

REGISTERED A.D. / COURIER

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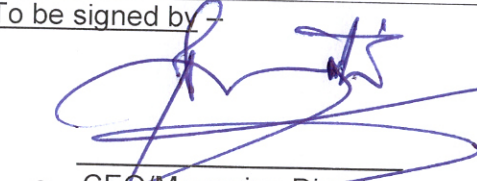
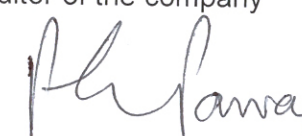
2 SEP 2015

The Secretary,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Dear Sir,

Please find enclosed herewith 6 copies of Annual Report for the financial year 2014-2015.

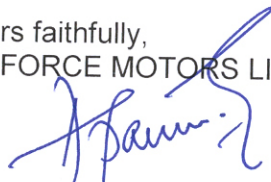
FORM A

1.	Name of the Company	FORCE MOTORS LIMITED
2.	Annual financial statements for the year ended	31 st March 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Nil.
5.	To be signed by	
	 • CEO/Managing Director	 • Auditor of the company
	 • CFO	 • Audit Committee Chairman

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For FORCE MOTORS LIMITED


APARNA G. LAMBORE
COMPANY SECRETARY

Encl : as above.

FORCE MOTORS LIMITED

CIN : L34102PN1958PLC011172

Regd. Office : Mumbai-Pune Road, Akurdi, PUNE - 411 035, INDIA. Tel. : (+91) 20 27476381
Visit us at : www.forcemotors.com | www.forceone.co.in

**56th Annual
Report**
2014-2015

BOARD OF DIRECTORS



Chairman
Abhaykumar Firodia



Managing Director
Prasan Firodia



Director
Sudhir Mehta



Director
Pratap Pawar



Director
S. Padmanabhan



Director
Nitin Desai



Director
Dr. Indira Parikh



Director
Arun Sheth



Director
Vinay Kothari



Executive Director -
Operations
Prashant Inamdar

MANAGEMENT TEAM



Abhaykumar Firodia
Chairman



Prasan Firodia
Managing Director



Prashant Inamdar
Executive Director
Operations



Sanjay Bohra
Group CFO



Ashutosh Khosla
President
Sales & Marketing



V. Chitrao
President
Intl. Business



Anirudha Kulkarni
CTO



Makarand Kanade
Sr. Vice President
Corp. Quality, Service
& Spares



Pravin Karnavat
Vice President
Materials



Pradeep Dhadiwal
Vice President
Corporate & Controlling



Ajit Khirapate
Vice President
Production Engineering



R. Ram
Vice President
Projects



Yatish Mathur
Vice President
Pithampur Operations

BOARD OF DIRECTORS

Mr. Abhaykumar Firodia, Chairman

Mr. Prasan Firodia, Managing Director

Mr. Sudhir Mehta

Mr. Pratap Pawar

Mr. S. Padmanabhan

Mr. Nitin Desai

Dr. Indira Parikh

Mr. Arun Sheth

Mr. Vinay Kothari

Mr. Prashant V. Inamdar
Executive Director (Operations)

CHIEF FINANCIAL OFFICER

Mr. Sanjay Bohra

COMPANY SECRETARY

Mrs. Aparna G. Lambore

AUDITORS**Statutory Auditor**

M/s. P. G. Bhagwat
Chartered Accountants,
Pune.

Cost Auditor

M/s. Joshi Apte & Associates
Cost Accountants,
Pune.

Secretarial Auditor

Mr. I. U. Thakur
Company Secretary in Practice
Pune.

Internal Auditors

M/s. Capri Assurance and Advisory Services
Chennai.

M/s. Jugal S. Rathi
Chartered Accountants,
Pune.

REGISTERED OFFICE

Mumbai-Pune Road,
Akurdi, Pune - 411 035
Maharashtra.

WORKS

- (i) Mumbai-Pune Road,
Akurdi, Pune - 411 035
Maharashtra.
- (ii) Pithampur, District Dhar - 454 775
Madhya Pradesh.
- (iii) Urse, Tal. Maval,
District Pune - 410 506
Maharashtra.
- (iv) Mahindra World City, Chengalpattu,
District Kancheepuram - 603 004
Tamilnadu.
- (v) Nanekarwadi, Chakan,
District Pune - 410 505
Maharashtra.



