27th ANNUAL REPORT

2016-2017

MAZDA LIMITED

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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:
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.

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

REGISTRAR & SHARE TRANSFER AGENT:
Link Intime India Pvt. Ltd.
506-508 Amarnath Business Centre – I,
Besides Gala Business Centre,
Off. C.G. Road, Navarangpura,
Ahmedabad – 380 009.

NOTICE

NOTICE is hereby given that the Twenty Seventh 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, 12th September, 2017 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, 2017 including the Audited Balance Sheet as at 31st March, 2017, 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 ₹ 7.30 (73 %) per share on equity shares of the company for the financial year ended on 31st March, 2017.
3. To appoint a director in place of Mr. Sorab Mody (DIN: 00498958), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mrs. Sheila Mody (DIN: 00496561), who retires by rotation and being eligible offers herself for re-appointment.
5. To appoint Mayank Shah & Associates, Chartered Accountants, as statutory auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Mayank Shah & Associates, Chartered Accountants (Firm Registration No:106109W), be and are hereby appointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the company subject to ratification of their appointment at every Annual General Meeting, on such remuneration as may be decided by the Board of Directors of the company."

SPECIAL BUSINESS:

6. **Ratification of remuneration payable to the Cost Auditors for the financial year 2017-18**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 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, 2018, 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."

Registered Office:
C/1-39/13/16 GIDC,
Naroda,
Ahmedabad – 382 330
Date : 29/07/2017
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 No. 6 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 26th August, 2017 to 02nd September, 2017 (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. 25th August, 2017.

(6) The dividend, if declared will be paid on or after 25th September, 2017.

(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) 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.

(12) 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.

(13) 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.

(14) 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.

(15) 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.

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

(17) 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.

(18) 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.

(19) 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).

(20) 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.

(21) 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.

(22) 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 dematerialized their shares to get their shares dematerialized at the earliest.

(23) 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).

(24) The shareholders who have not registered their PAN with the company can generate their passwords using sequence no. mentioned in the attendance slip attached to this report.

Procedure for E-voting

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Saturday 9th September, 2017 at 9.00 a.m. and ends on Monday, 11th September, 2017 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) 05th September, 2017 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 sequence number which is printed on the attendance slip indicated in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

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

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

(xi) Click on the EVSN for the 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 login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for all mobile users. 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 linked in the login 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.

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

(26) 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.

(27) 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.

(28) The result shall be declared at or after the Annual General Meeting of the company. The result declared along with 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 & National Stock Exchange of India Limited.

(29) 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: 29/07/2017
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 2017-18

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, 2018.

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.

Registered Office:
C-1/39/13/16 GIDC,
Naroda,
Ahmedabad – 382 330
Date : 29/07/2017
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	**Mrs. Sheila Mody**
Date of Birth and Age	08/10/1945 72 years	19/02/1947 70 years
Date of Appointment	03/09/1990	20/09/1991
Qualification	B.Com.	B.Sc.
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 38 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. He was previously working with J.N. Marshall Ltd as a Branch Manager.	She is on the Board since 1992. Her experience and knowledge in the field of engineering has immensely helped 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.
Name of Committees of Public Companies of which he/she holds Membership/ Chairmanship	NONE	➢ Member of Audit Committee of Mazda Limited ➢ Chairman of Stakeholder Relationship Committee of Mazda Limited ➢ Member of the Nomination and Remuneration Committee
No. of shares held	12,23,156 Equity Shares	75,700 Equity Shares

DIRECTORS' REPORT

To,
THE MEMBERS,
MAZDA LIMITED

Your Directors are pleased to present the 27th Annual Report on the business and operations of the company together with the Audited Accounts for the financial year ended March 31, 2017.

1. FINANCIAL PERFORMANCE

(₹ In Lacs)

Sr. No.	Particulars	2016-17	2015-16
i	**Total revenue**	**11462.21**	**12408.23**
ii	**(Less):** Total expenditure	9736.95	10403.81
iii	**Profit before depreciation, finance cost & tax**	**1725.26**	**2004.42**
iv	**(Less):** Finance cost	47.06	86.52
v	**(Less):** Tax Expenses	225.38	486.51
vi	**Cash Profit**	**1452.82**	**1431.39**
vii	**(Less):** Depreciation	263.82	227.70
viii	**Profit for the year**	**1189.00**	**1203.69**
ix	**Balance of Profit brought forward**	**8059.07**	**7318.62**
x	**Total Profit available for appropriation**	**9248.06**	**8522.31**
xi	Transfer to general reserve	0.00	125.00
xii	Proposed Dividend	0.00	281.03
xiii	Dividend Tax	0.00	57.21
xiv	**Profit carried to Balance Sheet**	**9248.06**	**8059.07**

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

2. DIVIDEND

Your Directors have recommended a dividend of ₹ 7.30 (i.e. 73%) per equity share of ₹ 10/- each (last year ₹ 6.60 per equity share) for the financial year ended March, 2017 amounting to ₹ 310.83 Lacs. The Dividend Distribution Tax payable by the company amounting to ₹ 63.28 Lacs. The payment of dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.

3. OPERATIONS

During the year under review, total revenue is reduced by 7% from the previous financial year. The Profit after Tax for the year is ₹ 11.89 Crores as against ₹ 12.04 Crores for the previous year showing marginal decrease of 1.22%.

4. FINANCE AND ACCOUNTS

There are no term loans or interest thereon outstanding during the year under review. Your company is at present using financial assistance in the form of working capital facilities from State Bank of India, Ahmedabad with overall banking limits upto ₹ 22.38 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 decreased from the previous year from ₹ 41.16 Crores to ₹ 40.16 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.

5. EXPORTS AND TECHNOLOGY DEVELOPMENTS

Exports for the year were at ₹ 30.14 Crores as compared to ₹ 26.10 Crores for the previous year showing increase by 15%.

Your Directors expect moderate improvement in export business in the financial year 2017-18 in anticipation of improved global economic environment.

6. FIXED DEPOSITS

During the year, your company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

7. INSURANCE

Your company's assets and interest of the company are adequately insured against multiple risks from fire, riot, earthquake, terrorism and other risks which are considered necessary by the management.

8. MANAGEMENT DISCUSSION AND ANALYSIS

(a) Industry Structure and Developments:

Despite the fact that global economies were under performing, Indian economy reflected GDP growth in the financial year under review in excess of 7%. In the current financial year 2017-18 GDP growth rate is expected to exceed the 7% mark after suffering temporary negative impact of demonetization in FY 2016-17. Since Goods and Services Tax has been implemented, it will increase the transparency and will simplify taxation aspects.

Indian Engineering industry is set to witness robust growth because of various initiatives of the Central Government along with overall expansion of the Indian economy. The capital infrastructure development projects will boost your industrial growth.

With our comprehensive product range and long years of experience, your company continues to be a preferred supplier for major customers for a wide range of industry segment for vacuum products. With design and technology experience over years, our customers are assured of highest quality of products.

Engineering Business:

The overall business condition of engineering business has remained stagnant for the year under review due to capex expenditure of large industries had not revived. Your company's performance is satisfactory compared to the performance of the engineering sector.

Your company has dispatched high value order of Wet ESP for Air Pollution Control.

Food Business:

The food division continues to grow and perform well. The food division has exceeded targeted turnover for the year and has expanded its Indian domestic operations. Your company has very well established its customer base in the U.A.E., Europe, U.S.A and Africa. There is a rise in demand for various BCool products especially Instant drink powder, flavouring essence, food colours and fruit jam. Your company has successfully promoted its new product Mango chutney in the European market, with the major supply being to the United Nation's missions. The order size of these products has risen substantially with customers placing repeat orders.

Last year your company added the British Retail Consortium (BRC) certification to quality portfolio and had achieved the highest possible grade – A grade – for our manufacturing practice.

Your company is planning to shift to the new and larger - state of the art premises by the next financial year.

Further, your company has appointed Government NABL approved labs as a third party testing entity for regular testing of the products and ensure standardization of products to its customers.

Your company has had active participation this year in various food exhibitions namely Gulfood, Thai Halal Expo & Food Tech Expo. Having command over the B2B market, your company is head hunting for potential buyers and trying to tap the market of Middle-East and Africa. Your company is reaching out to the world showcasing its products in such exclusive food events and is looking forward for continued presence in time to come.

Our outlook for the coming year is extremely positive, with continued growth expectations in both turnover and profitability.

(b) Segment-wise Performance:

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

Due to slowdown in the engineering sector, your company's performance in the engineering segment shows decrease in turnover by 14% and the profit in the engineering segment has decreased by 22%.

The food business has continued its stable growth in this year which is reflected by an increase in turnover by 27% but reduction in profits by 9% mainly due to increase in the prices of the raw materials.

(c) Outlook:

Gross Domestic Product growth rate was 7.1% for FY 2016-17, supported by strong consumption growth and government spending. Government continues to lay focus on structural reforms, infrastructure development, agriculture and rural development, removal of labour regulations and improve ranking in ease of doing business index.

FY 2016-17 was also marked by two significant economic measures by the government. Government's demonetization move and proposal of Goods & Service Tax (GST). GST will have a multi-dimensional impacts on the Indian economy. The Goods and Service Tax (GST) - constitution amendment bill, passed by the government, to be implemented from July 1st, 2017 will have a significant impact on the taxation structure in the country. The reform process would further help boost India's position in the global arena.

Overall your company is positive about its short term and medium term business outlook and will continue to pursue growth strategy in customized product business. At the same time, we will accelerate implementation of our operational excellence strategy to systematically build on long term competitive advantage in the business.

Due to implementation of GST your company is expecting that capital cycle of other industries will revive which will result in growth of your company.

Your company had purchased office space in Mumbai for setting up sales and marketing office.

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

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 and working quite successfully. Another system to one of the reputed client in the Agro Industries has been dispatched during the financial year under review. 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 also received large orders for refinery project in Russia and for power plant in Africa.

(d) Threat and concerns:

We live in a very competitive industry and there are constant pressures on cost and price. While the raw material fluctuations are not in our control, there is an ongoing pressure from the customers on prices. Your company is aggressively working on efficiency improvement and is confident of staying abreast and ahead of any adversities on this account.

Your company focuses on technology, quality and innovation as its core competencies. We are convinced that our customers do not just look for low cost but insist on high product quality, efficiency and management of total cost of ownership. Hence, we are in position to meet growing expectations of our customers.

(e) Internal control systems and risk management:

The company has an internal control system, commensurate with the size, scale and complexity of its operations. Testing of such systems forms a part of review by the Internal Audit function. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman and Managing Director and also to the Audit Committee.

The Internal Audit department monitors and evaluates the efficacy and adequacy of the internal control system in the company and its compliance with operating systems, accounting procedures and policies of the company. Based on the report of the Internal Audit department, process owners undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions, if any, are presented to the Audit Committee of the Board.

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 process of identification and evaluation of various risks inherent in the business environment and the operations of the company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Director of the company. The Audit committee periodically reviews the adequacy and efficacy of the overall risk management system.

