the Companies Act, 2013 in phased manner. Impact of this re-assessment is not material for the phases which are completed and for the remaining phases, which are under process effect will be given on completion of verification process.

46 EXPENDITURE IN CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY

(a) Gross amount required to be spent by the company during the year ₹ 33.10 lacs (as at 31st March, 2015, ₹ 31.91 lacs)

(b) Amount spent during the year:

Particulars	March 31, 2016	March 31, 2015
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	**3,325,000**	3,200,000
Total	**3,325,000**	3,200,000

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

As per our attached report of even date

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

Tehmul Sethna
Partner
Membership No.: 35476

Place : Ahmedabad
Date : 30/05/2016

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

Sorab Mody
Managing Director
(DIN: 00498958)

Percy Avari
Whole-Time Director
(DIN: 00499114)

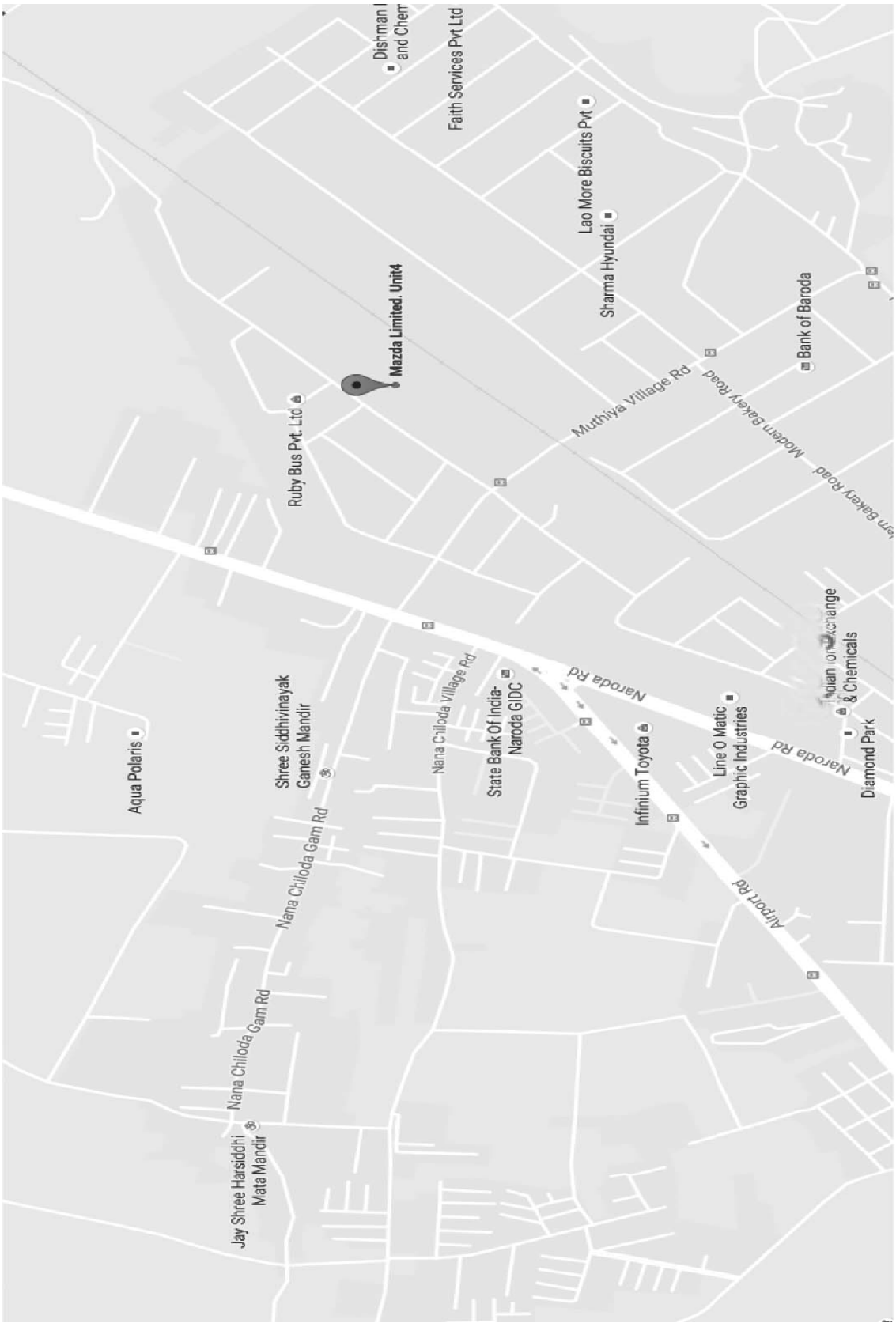
Mohib Khericha
Chairman
(DIN: 00010365)

Cyrus Bhagwagar
Chief Financial Officer

Nishith Kayasth
Company Secretary

Place : Ahmedabad
Date : 30/05/2016

Venue of AGM : Route Map



MAZDA LIMITED

CIN: L29120GJ1990PLC014293

Registered office: C/1-39/13/16, GIDC, Naroda, Ahmedabad- 382 330. Ph.: 079-40007000

E-mail : nishith@mazdalimited.com • Website : www.mazdalimited.com

Form No. MGT-11

PROXY FORM

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

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

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

1. Name : _____ Address : _____

   E-mail ID : _____ Signature : _____ or failing him

2. Name : _____ Address : _____

   E-mail ID : _____ Signature : _____ or failing him

3. Name : _____ Address : _____

   E-mail ID : _____ Signature : _____

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the company, to be held on Tuesday, 27th September, 2016 at 9:30. a.m at Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
	Ordinary Resolutions		
1.	Adoption of the financial statements of the company for the year ended 31st March, 2016 and the reports of the Directors and Auditors thereon		
2.	Declaration of dividend on equity shares for the year ended on 31st March, 2016		
3.	Re-appointment of Mr. Percy Avari retiring by rotation		
4.	Re-appointment of Mrs. Shanaya Mody Khatua retiring by rotation		
5.	Appoint auditors and fix their remuneration		
6.	Approval to the ratified remuneration of the Cost Auditor for the financial year 2015-16		
	Special Resolutions		
7.	To ratify, confirm and approve the increase in Remuneration of Mr. Percy Avari, Whole-Time Director		
8.	To ratify, confirm and approve the increase in Remuneration of Mrs. Shanaya Mody Khatua, Whole-Time Director		
9.	Re-appointment of Mr. Sorab Mody as Managing Director and remuneration thereon		
10.	Re-appointment of Mr. Percy Avari as Whole-Time Director and remuneration thereon		
11.	Re-appointment of Mrs. Shanaya Mody Khatua as Whole-Time Director and remuneration thereon		

Signed this _____ day of September, 2016

Signature of Shareholder :_____

Signature of Proxy holder(s) :_____

Affix ₹ 1/- Revenue Stamp

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

MAZDA LIMITED

CIN: L29120GJ1990PLC014293

Registered office: C/1-39/13/16, GIDC, Naroda, Ahmedabad- 382 330. Ph.: 079-40007000

E-mail : nishith@mazdalimited.com • Website : www.mazdalimited.com

ATTENDANCE SLIP

Folio No.: _____ DP ID: _____

Client ID: _____ No. of shares: _____

_____

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

I/We hereby record my/our presence at the 26th ANNUAL GENERAL MEETING of the company held at the Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330, on Tuesday, 27th September, 2016.

_____

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

NOTES:

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

Mazda LIMITED

NOTES

Mazda LIMITED

NOTES

Mazda LIMITED

NOTES

To,

If undelivered, please return to:

MAZDA LIMITED

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