FORCE

56th ANNUAL REPORT 2014-15



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NOTICE

Notice is hereby given that the Fifty Sixth Annual General Meeting of the Members of Force Motors Limited will be held on **Saturday, the 26th day of September 2015 at 11.30 a.m.**, at the Registered Office of the Company at Mumbai - Pune Road, Akurdi, Pune - 411 035 to transact the following business:

ORDINARY BUSINESS

- 1) To consider and adopt the Audited Financial Statements of the Company, for the Financial Year ended 31st March 2015, together with the Board's Report and Auditors' Report thereon.
- 2) To declare a dividend.
- 3) To appoint a Director in place of Mr. Vinay Kothari who retires by rotation and being eligible, offers himself for reappointment.
- 4) To appoint Auditors and to fix their remuneration and in this regard to pass with or without modification(s), the following resolution as an **ordinary resolution**:

"RESOLVED that M/s. P. G. Bhagwat, Chartered Accountants (Firm Registration No. 101118W) of Pune be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration of ₹ 20,00,000 (Rupees Twenty Lakh only) plus out of pocket expenses."

SPECIAL BUSINESS

- 5) To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **ordinary resolution**:

"RESOLVED that pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company for contributing to charitable and other funds, a sum upto ₹ 25,00,00,000 (Rupees Twenty Five Crore only), during the Financial Year 2015-16."

- 6) To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **ordinary resolution**:

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, if any, and/or of the Companies (Audit and Auditors) Rules, 2014, M/s. Joshi Apte & Associates, Cost Accountants, Pune who are appointed by the Board of Directors of the Company, to verify and review the cost records of the Company for the Financial Year ending 31st March 2016, be paid remuneration of ₹ 2,20,000 (Rupees Two Lakh Twenty Thousand only) plus out of pocket expenses and taxes, if any."

- 7) To appoint Mr. Prashant V. Inamdar as a Director of the Company and to approve his appointment as Executive Director (Operations) and payment of

remuneration to him as a Whole-time Director. Mr. Prashant V. Inamdar was appointed as an Additional Director of the Company w.e.f. 16th January 2015. As per the provisions of Section 161(1) of the Companies Act, 2013 he holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice, in writing, from a Member proposing his candidature for the office of Director and signifying intention to move the following resolution as a **special resolution**:

"RESOLVED that Mr. Prashant V. Inamdar, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER that pursuant to the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company for the appointment of Mr. Prashant V. Inamdar, as a Whole-time Executive Director (Operations) of the Company, for a period of 5 years with effect from 16th January 2015, on the terms and conditions including remuneration as set out in this resolution be and is hereby granted-

REMUNERATION:

A) Salary including allowances of ₹ 7,00,000 (Rupees Seven Lakh only) per month.

B) Perquisites and Retirement benefits :-

- (i) Provision of car for use on Company's business and for personal purposes.
- (ii) Leave Travel Concession for self and family once in a year in accordance with the rules of the Company.
- (iii) Personal Accident and Medical Insurance Policies for self and family for an amount, the annual premium for which shall not exceed ₹ 30,000 (Rupees Thirty Thousand only).
- (iv) Reimbursement of medical expenses incurred for self and family as per the scheme of the Company.
- (v) Free telephone facility at residence and one mobile telephone.
- (vi) Benefit of furniture, perquisites as per the scheme of the Company.

Provided that the valuation of above perquisites / benefits shall be done as per the provisions of the Income-tax Act, 1961 or Rules made there under as prevalent or as amended / modified / substituted from time to time.

- (vii) Contribution to Provident Fund and Super-annuation Fund as per the scheme prevalent or as amended / modified / substituted from time to time.
- (viii) Gratuity at the rate of half a month's salary for each completed year of service, as per the rules of the Company.
- (ix) Encashment of leave, at the end of the tenure, as per the rules of the Company.

C) **Performance Pay** : Performance pay shall be paid if Mr. Inamdar achieves the agreed quantitative and qualitative Key Performance Indicators (KPIs). In any given year, the actual variable performance pay to be paid could vary from 0 to 25 per cent of the salary and allowances excluding Performance Pay, based on his performance as evaluated against KPIs.