(f) Health, Safety & Environment:

Your company is environment-conscious and committed to making a positive contribution to the communities where it operates. The management places great emphasis on combining economic success with taking responsible action towards Environment and Society. The company has been proactively pursuing measures surrounding the areas of its operations by extending support and lending a helping hand to some social institutions that are committed to address social causes.

Your company is committed for compliance with applicable safety and occupational health legislation, regulations and other requirements. The precautions towards hazardous waste disposal and safety measures are continuously reviewed. Your company emphasizes on corrective actions towards incident if any reported to the company.

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

(g) Human Resources and Industrial Relations:

The company has maintained good and cordial relations with all employees and continues to invest in the training and development of all. The company appreciates the dedication and commitment of the employees at all levels.

The increasing human capital aspirations are challenge for the company. In order to remain competitive, it is imperative that company has to hire and retain sufficient number of skilled talent so as to strengthen its technical and project management skills. The company has employed 218 personnel as at 31st March, 2017.

The company believes that training and personnel development is of vital importance to create a climate where people maximize their technical skills which can help the company in capitalizing the emerging business opportunities through their involvement.

9. EMPLOYEE STOCK OPTION

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

10. SUBSIDIARIES AND JOINT VENTURES

There are no subsidiaries or joint ventures of your company.

11. DIRECTORS

The Board consists of Executive and Non-executive Directors including Independent Directors who have varied experience in their respective fields and contributes towards your company by investing their vast knowledge and expertise.

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. Sorab Mody and Mrs. Sheila Mody, 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.

12. 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, 2017;

- 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, 2017.

13. 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.

14. NO. OF MEETINGS OF THE BOARD

During the year under review, four Board Meetings of the company were convened and held, the period of which not exceeding the period as prescribed under the Companies Act, 2013. The relevant details, including composition of the Board, dates of meetings, attendance and various committees of the Board are given in the Corporate Governance Report forming part of this report.

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

The Board adopted a formal mechanism for evaluating its performance as well as that of its committee and individual directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contributions at the meetings and otherwise, independent judgment, governance issues etc.

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.

16. AUDIT COMMITTEE

The Composition of the Audit Committee is in line with the provisions of Section 177 of the Act read with Regulation 18 of LODR. The Chairman of the Audit Committee is an independent director. The Audit Committee of the Board provides re-assurance to the Board on the existence on effective Internal Control Environment that ensures the efficiency and effectiveness of the operations of the company and safeguarding of assets and adequacy of provisions for all liabilities. The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

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

17. 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, 2017 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.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

(i) In the preparation of the annual accounts for the year ended March 31, 2017, 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, 2017 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.

19. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the company have submitted their declaration of Independence, as required under the provisions of Section 149(7) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as provided in section 149(6) of the Act.

20. 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.

21. CHANGES IN THE NATURE OF BUSINESS, IF ANY

There are no changes 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.

22. REPORTING OF FRAUD BY STATUTORY AUDITORS

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

23. AUDITORS AND AUDITORS' REPORT

- **Statutory Auditor**

  At the 26th Annual General Meeting held on 27th September, 2016, the members have approved re-appointment of Apaji Amin & Co., LLP, Chartered Accountants, Ahmedabad (Registration No. 100513W) to hold office from last AGM up to the conclusion of 27th 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.

  During the year under review, 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, 2017. 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 requirement of Section 204 of the Companies Act, 2013 M/s Rutul Shukla & Associates, Practicing Company Secretaries, has conducted secretarial audit of the company for the financial year 2016-17. Secretarial Audit Report 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, 2017. The Secretarial Audit 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. As required under the act, necessary resolution seeking members' ratification for the remuneration payable to Shri V. H. Shah is part of the notice.

  The Cost Audit Report for the financial year 2016-17 will be submitted to the Central Government in the prescribed format within stipulated time period.

24. 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, 2017 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, 2017 is ₹ 40.16 Crores.

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

All the related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetative nature. A statement giving details of all Related Parties transactions 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.

The RPT policy of the company approved by the Board of Directors is displayed on website of the company.

26. STATE OF AFFAIRS OF THE COMPANY

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

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

There have been no material changes and commitments, affecting the financial position of the company, which have occurred between the end of the financial year of the company and the date of this report, except as disclosed elsewhere in the report.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS & 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.

29. 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.

30. CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)

Your company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Pursuant to provisions of Section 135 of the Companies Act, 2013, 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.

Your company being committed in fulfilling its Corporate Social Responsibility has been engaged in various social initiatives through its intervention in the area of providing preventive health care etc. in accordance with the Corporate Social Responsibility Policy of the company.

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.

31. 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.

32. REPORT ON CORPORATE GOVERNANCE

Corporate Governance denotes the framework for companies to conduct their business in an ethical and responsible manner. It is determined primarily by the approach that a company has towards its stakeholders as well as to the environment in which it operates.

The company believes that good governance alone can deliver continuous good business performance. A Report on Corporate Governance as required under regulations 34 of the SEBI (Listing Obligations and Disclosures Requirements) regulations, 2015 is incorporated as a part of Corporate Governance together with a certificate from the Practicing Company Secretary confirming compliance which is set out in the Annexure forming part of Corporate Governance Report attached as Annexure-G.

33. 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.

34. 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.

35. VIGIL MECHANISM / WHISLTE BLOWER POLICY

Your company has well defined 'Whistle Blower Policy' and established Vigil Mechanism to provide for adequate safeguard against victimization of directors and employees who follow such mechanism and also make provisions for direct access to

the chairperson of the Audit Committee. 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.

36. APPRECIATION

Your Board appreciate the continued support received from the valued customers and look forward to this mutually supportive relationship in future. Your Directors place on record their deep appreciation to employees of the company at all levels for their hard work, dedication and commitment without whose contribution the operations of the company would not have been possible. The Directors place on record the sincere thanks to the shareholders, distributors, suppliers, bankers and other business associates for their valuable service and support during the year under review.

37. 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 : 29/07/2017

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 31/03/2017

[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 506-508, Amarnath Business Centre – 1 Besides Gala Business Centre, Off. C. G. Road, Navrangpura, Ahmedabad – 380 009 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	85.58
2.	Food Products	202.4 & 202.5	14.42
	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. 01/04/2016				No. of shares held at the end of the year i.e. 31/03/2017				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF	1704478	-	1704478	40.03	1724478	-	1724478	40.50	0.47
b) Central/ State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1) :-	**1704478**	**-**	**1704478**	**40.03**	**1724478**	**-**	**1724478**	**40.50**	**0.47**

(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-		-
b) Other-Individuals	-	-	-	-	-	-	-		-
c) Bodies Corporate	-	-	-	-	-	-	-		-
d) Banks / FI	-	-	-	-	-	-	-		-
e) Any Other	-	-	-	-	-	-	-		-
Sub Total (A) (2) :-	-	-	-	-	-	-	-		-
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	**1704478**	**-**	**1704478**	**40.03**	**1724478**	**-**	**1724478**	**40.50**	**0.47**
B. PUBLIC SHAREHOLDING	-	-	-	-	-	-	-	-	-
(1) Institutions									
a) Mutual Funds	9753	-	9753	0.23	-	-	-	-	-0.23
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	18969	-	18969	0.44	-	-	-	-	-0.44
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	29522	-	29522	0.69	800	-	800	0.02	-0.67
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	184507	300	184807	4.34	219216	-	219216	5.15	0.81
ii) Overseas	-	289500	289500	6.80	-	289500	289500	6.80	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	984489	64810	1049299	24.64	1045137	64410	1109547	26.05	1.41
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	787636	-	787636	18.50	735672	-	735672	17.28	-1.22
c) Others (specify)									
NBFC registered with RBI	4328	-	4328	0.10	-	-	-	-	-0.10
Non-Resident Individuals	59475	11600	71075	1.67	69354	11600	80954	1.90	0.23
Others									
HUF	86760	-	86760	2.04	82875	-	82875	1.95	-0.09
Clearing Members	50595	-	50595	1.19	14958	-	14958	0.35	-0.84
Sub-total (B)(2):-	2157790	366210	2524000	59.28	2167212	365510	2532722	59.48	0.20
Total Public Shareholding (B)=(B)(1)+(B)(2)	**2187312**	**366210**	**2553522**	**59.97**	**2168012**	**365510**	**2533522**	**59.50**	**-0.47**
C. SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs	**-**	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total(A+B+C)	**3891790**	**366210**	**4258000**	**100.00**	**3892490**	**365510**	**4258000**	**100.00**	-

(ii) Shareholding of Promoters:

Sl. no.	Shareholder's name	Shareholding at the beginning of the year 01/04/2016			Shareholding at the end of the year 31/03/2017			% 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	1203156	28.25	0.00	1223156	28.72	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	1.78	0.00	75700	1.78	0.00	0.00
	Total	**1704478**	**40.03**	**0.00**	**1724478**	**40.50**	**0.00**	**0.47**

(iii) Change in Promoters' shareholding

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year 01/04/2016		Date	Increase / (Decrease) in shareholding	Reason	Cumulative shareholding during the year 01/04/2016 to 31/03/2017	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Sorab R. Mody	1203156	28.25	28/09/2016	20000	Transfer	1223156	28.72
	At the end of the year						**1223156**	**28.72**
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 01/04/2016		Cumulative shareholding at the end of the year 31/03/2017	
		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	104000	2.44	104000	2.44
3.	Dimple Amar Parikh	85396	2.01	87872	2.06
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	51000	1.20	51000	1.20
7.	Nilesh Hastimal Shah	42300	0.99	42300	0.99
8.	Shailesh Babalal Shah	42120	0.99	42120	0.99
9.	UNIFI Financial Pvt. Ltd.	-	-	40000	0.94
10.	Bharat Jamnadas Dattani	36892	0.87	36892	0.87
11.	Javed Sajjadmehdi Saiyed	45584	1.07	4012	0.09

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, 2016		Shareholding as at 31st March, 2017	
		Number of shares	% of total shares of the company	Number of shares	% of total shares of the company
1.	Mr. Sorab Mody, Managing Director	1203156	28.25	1223156	28.72
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 01/04/2016	1203156	28.25
Purchase of equity shares through open market as on 28/09/2016	20000	0.47
As at 31/03/2017	1223156	28.72

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)**

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amt	188.88	-	-	188.18
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)	188.88	-	-	188.88
Change in Indebtedness during the financial year				
• Addition	331.83	-	-	331.83
• Reduction	(303.93)	-	-	(303.93)
Net Change	27.90	-	-	27.90
Indebtedness at the end of the financial year i) Principal Amt ii) Interest due but not paid iii) Interest accrued but not due	216.78	-	-	216.78
Total (i+ii+iii)	216.78	-	-	216.78

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	49,28,000	49,28,000	49,28,000	1,47,84,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	32,400	32,400	32,400	97,200
	(c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as %age of profit	20,70,939	20,70,939	20,70,939	62,12,817
	- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	70,31,339	70,31,339	70,31,339	2,10,94,017
	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	4,10,000	2,00,000	4,05,000	10,15,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	**4,10,000**	**2,00,000**	**4,05,000**	**10,15,000**
2.	**Other Non-Executive Directors**	**Sheila Mody**	**Houtoxi Contractor**	**Samuel Croll-III**	**Total Amount**
	· Fee for attending board / committee meetings	5,30,000	1,00,000	50,000	6,80,000
	· Commission	-	-	-	-
	· Others, please specify	-	-	-	-
	Total (2)	**5,30,000**	**1,00,000**	**50,000**	**6,80,000**
	Total (B)=(1+2)				**16,95,000**
	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	34,72,428	12,63,342	**47,35,770**
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	32,400	32,400	**64,800**
	(c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	-	-	**-**
2.	Stock Option	-	-	**-**
3.	Sweat Equity	-	-	**-**
4.	Commission as % age of profit others, specify	-	-	**-**
5.	Others, please specify	-	-	**-**
	Total	**35,04,828**	**12,95,742**	**48,00,570**

VII. Penalties / Punishment / Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD /NCLT / Court]	Appeal made if any
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's 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 Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013.

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

2. Appointment and removal of Director, KMP and SMP

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

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

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

c) The Company should ensure that the person so appointed as Director shall not be disqualified under Companies Act, 2013, rules made thereunder, Listing 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 conditions of appointment and remuneration payable to Managing Director and Whole-Time Directors shall be recommended by the Nomination and Remuneration Committee to the board subject to the overall limits provided under the Companies Act, 2013 and rules made thereunder including any modifications and re-enactments thereto which shall be subject to approval by the shareholders at next Annual General Meeting of the company, if required and by the Central Government in case such appointment is at variance to the conditions specified in 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 is 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, 2017

[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, 2017 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, 2017 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.

(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.

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: 29th July, 2017

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

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

'Annexure A'

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: 29th July, 2017

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	Freeze Crystallization Technology • 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 Spindle operated Thermo Compressor • 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	 ₹ 29.94 Lacs ₹ 186.54 Lacs **₹ 216.48 Lacs** 1.81%
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	₹ 29,61,76,244
• Equipment Repair Income	₹ 2,61,125
TOTAL	**₹ 29,64,37,369**

Foreign Exchange Outgo:

• On Purchase of Materials	₹ 1,46,37,451
• On purchase of Capital goods	₹ 96,66,638
• Foreign Travelling expense	₹ 5,64,565
• Equipment repair expense	₹ 20,46,350
• Subscription & Registration fees	₹ 35,622
• Factory Consumable expenses	₹ 21,515
• Professional & Consultancy charges	₹ 41,63,955
• Exhibition expenses	₹ 5,42,073
• Bank charges	₹ 6,86,448
• Directors Sitting Fees	₹ 50,000
• A S M E Expense	₹ 12,90,434
• Computer Expense	₹ 6,47,020
TOTAL	**₹ 3,43,52,071**

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 4th February, 2017 has reviewed the Corporate Social Responsibility policy of the company. The company has received the project proposal under CSR activity from Blind People's Association (BPA), a public charitable trust for setting up New Retina Operation Theatre at Bareja Eye Hospital situated at Bareja, Dascroi, Ahmedabad District, Gujarat. The project will fall under the activity head 'promoting health care including preventive health care' mentioned in the CSR policy of the company and as per schedule VII of the Companies Act, 2013. Therefore, the funds available for CSR activity have been spent for the project as mentioned above. 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 2013-14, 2014-15 & 2015-16	₹ 16,14,24,246
Prescribed CSR Expenditure (2% of the Average Net Profit)	₹ 32,28,485
Total Amount spent on CSR activities	₹ 35,00,000

Manner in which the amount spent during the financial year 2016-17 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.	Setting up New Retina Operation Theatre at Bareja Eye Hospital, a unit of BPA	Health care including preventive health care	Gujarat – Bareja, Dascroi District - Ahmedabad,	₹ 35.00 Lacs	Direct Expenses of ₹ 35.00 Lacs	₹ 35.00 Lacs	₹ 35.00 Lacs Direct payment to the Trust

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, 2017:

Sr. No.	Executive Directors	Remuneration ₹ in Lacs	Median remuneration ₹ in Lacs	Ratio
1.	Mr. Sorab Mody, Managing Director	70.31	3.87	18.17
2.	Mr. Percy Avari, Whole-Time Director	70.31	3.87	18.17
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	70.31	3.87	18.17

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	-13.35%
2.	Mr. Percy Avari, Whole-Time Director	-13.35%
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	-13.35%
4.	Mr. Cyrus Bhagwagar, CFO	10.94%
5.	Mr. Nishith Kayasth, Company Secretary	12.27%

Note to Point No. 1 & 2 : Non-executive Directors are paid sitting fees only. The executive directors are receiving 2% commission based on net profits. Due to reduction in operational profits, their remuneration has been decreased.

3) Percentage increase in median remuneration of employees in the financial year:10%

4) The number of permanent employees on the rolls of the company as on 31st March, 2017: 218

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 2016-17 was 10% and there is no increase provided in the managerial remuneration instead there is a decrease in average managerial remuneration due to decrease in commission on profits to the Executive Directors.

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

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, as a good corporate citizen is committed to sound corporate practice based on conscience, openness, fairness, professionalism and accountability in building confidence of its shareholders in it thereby paving the way for its long term success and thereby it believes in maximizing the shareholders' value. Corporate Governance is a system of rules, practices and processes by which a company is directed and controlled.

The purpose of Corporate Governance is to facilitate effective and prudent management so that it could deliver long term success and increase shareholders value. Mazda limited inter alia is strictly adhered to Corporate Governance which in a way is able to attract and retain investors and enhance the trust and confidence of stakeholders including shareholders, employees, customers, suppliers and communities.

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['the Listing Regulations'] all mandatory requirements specified in Compliance report on Corporate Governance are complied with.

2. BOARD OF DIRECTORS

Your Board provides strategic guidance and independent views to the company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the company is managed in a manner that fulfills stakeholder's aspirations and societal expectations and responsible for and it is committed to sound principles of Corporate Governance in the company.

(a) Composition of Board

None of the Directors on the Board is a member of more than 10 Committees or a Chairperson of more than 5 Committees [as stipulated in Regulation 26(1) of SEBI Listing Regulations, 2015] across all the Indian public companies, in which he/she is a director. The necessary disclosure regarding the Committee position and other Directorship has been made by the Directors.

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 the details of which are mentioned below:

Name of the Directors	Category of Directors	No. of Board Meetings		Attendance at the last AGM	No. of Directorship in other Companies	No. of Committees in which	
		Held while holding the office	Attended while holding the office			Member	Chair person
Mr. Mohib N. Khericha, Chairman (DIN: 00010365)	Non-Executive & Independent	4	4	Yes	4	4	3
Mr. Sorab R. Mody, Managing Director (DIN: 00498958)	Promoter &Executive	4	3	No	NIL	None	
Mr. Samuel W. Croll– III (DIN: 01407244)	Non-Executive	4	1	No	NIL	None	
Mrs. Sheila S. Mody (DIN: 00496561)	Non-Executive	4	4	Yes	NIL	None	
Mrs. Houtoxi F. Contractor (DIN: 01407244)	Non-Executive	4	2	No	NIL	None	
Mr. Nilesh C. Mankiwala (DIN: 06927530)	Non-Executive & Independent	4	4	Yes	NIL	None	
Mr. Saurin V. Palkhiwala (DIN: 03604769)	Non-Executive & Independent	4	4	Yes	NIL	None	
Mr. Percy X. Avari, Whole-Time Director (DIN: 00499114)	Executive	4	4	Yes	NIL	None	
Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)	Executive	4	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.

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. Sorab Mody and Mrs. Sheila Mody 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. Sorab Mody and Mrs. Sheila Mody are provided in the Notice of the AGM.

All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013.

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

Four Board meetings were held, details of which are given as under, in due compliance with the stipulated provisions.

30 May 2016 06 August 2016 28 October 2016 04 February 2017

(c) Shareholding of the Directors:

Statement showing number of equity shares of the company held by the Directors as on 31st March, 2017:

Name of the Directors	Category of the Directors	Number of Equity Shares of ₹ 10/- each
Mr. Mohib Khericha	Non-Executive & Independent	NIL
Mr. Sorab Mody	Promoter & Executive	12,23,156
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 Audit Committee acts as a link among the management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the company.

The Committee performs such duties and functions generally indicated in the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated to the Committee by the Board from time to time. 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 Chief Financial Officer, representatives of Statutory Auditor and Internal Auditor are invited to the meeting of the Audit Committee.

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 powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The brief terms of reference of Audit Committee are as under:

- 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.

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 2016 06 August 2016 28 October 2016 04 February 2017

All members of the committee have attended the meetings held during the period on above mentioned dates. The Chairman of the Audit Committee has attended the Annual General Meeting of the company.

4. NOMINATION & REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations, 2015, the company has Nomination and Remuneration Committee of the Board empowered with powers and roles.

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 06 August, 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 06th August, 2016 recommended re-appointment and remuneration of Mr. Sorab Mody, Managing Director, Mr. Percy Avari, Whole-Time Director and Mrs. Shanaya Mody Khatua, Whole-Time Director of the company.

(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	20,70,939	**70,31,339**
Mr. Mohib N. Khericha(Chairman)	4,10,000	NIL	NIL	**4,10,000**
Mr. Samuel W. Croll – III	50,000	NIL	NIL	**50,000**
Mrs. Sheila S. Mody	5,30,000	NIL	NIL	**5,30,000**
Mrs. Houtoxi F. Contractor	100,000	NIL	NIL	**100,000**
Mr. Percy X. Avari	NIL	49,60,400	20,70,939	**70,31,339**
Mrs. Shanaya Mody Khatua	NIL	49,60,400	20,70,939	**70,31,339**
Mr. Nilesh C. Mankiwala	2,00,000	NIL	NIL	**2,00,000**
Mr. Saurin V. Palkhiwala	4,05,000	NIL	NIL	**4,05,000**

(e) Criteria for Performance evaluation of Directors:

Pursuant to the provisions of Companies Act, 2013 and Listing Regulations, the Nomination and Remuneration Committee had laid down the criteria for performance evaluation of Executive and Non-Executive Directors of the company. The criteria was set based on profile, experience, contribution, dedication, aptitude, team work and contribution of each director to the growth of the company.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of the SEBI Listing Regulations 2015, 'Stakeholders and relationship Committee' of the Board has been constituted to look into the mechanism of redressal of grievances of shareholders.

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, 3 complaints were received from the Shareholders which have been resolved to the satisfaction of the shareholders. There was no outstanding complaint at the beginning of the year or at the end of the year.

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

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

The Committee's terms of reference meet with the requirements of the Companies Act, 2013 which are as under:

- To formulate and recommend to the Board, a Corporate Social Responsibility policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of framework of CSR Policy.

The Corporate Social Responsibility Committee meeting was held on 04 February, 2017.