Provided that the remuneration aforesaid, including all perquisites, benefits and amenities shall be allowed as a minimum remuneration in any year in the event of absence or inadequacy of profits for that year, subject to a ceiling specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration, excluding cost of perquisites/benefits mentioned at Sr. No. B(vii) to (ix) above."

"RESOLVED FURTHER that the approval of the payment of minimum remuneration is granted for a period of 3 years from 16th January 2015."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- 8) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution** :

"RESOLVED that, subject to compliance of the provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 or other legal provisions, as applicable, consent of the Company be and is hereby accorded and the Board of Directors of the Company be and is hereby authorised to invite and accept, from time to time, deposits from Members of the Company and Public to such extent that the deposits outstanding and the deposits to be accepted shall not exceed 10% of the aggregate Paid up Share Capital and Free Reserves of the Company as per the latest Audited Accounts, as adopted by the Company in its General Meeting and 25% of the aggregate of the Paid up Share Capital and Free Reserves of the Company as per the latest Audited Accounts, as adopted by the Company in its General Meeting, in respect of the deposits to be accepted from the Members of the Company and Public respectively."

"RESOLVED FURTHER that the deposits to be accepted by the Company shall be unsecured deposits accepted for the term not less than six months and not more than thirty six months and shall carry the rate of interest, as may be decided by the Board of Directors of the Company."

NOTES

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE DULY FILLED IN ALL RESPECT AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company.

- 2) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 3) The Statement, setting out the material facts, pursuant to Section 102 of the Companies Act, 2013 ('the Act' for these notes) concerning the Special Business mentioned in the Notice, is annexed hereto.
- 4) **Members desirous of obtaining any information concerning the accounts or operations of the Company are requested to address their questions to the Company Secretary of the Company, so as to reach at least 15 days before the date of the Meeting so that the information required may be made available at the Meeting.**
- 5) The requisite information about the Directors seeking appointment / re-appointment, is included in the Report on Corporate Governance / Statement annexed to Notice as the case may be.
- 6) Members/Proxies are requested to bring duly filled attendance slip along with their copy of Annual Report to the Meeting.
- 7) **Voting through electronic means -**

In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide facility to exercise votes on the items of business given in the Notice through remote electronic voting system to Members holding shares as on 19th September 2015 (end of day) being the 'cut-off date' for determining voting rights of Members, entitled to participate in the e-voting process, through the remote e-voting platform provided by Central Depository Services (India) Limited (CDSL for brevity).

A. The instructions for shareholders voting electronically are as under:

- (i) The voting period begins at 9 a.m. (IST) on Wednesday, 23rd September 2015 and ends at 5 p.m. (IST) on Friday, 25th September 2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on 19th September 2015 being the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL : 16 digits Beneficiary ID,
 - b. For NSDL : 8 character DP ID followed by 8 digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records 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 (v)