During the year under the review, the company has spent ₹ 35 lacs towards setting up of RETINA OPERTAION THEATRE UNIT at BAREJA EYE HOSPITAL, a Unit of Blind People Association (BPA) which is in line with the CSR Policy of the company and as per the requirements of Section 135 of the Companies Act, 2013 and the Rules made thereunder.

7. INDEPENDENT DIRECTORS MEETING

The Independent Directors met on 4th February, 2017, without the attendance of Non-Independent Directors and members of the Management at the meeting. The Chairman of the company has also chaired the meeting. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a 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.

Familiarization programme for Independent Directors:

Induction, orientation or familiarization programmes are applicable to all layers of management and the Board Members, which are designed based upon the position/job requirements. Independent Directors of the company are made aware of their role, duties, rights and responsibilities at the time of their appointment.

The company has issued formal letter of appointment to Independent Directors in the manner as provided under the Companies Act, 2013 and as per the applicable Corporate Governance requirements. The terms and conditions of appointment of Independent Directors are mentioned in the website of the company i.e. www.mazdalimited.com.

Guided by the principles laid down for Corporate Governance under SEBI Listing Regulations, 2015 and the Companies Act, 2013, Independent Directors are appraised through familiarization programmes to provide insights into the company, including nature of Industry in which the company operates, business model of the company, relevant information on business processes and roles, responsibilities, duties and rights of Independent Directors.

8. GENERAL BODY MEETINGS

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

Meeting	26th AGM	25th AGM	24th AGM
Year	2015-16	2014-15	2013-14
Venue	Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330	Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330	C/1-39/13/16 G.I.D.C., Naroda, Ahmedabad – 382 330
Date & Time	27th September, 2016 at 9.30 A M	1st September, 2015 at 9.30 AM	30th September, 2014 at 9.30 A M
No. of Special Resolution	05	01	03

- **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

Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. This Code of Conduct is applicable to the Designated Person(s), employees and the Immediate Relative(s) of such designated persons and employees of the Company who can have access to Unpublished Price Sensitive Information relating to the company. The Company Secretary acts as a Compliance Officer.

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 has approved a policy on dealing with related party transactions, and the same has been uploaded on the company's website: www.mazdalimited.com.
- Related party transactions are disclosed in the Note No. 33 forming Parts of Accounts in this Annual Report.
- In the preparation of the financial statements, the company has followed the accounting policies and practices as prescribed in the 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 established Vigil Mechanism to provide for the safeguards against victimization of employees who follow such mechanism. The Board has approved Whistle Blower Policy/ establishment of Vigil Mechanism pursuant to provisions of Companies Act, 2013 and SEBI Listing regulations and the same has been reviewed by the Audit Committee. No complaints have been received under the policy during the financial year under review. As per the policy no person has been denied access of the Audit Committee.
- 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.
- 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 audit confirms that the total issued/paid up capital of the company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- 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 and the same forms part of Corporate Governance Report. 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.
- The policy on protection of Women against Sexual Harassment at work has been formed and the committee has been constituted under the said Act. No complaint has been 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 2016-17 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

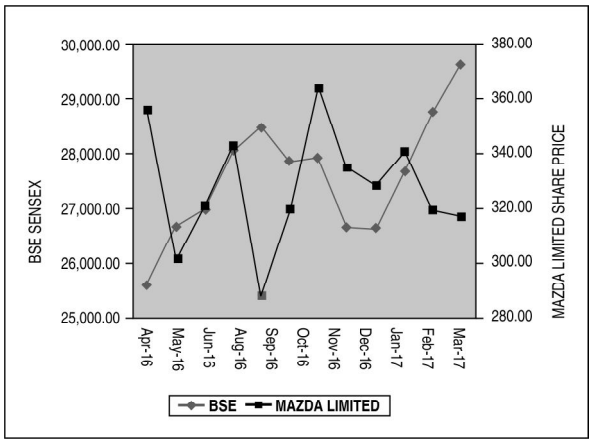
• AGM	– Date	- Tuesday, 12th September, 2017
	– Time	- 9.30 AM
	– Venue	- Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330
• Financial Calendar (Tentative)		April 2017 to March 2018
(a) First Quarter Results		First week of September 2017
(b) Second Quarter Results		First week of November 2017
(c) Third Quarter Results		First week of February 2018
(d) Fourth Quarter results		Last week of May 2018
(d) Results for the year ending March 2018 (Audited)		May 2018
• Date of Book Closure		26th August, 2017 to 2nd September, 2017 (Both days inclusive)
• Dividend Payment Date (Tentative)		25th September, 2017
• Listing on Stock Exchanges		-Bombay Stock Exchange Limited (BSE) -National Stock Exchange of India Limited (NSE) Listing fees for the period 2017-2018 has been paid to the stock exchanges.
• Stock Code		BSE : 523792 NSE : MAZDA
• Demat ISIN No.		For NSDL and CDSL INE885E01034
• CIN		L29120GJ1990PLC014293
• Registrar and Share Transfer Agent		Link Intime India Pvt. Ltd 506-508 Amarnath Business Centre – I Besides Gala Business Centre, Off. C.G. Road, Navarangpura, Ahmedabad – 380 009
• 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		91.42% of the paid-up capital has been dematerialized as on March 31, 2017.
• 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 2016 to March 2017:**

Month	Bombay Stock Exchange Limited (BSE)	
	High	Low
April, 2016	374.00	320.00
May, 2016	371.00	288.60
June, 2016	357.00	300.00
July, 2016	354.75	312.40
August, 2016	343.90	259.00
September, 2016	340.00	284.00
October, 2016	380.00	298.20
November, 2016	392.00	303.00
December, 2016	354.50	310.00
January, 2017	354.65	322.00
February, 2017	344.00	310.00
March, 2017	345.00	309.00

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



- Shareholding pattern as on March 31, 2017

Categories	No. of Shares held	% of Total Shareholding
Promoter's Holding		
Promoters and its group – Indian	**17,24,478**	**40.50**
Foreign Promoters	NIL	NIL
Sub – Total	**17,24,478**	**40.50**
Non – promoter's Holding		
Banks & NBFC	800	0.02
Domestic companies	2,19,216	5.15
Indian Public	18,45,219	43.33
NRI's	80,954	1.90
Foreign Company	2,89,500	6.80
Others	97,833	2.30
Sub – Total	**25,53,522**	**59.50**
GRAND TOTAL	**42,58,000**	**100.00**

- Distribution of shareholding as on March 31, 2017

Shareholding			Shareholders		No. of shares	
			Folios	% of total Nos.	Shares	% of total shares
Less than		500	3931	88.78	434339	10.20
501	To	1000	239	5.40	193239	4.54
1001	To	2000	102	2.30	149640	3.51
2001	To	3000	44	0.99	112765	2.65
3001	To	4000	20	0.45	72702	1.71
4001	To	5000	23	0.52	106164	2.49
5001	To	10000	34	0.77	246053	5.78
10001	And	above	35	0.79	2943098	69.12
		Total	**4428**	**100.00**	**4258000**	**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 2016-17, 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 Section 124(5) of the Companies Act, 2013 and other applicable provisions, 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 ₹ 1,48,988/- for the financial year 2008-09 was lying in the company's separate unpaid dividend account and remain unclaimed after 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
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
2015-2016	27th September, 2016	66	26th October, 2023

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

Pursuant to Section 124(6) of the Companies Act, 2013 all shares on which dividend has remain unclaimed for a continuous period of seven years will be transferred to IEPF. The notice to the concerned shareholders has already

been given. The list of the shareholders whose shares are liable to be transferred to IEPF is available on the website of the company.

For and on behalf of the Board,

Place : Ahmedabad
Date : 29/07/2017

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, 2017.

Place : Ahmedabad
Date : 29/07/2017

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, 2017 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 : 30/05/2017

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, 2017 as stipulated in:

   - Regulation 23 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations);
   - 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.

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 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, 2017.

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 : 29/07/2017

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, 2017, 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, 2017, 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, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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.

iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company. Refer Note 47 of notes to the financial statements.

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

Tehmul B. Sethna
Partner
Membership No: 035476

Place: Ahmedabad
Date: 30/05/2017

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 with a view to determine whether they are accurate or complete.

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, 2017 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. The details of such transactions have been disclosed in the financial statements as required by Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.

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 them.

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: 30/05/2017

Annexure-B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 2017 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 2017, 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 : 30/05/2017

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars		Notes	AS AT 31/03/2017 ₹	AS AT 31/03/2016 ₹
I	**Equity and Liabilities**			
1	**Shareholders' Funds**			
	(a) Share Capital	3	**42,580,000**	42,580,000
	(b) Reserves and Surplus	4	**1,071,409,893**	952,510,549
			1,113,989,893	995,090,549
2	**Non-current Liabilities**			
	(a) Deferred Tax Liabilities (Net)	5	**19,478,640**	22,672,393
	(b) Long Term Provisions	6	**559,898**	1,797,644
			20,038,538	24,470,037
3	**Current Liabilities**			
	(a) Short Term Borrowings	7	**21,480,380**	18,838,544
	(b) Trade Payables	8	**111,546,064**	127,218,404
	(c) Other Current Liabilities	9	**57,902,549**	91,546,303
	(d) Short Term Provisions	10	**26,703,865**	67,166,115
			217,632,858	304,769,366
	TOTAL		**1,351,661,289**	1,324,329,952
II	**Assets**			
1	**Non-current Assets**			
	(a) Fixed Assets			
	(i) Tangible Assets	11	**288,281,160**	176,130,829
	(ii) Intangible Assets	12	**49,079,223**	49,763,023
	(iii) Capital Work-in-Progress	11	**36,801,794**	32,159,117
	(iv) Intangible Assets under Development	12	**-**	1,469,750
	(b) Long Term Loans and Advances	13	**70,320,919**	51,113,218
			444,483,096	310,635,937
2	**Current Assets**			
	(a) Current Investments	14	**401,630,749**	411,630,749
	(b) Inventories	15	**180,848,706**	187,455,693
	(c) Trade Receivables	16	**225,594,996**	228,357,973
	(d) Cash and Bank Balance	17	**33,583,524**	98,820,970
	(e) Short Term Loans and Advances	18	**47,329,037**	55,878,137
	(f) Other Current Assets	19	**18,191,181**	31,550,493
			907,178,193	1,013,694,015
	TOTAL		**1,351,661,289**	1,324,329,952
	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 : 30/05/2017

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 : 30/05/2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars		Notes	Year Ended 31/03/2017 ₹	Year Ended 31/03/2016 ₹
I	**Revenue**			
	Revenue from Operations (Gross)	20	**1,195,935,057**	1,324,118,237
	Less: Excise Duty		**91,871,311**	103,763,781
	Revenue from Operations (Net)		**1,104,063,746**	1,220,354,456
	Other Income	21	**42,157,490**	20,468,112
	Total Revenue (I)		**1,146,221,236**	1,240,822,568
II	**Expenses**			
	Cost of Raw Materials and Packing Materials Consumed	22	**560,813,528**	627,032,545
	Changes In Inventories of Finished Goods & WIP and Stock-In-Trade	23	**9,712,820**	(7,748,514)
	Manufacturing Expenses	24	**138,263,814**	163,736,036
	Employee Benefits Expenses	25	**132,263,406**	136,068,650
	Finance Costs	26	**4,706,495**	8,652,089
	Depreciation and Amortisation Expenses	27	**26,382,491**	22,769,574
	Other Expenses	28	**132,641,215**	121,292,044
	Total Expenses (II)		**1,004,783,769**	1,071,802,424
III	**Profit Before Tax (I-II)**		**141,437,467**	169,020,144
IV	**Tax Expenses**			
	(i) Current Tax		**25,731,876**	44,650,000
	(ii) Deferred Tax		**(3,193,753)**	4,001,348
	Total Tax Expenses		**22,538,123**	48,651,348
V	**Net Profit for the Year (III-IV)**		**118,899,344**	120,368,796
	Earnings Per Equity Share:			
	[Nominal value of Share ₹ 10]			
	Basic and Diluted (in ₹)		**27.92**	28.27
	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 : 30/05/2017

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 : 30/05/2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars		Year Ended 31/03/2017 ₹	Year Ended 31/03/2016 ₹
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before extraordinary items and tax	**141,437,467**	169,020,144
	Adjustments for:		
	Depreciation and amortisation	**26,382,491**	22,769,574
	(Profit) / Loss on Sale / write off of Fixed Assets (Net)	**(106,206)**	6,280,918
	Interest Income	**(155,639)**	(2,662,535)
	Dividend Income	**-**	(100,000)
	(Gain)/Loss on Forward Contracts	**(2,019,799)**	2,591,911
	(Gain)/Loss on Sale of Investments	**(37,784,287)**	(11,209,807)
	Interest paid	**398,478**	400,503
	Security transaction Tax expenses	**319**	262
	Net unrealised exchange (gain) / loss	**1,822,022**	1,727,272
		(11,462,621)	19,798,098
	Operating profit / (loss) before working capital changes	**129,974,846**	188,818,242
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Trade receivables	**2,762,977**	(3,367,317)
	Short-term loans and advances	**8,549,100**	(2,918,237)
	Long-term loans and advances	**(11,855,909)**	197,810
	Inventories	**6,606,987**	10,517,148
	Other current assets	**13,336,938**	19,437,241
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	**(15,672,340)**	3,561,899
	Other current liabilities	**(33,643,754)**	815,234
	Long-term provisions	**(1,237,746)**	2,218,627
	Short-term provisions -Employees benefit payable	**(6,638,381)**	7,228,151
	Net unrealised exchange gain / (loss)	**(1,822,022)**	(1,727,272)
		(39,614,150)	35,963,284
	Cash flow from extraordinary items:		
	Cash generated from operations	**90,360,696**	224,781,526
	Net income tax (paid) / refunds	**(33,083,667)**	(51,361,390)
	Net cash flow from / (used in) operating activities (A)	**57,277,029**	173,420,136

Particulars		Year Ended 31/03/2017 ₹	Year Ended 31/03/2016 ₹
B.	**Cash flow from investing activities**		
	Capital expenditure on fixed assets, including capital advances	**(146,357,999)**	(72,603,031)
	Proceeds from sale of fixed assets	**189,200**	110,900
	Purchase of current investment	**(170,000,000)**	(245,173,125)
	Current Investments not considered as Cash and Cash equivalents:		
	Proceeds from sale	**267,957,092**	143,507,427
	Capital WIP Converted into Asset and Put to Use	**5,253,052**	-
	Interest received	**178,013**	6,019,373
	Dividend Income	**-**	100,000
	Net cash flow from / (used in) investing activities (B)	**(42,780,642)**	(168,038,456)
C.	**Cash flow from financing activities**		
	Net increase / (decrease) in working capital borrowings:		
	Dividend Paid	**(28,102,800)**	(25,548,000)
	Dividend Distribution tax	**(5,721,069)**	(5,230,869)
	Interest paid	**(398,478)**	(400,503)
	Gain/(Loss) on Forward Contracts	**2,019,802**	(2,591,911)
	Proceeds/(Repayment)-Short term borrowings	**2,641,836**	(8,278,370)
	Other Bank Balances	**(270,663)**	(256,842)
	Net cash flow from / (used in) financing activities (C)	**(29,831,372)**	(42,306,495)
	Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**(15,334,985)**	(36,924,815)
	Cash and cash equivalents at the beginning of the year	**46,966,544**	83,891,357
	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]	**31,631,559**	46,966,544

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 : 30/05/2017

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 : 30/05/2017

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2017

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 has a food division wherein Instant Drink poweders, Food colours, Jams and other products are manufactured. 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 National Stock Exchange of India Limited (NSE).

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 relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2017

3 SHARE CAPITAL

	March 31, 2017		March 31, 2016	
	No.	**₹**	No.	₹
Authorised Shares				
Equity Shares of ₹ 10 each	**5,000,000**	**50,000,000**	5,000,000	50,000,000
	5,000,000	**50,000,000**	5,000,000	50,000,000
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, 2017		March 31, 2016	
	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, 2017		March 31, 2016	
	No. of shares	**% Holding in the Class**	No. of shares	% Holding in the Class
Equity Shares				
Sorab R. Mody	**1,223,156**	**28.73**	1,203,156	28.26
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	**45.53**	1,918,278	45.06

(d) For current financial year the Dividend Proposed to be distributed to equity shareholders ₹ 7.30 Per Share (Previous Year ₹ 6.60 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. 31/03/2017.

		AS AT 31/03/2017 ₹	AS AT 31/03/2016 ₹
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	**112,010,750**	99,510,750
	Add: Transferred from Surplus in Statement of Profit and Loss	**-**	12,500,000
	Closing Balance	**112,010,750**	112,010,750
	(e) Surplus in Statement of Profit and Loss Account		
	Balance as per Last Financial Statements	**805,906,862**	731,861,936
	Add: Profit for the year	**118,899,344**	120,368,795
		924,806,206	852,230,731
	Less: Appropriations:		
	Proposed Final Dividend		
	- On Equity Shares [₹7.30 per share (March 31, 2016: ₹ 6.60)]	**-**	28,102,800
	Tax on Proposed Final Dividend	**-**	5,721,069
	Transfer to General Reserve	**-**	12,500,000
	Net Surplus in the Statement of Profit and Loss	**924,806,206**	805,906,862
	GRAND TOTAL	**1,071,409,893**	952,510,549
5	**DEFERRED TAX LIABILITIES (NET)**		
	Deferred Tax Liability		
	Related to Fixed Assets	**26,012,832**	25,330,791
	Gross Deferred Tax Liabilities	**26,012,832**	25,330,791
	Deferred Tax Asset		
	Provision for employee benefits	**1,935,865**	2,658,398
	Deferred Tax (U/s 43B)	**4,598,327**	-
	Gross Deferred Tax Assets	**6,534,192**	2,658,398
	Deferred Tax Liabilities (Net)	**19,478,640**	22,672,393

		AS AT 31/03/2017 ₹	AS AT 31/03/2016 ₹
6	**LONG TERM PROVISIONS**		
	Provision for Employee Benefits (Note No. 34)		
	Provision for Gratuity	**559,898**	1,797,644
		559,898	1,797,644
7	**SHORT-TERM BORROWINGS**		
	Secured Borrowings From Banks:		
	Packing Credit Facilities (PCFC) (secured) *	**21,480,380**	18,838,544
		21,480,380	18,838,544
	* 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)	**7,910,407**	2,908,608
	Other Payables	**103,635,657**	124,309,796
	(Refer Note 36 for details of Dues to Micro & Small & Medium Enterprises)		
		111,546,064	127,218,404
9	**OTHER CURRENT LIABILITIES**		
	Advance from Customers	**33,322,844**	50,042,987
	Unclaimed Dividends	**1,951,965**	1,681,302
	Deffered Premium Account	**179,683**	677,476
	Forward Contracts	**16,858,036**	30,284,008
	Statutory dues including Provident Fund & Tax Deducted at Source	**5,228,613**	7,185,588
	Other Payable	**361,408**	1,674,943
		57,902,550	91,546,303
	There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at March 31, 2017.		
10	**SHORT TERM PROVISIONS**		
	Provision for Employee Benefits		
	Other Employee Benefits Payable	**21,469,261**	27,458,434
	Provision for Gratuity	**3,481,012**	3,111,063
	Provision for Leave Encashment	**1,753,592**	2,772,749
	Others (A)	**26,703,865**	33,342,246
	Proposed Dividend	**-**	28,102,800
	Tax on Proposed Dividend	**-**	5,721,069
	(B)	**-**	33,823,869
	TOTAL (A+B)	**26,703,865**	67,166,115

11 TANGIBLE ASSETS

	Gross Block				Accumulated Depriciation				Net Block	
	Balance as at April 1, 2016	Additions	Disposals	Balance as at March 31, 2017	Balance as at April 1, 2016	Charge for the year	Disposals	Balance as at March 31, 2017	Balance as at March 31, 2016	Balance as at March 31, 2017
Land	-	114,343,750	-	114,343,750	-	-	-	-	-	114,343,750
Buildings	117,728,722	2,666,449	-	120,395,171	28,773,471	3,726,006	-	32,499,477	88,955,251	87,895,694
Plant and Machineries	111,707,743	7,593,572	-	119,301,315	40,735,452	8,158,219	-	48,893,671	70,972,291	70,407,644
Furniture, Fixtures	15,125,187	1,191,138	-	16,316,325	10,317,483	1,228,449	-	11,545,932	4,807,704	4,770,393
Vehicles	11,145,541	68,096	1,345,030	9,868,607	8,660,583	880,251	1,266,247	8,274,587	2,484,958	1,594,020
Computers	15,730,972	1,634,366	-	17,365,338	14,053,076	610,329	-	14,663,405	1,677,896	2,701,933
Office Equipment	9,961,675	746,264	84,220	10,623,719	8,188,279	39,851	80,009	8,148,121	1,773,396	2,475,598
Patterns	646,989	-	-	646,989	85,781	552,228	-	638,009	561,208	8,980
Electrical Installation	15,255,188	171,481	-	15,426,669	10,357,063	986,458	-	11,343,521	4,898,125	4,083,148
Total	**297,302,017**	**128,415,116**	**1,429,250**	**424,287,883**	**121,171,188**	**16,181,791**	**1,346,256**	**136,006,723**	**176,130,829**	**288,281,160**
Capital Work-In-Progress	32,159,117	8,425,983	3,783,301	36,801,799	-	-	-	-	32,159,117	36,801,799
GRAND TOTAL	**329,461,134**	**136,841,099**	**5,212,551**	**461,089,682**	**121,171,188**	**16,181,791**	**1,346,256**	**136,006,723**	**208,289,946**	**325,082,959**
Previous Year's Figures	*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*

12 INTANGIBLE ASSETS

	Gross Block				Accumulated Depriciation				Net Block	
	Balance as at April 1, 2016	Additions	Disposals	Balance as at March 31, 2017	Balance as at April 1, 2016	Charge for the year	Disposals	Balance as at March 31, 2017	Balance as at March 31, 2016	Balance as at March 31, 2017
Computer software	11,461,821	75,450	-	11,537,271	7,490,540	923,704	-	8,414,244	3,971,281	3,123,027
Licences & Commercial Rights	53,661,650	9,441,450	-	63,103,100	7,869,908	9,276,996	-	17,146,904	45,791,742	45,956,196
Total	**65,123,471**	**9,516,900**	**-**	**74,640,371**	**15,360,448**	**10,200,700**	**-**	25,561,148	**49,763,023**	**49,079,223**
Intangible Assets under Development	1,469,750	-	1,469,750	-	-	-	-	-	1,469,750	-
GRAND TOTAL	**66,593,221**	**9,516,900**	**1,469,750**	**74,640,371**	**15,360,448**	**10,200,700**	**-**	**25,561,148**	**51,232,773**	**49,079,223**
Previous Year's Figures	43,887,396	22,705,825	-	66,593,221	5,765,083	6,851,298	-	15,360,448	35,378,246	51,232,773

		AS AT 31/03/2017 ₹	AS AT 31/03/2016 ₹
13	**LONG-TERM LOANS AND ADVANCES**		
	(Unsecured, Considered good unless otherwise stated)		
	Capital Advances	**48,791,738**	39,000,000
	Total (A)	**48,791,738**	39,000,000
	Security deposit against Property		
	Related Parties	**5,000,000**	5,000,000
	Other deposits	**4,959,021**	3,240,121
	Total (B)	**9,959,021**	8,240,121
	Other Loans and Advances		
	Advance Income Tax (Net of Provision)	**10,447,858**	3,096,067
	Loans to employees	**1,122,302**	777,031
	Total (C)	**11,570,160**	3,873,098
	Total (A + B + C)	**70,320,919**	51,113,218

		March 31, 2017		March 31, 2016	
		Nos.	₹	Nos.	₹
14	**CURRENT INVESTMENTS**				
	(at lower of Cost or Market Value)				
(A)	**Mutual Funds (Quoted)**				
	Units of ₹ 10 Each unless otherwise specified				
	Baroda Pioneer Credit Opp. Fund Plan A-G	**2461538.46**	**30,000,000**	-	-
	BNP Paribas Bond Fund- Subscritption	**-**	**-**	1153526.716	15,000,000
	Birla Sunlife Corporate Bond Fund	**4991278.201**	**50,000,000**	4991278.20	50,000,000
	BNP Paribas Medium Term Income Fund	**2000000**	**20,000,000**	2000000	20,000,000
	BNP Paribas Flexi Debt Fund Growth	**243989.323**	**5,000,000**	243989.323	5,000,000
	BSL Corporate Bond Fund Account	**1692820.75**	**20,000,000**	-	-
	DSP Black Rock Income Opportunities Fund	**993236.08**	**20,000,000**	2053024.016	40,000,000
	Franklin India Corporate Bond Opportunities Fund Growth	**3606284.783**	**55,000,000**	1801827.774	25,000,000
	HDFC Corporate Debt Opp. Fund	**3051112.644**	**35,000,000**	3051112.644	35,000,000
	ICICI Prudential Equity Income Fund (Qtrly Div.)	**-**	**-**	2500000	25,000,000
	DSP Black Rock Income Opportunities Fund-Growth Option	**630790.128**	**15,000,000**	630790.128	15,000,000
	JM Arbitrage Advantage Fund- Direct Option	**-**	**-**	478732.073	-
	Franklin India Dynamic Accrual Growth	**561434.89**	**30,000,000**	199595.221	10,000,000
	Kotak Medium Term Fund	**3823660.363**	**40,000,000**	3823660.363	40,000,000
	Kotak Monthly Income Plan	**953079.878**	**20,000,000**	953079.878	20,000,000
	DHFL -Pramierca Credit Opportunities Fund	**527726.43**	**5,000,000**	527726.43	5,000,000
	Reliance Regular Savings Fund Debt	**576741.182**	**10,000,000**	2436329.842	40,000,000
	L & T Income Opportunities Fund	**1248954.001**	**20,000,000**	1248954.001	20,000,000
	Franklin India Short Term Income Plan	**-**	**-**	8357.27	20,000,000
	SBI Corporate Bond Funds (Against Bank Guarantee Lien)	**1052259.411**	**25,000,000**	1052259.41	25,000,000
	TOTAL (A)		**400,000,000**		410,000,000

		March 31, 2017		March 31, 2016	
		Nos.	₹	Nos.	₹
(B)	**Equity shares**				
	Chartered Capital and Investment Limited (Quoted)	**45732**	**1627749**	45732	1627749
	Bombay Mercantile Co-Op Banks Ltd (Unquoted)	**100**	**3000**	100	3000
	TOTAL (B)		**1,630,749**		1,630,749
	TOTAL (A+B)		**401,630,749**		411,630,749

	March 31, 2017		March 31, 2016	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate Value of Quoted Investement	**401,627,749**	**472,757,787**	411,627,749	492,679,103
Aggregate Value of Unquoted Investment	**3,000**	**-**	3,000	-
	401,630,749	**472,757,787**	411,630,749	492,679,103

		AS AT 31/03/2017 ₹	AS AT 31/03/2016 ₹
15	**INVENTORIES**		
	(Valued at lower of cost and net realisable value)		
	Raw Materials and Packing Materials -Engineering	**64,785,451**	58,907,846
	Raw Materials and Packing Materials - Food division	**18,442,398**	21,486,911
	Work-in-Progress-Engineering	**57,258,419**	65,664,907
	Work-in-Progress-Food division	**2,990,723**	2,028,639
	Finished Goods-Engineering	**32,636,033**	35,374,808
	Stores and Spares-Engineering	**3,114,004**	2,841,263
	Goods in Transit	**1,621,678**	1,151,319
		180,848,706	187,455,693
16	**TRADE RECEIVABLES**		
	Unsecured, considered good		
	Outstanding for a period exceeding six months from the date they are due for payment **(A)**	**58,674,498**	47,086,227
	Other receivables		
	Unsecured, considered good **(B)**	**166,920,498**	181,271,747
	TOTAL (A+B)	**225,594,996**	228,357,974
17	**CASH AND BANK BALANCE**		
	CASH AND CASH EQUIVALENTS :		
	Cash on Hand	**850,747**	238,107
	Bank Balances with Schedule Banks:		
	In Current Accounts	**21,145,460**	43,989,985
	In Exchage Earners Foreign Currency account	**9,635,352**	2,738,452
	(A)	**31,631,559**	46,966,544
	Other Bank Balances:		
	Unpaid Dividend A/c	**1,951,965**	1,681,302
	Highly Liquid Investments	**-**	50,173,125
	(B)	**1,951,965**	51,854,426
	TOTAL (A+B)	**33,583,524**	98,820,970

		AS AT 31/03/2017 ₹	AS AT 31/03/2016 ₹
18	**SHORT-TERM LOANS AND ADVANCES**		
	(Unsecured, considered good)		
	Advance to Suppliers	**7,144,773**	4,712,483
	Prepaid expenses	**6,560,996**	5,705,342
	Loans to employees	**445,070**	478,012
	Advance to Employees	**832,752**	-
	Balances with Statutory Authorities	**32,345,446**	44,982,300
		47,329,037	55,878,137
19	**OTHER CURRENT ASSETS**		
	Forward Contract Receivable	**18,051,051**	31,387,989
	Accrued Interest	**140,130**	162,504
		18,191,181	31,550,493

		2016 - 17 ₹	2015 - 16 ₹
20	**REVENUE FROM OPERATIONS**		
	Sale of Goods (Gross value)		
	Domestic	**867,305,083**	1,017,607,039
	Exports	**309,833,999**	281,691,184
	Sale of Services		
	Domestic		
	Consultancy Income	**3,239,500**	3,934,385
	Equipment Repairs Income	**864,295**	2,174,751
	Erection, Commissioning & Installation Income	**75,000**	3,651,000
	Exports		
	Consultancy Income	**-**	3,965,585
	Equipment Repairs Income	**261,125**	-
	Other Operating Revenues		
	Export incentive income	**3,517,019**	3,777,958
	Sale of Scrap	**5,532,420**	5,485,060
	Other Income -Miscellaneous	**453,086**	1,212,430
	Sale of Licence	**4,377,591**	-
	Other Operating Income	**475,940**	618,845
	Revenue from Operations (Gross)	**1,195,935,057**	1,324,118,237
	Less: Excise Duty *	**91,871,311**	103,763,781
	Revenue from Operations (Net)	**1,104,063,746**	1,220,354,456
	* Excise Duty on Sales amounting to **₹ 918.71 lacs** (March 31, 2016: ₹ 1037.64 lacs) has been reduced from sales in Statement of Profit and Loss. Excise duty amounting to **₹ 12.15 lacs** (March 31, 2016: (₹ 11.61 lacs) has been considered as manufacturing expense under the head of Excise & Customs duty in Note 24 of financial statements.		

		2016 - 17 ₹	2015 - 16 ₹
	Sale of Finished Goods		
	Vacuum Systems	**321,746,839**	369,636,917
	Condenser	**189,362,925**	111,327,854
	Heaters	**81,893,668**	103,536,191
	Vacuum Pumps	**30,224,347**	24,237,879
	Pollution Control Equipments	**52,590,072**	42,527,337
	Chill Vactor	**927,500**	3,141,000
	Rotajectors	**6,713,433**	3,663,259
	Evaporators	**161,825,000**	294,434,800
	Thermo Compressors	**31,557,432**	54,055,601
	B Cool (Food Division)	**156,447,019**	124,146,601
	Others (Including Spares)	**51,979,535**	64,827,003
		1,085,267,770	1,195,534,442
21	**OTHER INCOME**		
	Interest Income		
	From Bank	**-**	2,471,664
	From Others	**323,323**	357,479
	Income from Current Investments		
	Dividend Income	**-**	100,000
	Net Gain on sale of Investments	**37,784,287**	11,382,932
	Other Non-operating Income (net of expenses directly attributable to)		
	Exchange Differences (Net)	**-**	2,840,773
	Profit on Forward Contracts	**2,019,799**	-
	Profit On Sale of Assets	**106,206**	-
	Premium Income on Forward Contract	**1,923,875**	3,315,264
		42,157,490	20,468,112
22	**COST OF RAW MATERIALS CONSUMED**		
	Inventory at the beginning of the Year	**80,394,757**	98,061,798
	Add: Purchases	**563,646,620**	609,365,504
		644,041,377	707,427,302
	Less: Inventory at the end of the Year	**83,227,849**	80,394,757
	Cost of Raw Materials and Packing Materials Consumed	**560,813,528**	627,032,545

		2016 - 17 ₹	2015 - 16 ₹
	Consumption of Raw Materials		
	Engineering		
	(a) Round Bar	**10,052,958**	12,840,850
	(b) Pipes & Tubes	**74,202,472**	94,855,051
	(c) Plates	**105,469,189**	121,499,145
	(d) Profiles & Circles	**21,380,205**	44,374,137
	(e) Flanges	**20,971,656**	26,490,540
	(f) Stop Valves	**35,046,250**	39,784,405
	(g) Instruments	**61,793,679**	62,341,082
	(h) Bought Outs & Others	**127,493,282**	145,900,778
	Food Division		
	(i) Raw Material	**73,904,556**	52,270,075
	(j) Packing Material	**30,351,490**	26,488,483
	(k) Bought Outs & Others	**147,791**	187,999
		560,813,528	627,032,545
	Inventories of Raw Materials		
	Engineering		
	(a) Round Bar	**3,903,211**	3,578,193
	(b) Pipes & Tubes	**11,126,151**	10,784,651
	(c) Plates	**18,225,227**	16,051,671
	(d) Profiles & Circles	**29,752**	635,457
	(e) Flanges	**4,213,240**	3,881,052
	(f) Stop Valves	**8,186,810**	9,012,382
	(g) Instruments	**6,515,839**	3,802,191
	(h) Bought Outs & Others	**12,585,222**	11,162,250
	Food Division		
	(i) Raw Material	**8,943,086**	10,620,653
	(j) Packing Material	**9,489,871**	10,864,297
	(k) Bought Outs & Others	**9,440**	1,960
		83,227,849	80,394,757
23	**Changes In Inventories of Finished Goods & WIP and Stock-In-Trade**		
	Inventory at the end of the Year		
	Work-in-progress	**60,249,142**	67,693,546
	Goods-in-transit	**1,621,678**	1,151,319
	Finished Goods	**32,636,033**	35,374,808
	(A)	**94,506,853**	104,219,673
	Inventory at the beginning 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
	(B)	**104,219,673**	96,471,159
	TOTAL (B-A)	**9,712,820**	(7,748,514)

		2016 - 17 ₹	2015 - 16 ₹
24	**MANUFACTURING EXPENSES**		
	Consumption of Stores & Spares	**12,950,466**	16,827,565
	Power and Fuel	**6,912,494**	6,978,842
	Labour Charges	**93,921,525**	113,664,578
	Inspection and Testing Charges	**5,088,749**	6,064,521
	Excise & Custom duty	**16,038**	5,409,206
	Inward Freight and Carting Charges	**5,235,037**	8,365,836
	Lease & Rent	**4,656,940**	2,923,100
	Repairs and Maintenance - Plant & Machineries	**3,811,212**	2,862,018
	Other Manufacturing Expense	**5,671,353**	640,372
		138,263,814	163,736,036
25	**EMPLOYEE BENEFIT EXPENSES**		
	Salaries, Wages and Bonus	**120,118,432**	124,216,102
	Contribution to Provident and Other Fund	**5,022,140**	4,845,893
	Gratuity Expense (Note 34)	**3,477,017**	3,224,521
	Staff Welfare Expenses	**3,645,817**	3,782,134
		132,263,406	136,068,650
26	**FINANCE COSTS**		
	Loss on Forward Contracts	**-**	2,591,911
	Interest on PCFC	**398,478**	308,729
	Interest on Bill Purchase	**-**	91,774
	Other Borrowing Cost	**4,308,017**	5,659,675
		4,706,495	8,652,089
27	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation of tangible assets	**16,181,791**	15,918,276
	Amortisation of intangible assets	**10,200,700**	6,851,298
	(Refer note no. 11 & 12)		
		26,382,491	22,769,574

		2016 - 17 ₹	2015 - 16 ₹
28	**OTHER EXPENSES**		
	Rent, Rates and Taxes	**10,157,322**	10,560,177
	Insurance	**10,995,697**	10,681,552
	Repairs and Maintenance - Buildings	**177,648**	471,425
	- Others	**4,786,075**	4,529,353
	Travelling and Conveyance	**8,803,853**	7,730,699
	Communication Costs	**2,405,846**	2,197,805
	Research & Development Expense (Note No: 29)	**18,654,652**	12,868,923
	Legal and Professional Fees	**11,089,087**	11,018,784
	Directors' Sitting Fees	**1,695,000**	1,665,000
	Payment to Auditor (Refer details below)	**1,319,000**	1,264,500
	Expenditure on Corporate Social Responsibility (CSR) Activities	**3,500,000**	3,325,000
	Donations	**1,215,000**	115,000
	Electricity Expense	**776,929**	945,590
	Loss on Sale / write off of Fixed Assets (Net)	**-**	6,271,143
	Debit/ Credit Balance Written Off	**1,385,986**	1,290,438
	Other Administrative Expenses	**16,810,004**	13,537,649
	Commission on Sales	**7,881,713**	8,134,506
	Freight and Forwarding Charges	**18,700,603**	16,179,406
	Equipment Repairs Expense	**4,668,625**	3,514,448
	Exchange Rate Difference	**1,822,022**	-
	Other Selling and Marketing Expenses	**5,796,154**	4,990,645
		132,641,215	121,292,044
	Payment to Auditor:		
	As Auditor:		
	Audit Fee	**850,000**	850,000
	Tax Audit Fee	**300,000**	300,000
	Limited Review of Quarterly Results	**30,000**	30,000
	In Other Capacity:		
	Other Services (Certification Fees)	**139,000**	84,500
		1,319,000	1,264,500

			2016 - 17 ₹	2015 - 16 ₹
29	**RESEARCH AND DEVELOPMENT EXPENDITURE**			
	Capital Expenditure		**2,993,599**	15,123,480
	Revenue Expenditure		**18,654,652**	12,868,923
			21,648,251	27,992,403
	The details of revenue expenditure incurred on research and development are as under:			
	Material / Consumable / Spares		**2,410,181**	135,607
	Salaries and Other Benefits to Employees		**15,056,016**	10,813,826
	Repairs & Maintenance		**205,691**	607,726
	Travelling & Conveyance		**372,600**	629,790
	Other Research & Development Expense		**610,164**	681,974
			18,654,652	12,868,923
30	**COMMITMENTS**			
	Capital Commitments			
	Estimated amount of contracts remaining to be executed on capital account and not provided for [Net of advance]		**10,391,397**	88,332,310
			10,391,397	88,332,310
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.		**1,401,977**	1,154,459
	Service Tax:			
	- In respect of matters decided against the Company, for which the Company is in appeal with higher authorities.		**1,436,165**	1,554,325
			2,838,142	2,708,784
32	**EARNINGS PER SHARE (EPS)**			
	Net Profit as per Statement of Profit and Loss		**118,899,344**	120,368,796
	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 ₹)**	**27.92**	28.27
	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

Mrs. Navroze Tarapore

c) Enterprises Having Significant Influence

Panache Holidays

H.T.Engineering (Gujarat) Private Limited

ATMOS Power Private Limited

(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	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(a)	**Sitting Fees for Board Meetings**	**-**	-	**530,000**	500,000	**-**	-	**530,000**	500,000
	Mrs. Sheila S. Mody	**-**	-	530,000	500,000	**-**	-	530,000	500,000
(b)	**Labour Charges**	**-**	-	**-**	-	**5,046,189**	4,418,681	**5,046,189**	4,418,681
	H.T. Engineering (Guj) Pvt Ltd	**-**	-	**-**	-	3,663,389	4,418,681	3,663,389	4,418,681
	Atmos Power Pvt Ltd	**-**	-	**-**	-	1,382,800	-	1,382,800	-
(c)	**Travelling Expense**	**-**	-	**-**	-	**490,036**	589,296	**490,036**	589,296
	Panache Holidays	**-**	-	**-**	-	490,036	589,296	490,036	589,296
(d)	**Exhibition Expense**	**-**	-	**-**	-	**70,979**	-	**70,979**	-
	Panache Holidays	**-**	-	**-**	-	70,979	-	70,979	-
(e)	**Purchase of Raw Materials**	**-**	-	**-**	-	**26,086,919**	19,299,539	**26,086,919**	19,299,539
	H.T. Engineering (Guj) Pvt Ltd	**-**	-	**-**	-	26,086,919	19,299,539	26,086,919	19,299,539
(f)	**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
(g)	**Commission on Profit**	**6,212,817**	9,459,555	-	-	**-**	-	**6,212,817**	9,459,555
	Mrs. Shanaya Mody Khatua	2,070,939	3,153,185	**-**	-	**-**	-	2,070,939	3,153,185
	Mr. Percy X. Avari	2,070,939	3,153,185	**-**	-	**-**	-	2,070,939	3,153,185
	Mr. Sorab R. Mody	2,070,939	3,153,185	**-**	-	**-**	-	2,070,939	3,153,185
(h)	**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	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(a)	**Trade Payables**	**-**	-	**-**	-	**7,910,407**	2,908,608	**7,910,407**	2,908,608
	H.T Engineering(Guj) Pvt Ltd	**-**	-	**-**	-	7,707,687	2,908,608	7,707,687	2,908,608
	Panache Holidays	**-**	-	**-**	-	9,170	-	9,170	-
	Atmos Power Pvt Ltd	**-**	-	**-**	-	193,550	-	193,550	-
(b)	**Office Rent Deposit Given**	**5,000,000**	5,000,000	**-**	-	**-**	-	**5,000,000**	5,000,000
	Mr. Sorab R. Mody	5,000,000	5,000,000	**-**	-	**-**	-	5,000,000	5,000,000

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	
	2016-2017	2015-2016	2016-2017	2015-2016
	₹	₹	₹	₹
STATEMENT OF PROFIT AND LOSS				
Net employee benefit expense (recognised in employee cost):				
Current Service Cost	**1,427,329**	1,821,376	**3,111,063**	2,844,848
Interest Cost on Benefit Obligation	**776,489**	682,581	**3,039,333**	2,668,945
Expected Return on plan Assets	**(746,660)**	(769,629)	**(2,776,109)**	(2,918,926)
Net Actuarial (Gain) / Loss recognised in the year	**(1,162,535)**	(571,654)	**657,916**	236,385
Other cost	**-**	65,435	**-**	753,344
Net Benefit Expense	**294,623**	1,228,109	**4,032,203**	3,584,596
BALANCE SHEET				
Details of provision				
Defined Benefit Obligation	**11,375,153**	10,519,349	**49,474,988**	42,624,728
Plan Assets	**11,104,148**	9,042,966	**45,434,078**	37,716,021
Net (Asset) / Liability	**271,005**	1,476,383	**4,040,910**	4,908,707
Changes in the present value of the defined benefit obligation are as follows:				
Opening Defined Benefit Obligation	**10,519,349**	9,254,095	**42,624,728**	37,714,358
Current Service Cost	**1,427,329**	1,821,376	**3,111,063**	2,844,848
Interest Cost on Benefit Obligation	**776,489**	682,581	**3,039,333**	2,668,945
Past Service Cost	**-**	-	**-**	-
Benefits paid	**(419,602)**	(559,750)	**(733,262)**	(688,093)
Actuarial (Gains) / Losses on Obligation	**(928,412)**	(678,953)	**1,433,126**	84,670
Closing Defined Benefit Obligation	**11,375,153**	10,519,349	**49,474,988**	42,624,728

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	**7.00**	7.85	**7.00**	7.85
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	**11,375,153**	10,519,349	**49,474,988**	42,624,728
Surplus / (Deficit)	**(11,375,153)**	(10,519,349)	**(49,474,988)**	(42,624,728)

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, 2017		March 31, 2016	
	Currency Type	**Foreign Currency Amount**	**Indian Currency Amount**	Foreign Currency Amount	Indian Currency Amount
Derivative Instruments					
Forward Contract to sell US$	USD	**260,000**	**18,051,050**	456,511	31,387,988
		260,000	**18,051,050**	456,511	31,387,988

	March 31, 2017 ₹	**March 31, 2016** ₹
Unhedged Foreign Currency Exposures		
Receivables	**31,881,423**	46,861,013
Advance From Customers	**7,452,868**	18,301,166
Advance to Suppliers	**456,766**	224,664
Balance in EEFC Bank Account	**9,635,352**	2,738,452
PCFC Account	**21,480,380**	18,838,544
Trade Payable	**5,647**	-
	70,912,436	86,963,839

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	**23,247,464**	9,604,980
-	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 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-
		23,247,464	9,604,980

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.

		2016 - 17 ₹	2015 - 16 ₹
37	**EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)**		
	Exports Sales earning	**296,176,244**	258,314,299
	Amount from cancellation of order	**-**	44,800
	Consultancy & Reimbursement income	**-**	4,079,796
	Equipment Repairs Income	**261,125**	-
		296,437,369	262,438,895
38	**VALUE OF IMPORTS ON CIF BASIS**		
	Raw and Packing Materials	**14,637,451**	21,120,834
	Capital Goods	**9,666,638**	22,666,650
		24,304,089	43,787,484
39	**EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS) ***		
	Factory Consumable	**21,515**	-
	Travelling Expenses	**564,565**	711,402
	Equipment Repair Expense	**2,046,350**	-
	Subscriptions & Registration Fees	**35,622**	22,139
	Repair & Maintenance expense	**-**	4,129,229
	Professional & Consultancy Charges	**4,163,955**	1,918,967
	Exhibition Expense	**542,073**	-
	Staff Training Expense	**-**	26,932
	Bank Charges	**686,448**	585,724
	Director's Sitting Fees	**50,000**	-
	A S M E Expense	**1,290,434**	-
	Computer Expense	**647,020**	-
		10,047,982	7,394,393
	* 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, 2017 (Final)	**1,910,700**	
	- For the year ended March 31, 2016 (Final)	-	1,737,000

41 IMPORTED AND INDIGENEOUS MATERIALS CONSUMED

	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	% of Total Consumption		₹	₹
Raw Materials				
(a) Imported	**2.48**	3.10	**13,982,945**	18,866,534
(b) Indigenous	**97.52**	96.90	**549,663,675**	590,498,970
	100.00	100.00	**563,646,620**	609,365,504

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, 2017 ₹	March 31, 2016 ₹
Lease Payment debited to the Profit & Loss Account	**8,744,716**	7,266,014
Further Minimum Lease Payments in Respect of non-cancellable leases		
(i) Amounts due within one year from the date of balance-sheet	**6,102,718**	5,642,716
(ii) Amounts due later than one year and not later than five years from the date of balance-sheet	**15,442,169**	6,924,887

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, 2017			As at and for the year ended 31 March, 2016		
Particulars	**Engineering Products**	**Food Products**	**Total**	**Engineering Products**	**Food Products**	**Total**
Revenues	944,363,311	159,700,434	1,104,063,745	1,094,809,051	125,545,353	1,220,354,404
Identifiable Operating Expenses	752,369,487	131,416,431	883,785,918	847,774,553	94,480,799	942,255,352
Segmental Operating Income	191,993,824	28,284,003	**220,277,827**	247,034,498	31,064,554	278,099,052
Unallocable Expenses			116,898,538			123,390,984
Unallocable Income			38,058,177			14,312,075
Total Profit before Tax			**141,437,466**			169,020,143
Taxes			22,538,123			48,651,348
Net Profit for the Year			**118,899,343**			120,368,795

Secondary segment Information:

	As at and for the year ended 31 March, 2017			As at and for the year ended 31 March, 2016		
Particulars	**Domestic**	**Overseas**	**Total**	**Domestic**	**Overseas**	**Total**
Revenues	802,657,050	301,406,695	**1,104,063,745**	959,306,114	261,048,290	1,220,354,404

45 EXPENDITURE IN CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITY

(a) Gross amount required to be spent by the company during the year ₹ 32.28 lacs (as at 31st March, 2016, ₹ 33.10 lacs)

(b) Amount spent during the year:

Particulars		March 31, 2017 ₹	March 31, 2016 ₹
(i)	Contribution to the Prime Minister's National Relief Fund	-	3,325,000
(ii)	Contribution to the trust engaged in CSR	3,500,000	-
	Total	**3,500,000**	**3,325,000**

47 Specified bank notes disclosure (SBNs)

In accordance with the MCA notification G.S.R. 308 dated March 30, 2017 details of Specified Bank Notes (SBN) and Other Denomination Notes (ODN) held and transacted during the period from November 8, 2016 to December 30, 2016, is given below:

Particulars		Specified Bank Notes (SBNs)	Other Denomination Notes (ODNs)	Total
Closing Cash on Hand as on November 8, 2016		800,000	89,089	889,089
(+)	Permitted receipts	-	484,000	484,000
(-)	Permitted payments	-	378,780	378,780
(-)	Amount Deposited in banks	800,000	-	800,000
Closing Cash on Hand as on December 30, 2016		**-**	**194,309**	**194,309**

48 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 : 30/05/2017

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)

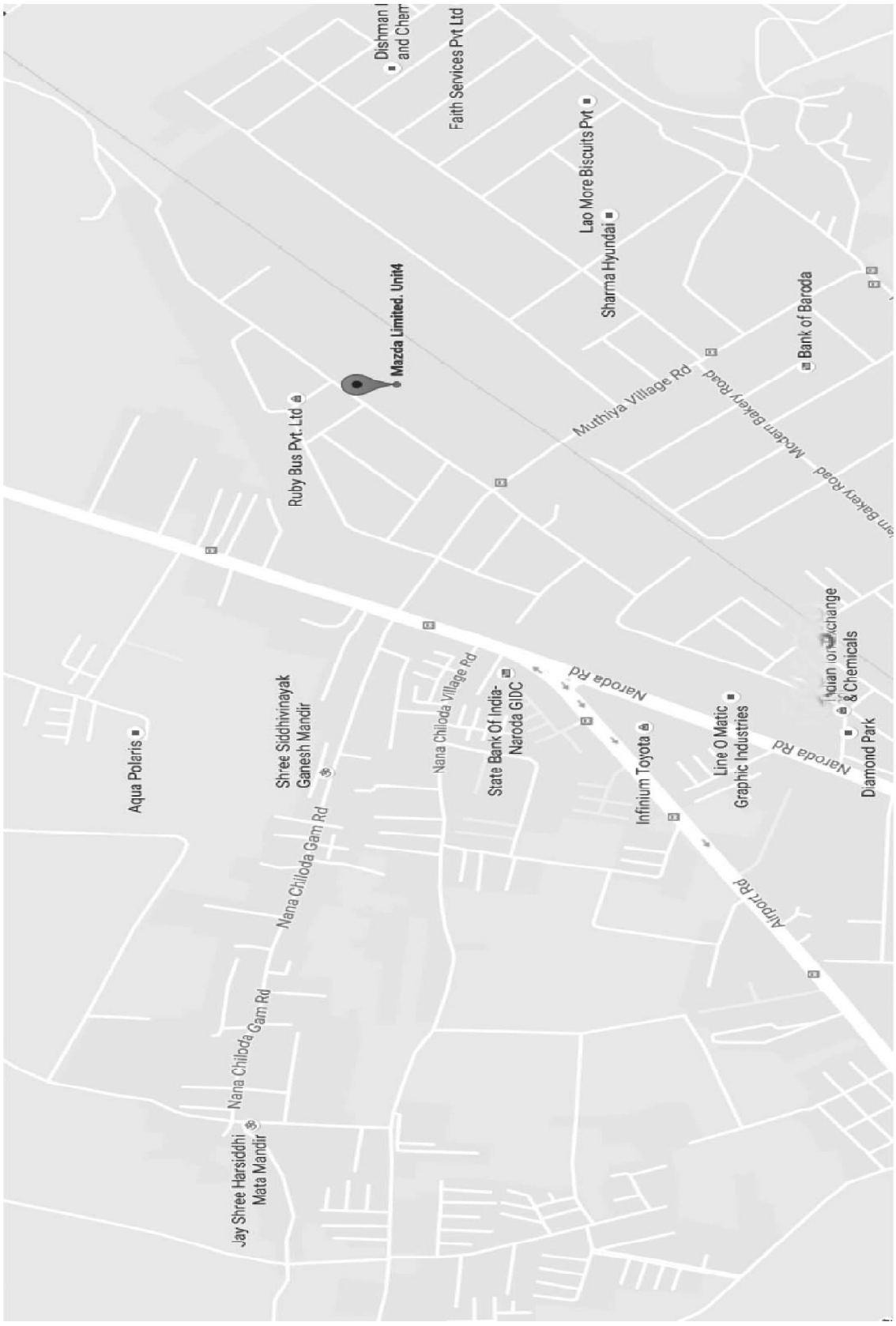
Mohib Khericha
Chairman
(DIN: 00010365)

Cyrus Bhagwagar
Chief Financial Officer

Nishith Kayasth
Company Secretary

Place : Ahmedabad
Date : 30/05/2017

Venue of AGM : Route Map



MAZDA LIMITED

CIN: L29120GJ1990PLC014293

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

Form No. MGT-11

PROXY FORM

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

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

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

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 27th Annual General Meeting of the company, to be held on Tuesday, 12th September, 2017 at 9:30. a.m at Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
1.	Adoption of the financial statements of the company for the year ended 31st March, 2017 and the reports of the Directors and Auditors thereon		
2.	Declaration of dividend on equity shares for the year ended on 31st March, 2017		
3.	Re-appointment of Mr. Sorab Mody retiring by rotation		
4.	Re-appointment of Mrs. Sheila Mody retiring by rotation		
5.	Appoint auditors and fix their remuneration		
6.	Approval to the ratified remuneration of the Cost Auditor for the financial year 2017-18		

Signed this _____ day of September, 2017

Signature of Shareholder :_____

Signature of Proxy holder(s) :_____

Affix ₹ 1/- Revenue Stamp

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

MAZDA LIMITED

CIN: L29120GJ1990PLC014293

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

ATTENDANCE SLIP

Folio No.: _____ DP ID: _____

Client ID: _____ No. of shares: _____

_____

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

I/We hereby record my/our presence at the 27th ANNUAL GENERAL MEETING of the company held at the Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330, on Tuesday, 12th September, 2017.

_____

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

To,

If undelivered, please return to:

MAZDA LIMITED

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