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

- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the Electronic Voting Sequence Number (EVSN) for FORCE MOTORS LIMITED.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the 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.
- (xix) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- B.** Any person who becomes Member after dispatch of Notice of the Meeting and holding shares as on cut-off date i.e. 19th September 2015 and who have updated their PAN with the Company/ Depository Participant have to follow instructions as per points in A aforesaid to vote through remote e-voting during the e-voting period.
- C.** Any person who becomes Member after dispatch of Notice of the Meeting and holding shares as on cut-off date i.e. 19th September 2015 and who have not updated their PAN with the Company/ Depository Participant can send an email to compliance-officer@forcemotors.com or bhagavant.sawant@linkintime.co.in to obtain sequence number and they will have to follow instructions as per points in A aforesaid to vote through remote e-voting during the e-voting period.
- D.** The facility for voting is also provided, through Ballot Form to the Members who do not have access to remote e-voting facility. Members using their right to vote through Ballot Form are requested to send their assent or dissent in writing on Ballot Form attached to the Notice of the Meeting.
- E.** A Member may participate in the Meeting even after exercising his right to vote through remote e-voting / Ballot Form, but shall not be allowed to vote again at the Meeting.
- F.** The facility for voting through Poll will also be made available at the Meeting and Members attending the Meeting who have not already cast their vote by remote e-voting / Ballot Form will be able to exercise their right at the Meeting. Members who have not cast their vote electronically, by remote e-voting / Ballot Form may only cast their vote at the Meeting through Poll paper.
- G.** The voting rights of Shareholders shall be in proportion to their shares of in the paid up equity share capital of the Company as on 19th September 2015. Members are eligible to cast vote only if they are holding shares as on that date. A person who is not a Member as on the cut-off date i.e. 19th September 2015 should treat this Notice for information purpose only.
- H.** The Company has appointed Mr. Sanjay Athavale, Chartered Accountant in Practice (FCA No. 83374) having office address Suite No. 102, "Orchard", Dr. Pai Marg, Baner, Pune-411 045 as the Scrutiniser to the remote e-voting process, voting through Ballot Form and Poll (to be conducted at the venue of the Meeting) in a fair and transparent manner.
- I.** At the Meeting, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutiniser, order voting through Poll for all those Members who are present but have not cast their votes electronically using the remote e-voting system / Ballot Form.
- J.** The Scrutiniser shall, immediately after the conclusion of voting at the Meeting, count the votes cast at the Meeting through Poll and Ballot Form and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in employment of the Company. The Scrutiniser shall submit a consolidated Scrutiniser's Report of the total votes cast in favour of or against, if any, not later than three days after the conclusion of the Meeting to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith.
- K.** The result, along with the Scrutiniser's Report shall be placed on the Company's website www.forcemotors.com and on the website of CDSL immediately after the result is declared by the Chairman or any other person authorized by the Chairman and the same shall be communicated to the Stock Exchange.
- 8) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 19th day of September 2015 to Saturday, the 26th day of September 2015 (both days inclusive) for the purpose of ascertaining entitlement to the dividend that may be declared at the ensuing Annual General Meeting.
- 9) The payment of dividend, if declared, at the ensuing Annual General Meeting will be made after Saturday, the 26th day of September 2015 to those Members holding shares in physical form and whose names appear in the Register of Members of the Company as on close of the business day on Friday, the 18th day of September, 2015, and who hold shares of the Company in dematerialized form and whose name is entered as a beneficial owner in the records of the Depositories on that date.

- 10) Members holding shares in physical form are requested to intimate immediately any change in their address/ details of their bank account/ details for transfer of dividend, if declared, through Electronic Clearance Service (ECS) before 18th day of September 2015. These details may kindly be intimated to the Company at the Registered Office or to the Registrar and Share Transfer Agent of the Company, Link Intime India Private Limited, Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune – 411 001.

Members holding shares in dematerialized form shall address communication to their respective Depository Participant(s).

- 11) Members are requested to note that the dividend remaining unclaimed / unpaid for a period of seven years from the date it became due for payment shall be credited to the Investor Education and Protection Fund (Fund) set up by the Central Government. Members who have so far not claimed the dividend that was declared for the financial years 2009-10, 2010-11, 2011-12, 2012-13 and/ or 2013-14 are requested to make their claim with the Company immediately. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 20th September 2014 (date of last Annual General Meeting) on the website of the Company www.forcemotors.com, and also on the website of the Ministry of Corporate Affairs.
- 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 details to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agent.
- 13) **GREEN INITIATIVE** : As a step for paperless communication with the Members of the Company, Company has decided to forward all notices, circulars and other documents to be served on Members through electronic mode.

Members of the Company are requested to communicate their e-mail address on which they would like to have these communications. The e-mail address can be communicated by a letter addressed to the Secretarial Department, Force Motors Limited, Mumbai - Pune Road, Akurdi, Pune - 411 035 or Link Intime India Private Limited, Block No. 202, Akshay Complex, Near Ganesh Temple, Off. Dhole Patil Road, Pune – 411 001 and should be signed as per the specimen signature recorded with the Company or Registrar and Share Transfer Agent.

In view of the provisions of Section 20 of the Act read with Rule 35 of the Companies (Incorporation) Rules, 2014 henceforth the email

id provided by the Members holding shares in dematerialised and physical form would be treated as email id provided by Members for sending communication. Hence Annual Report and notices of any General Meeting or other communication would be made only on these email ids and no separate paper communication would be made with such Members.

- 14) Members holding shares in single name are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.forcemotors.com.
- 15) The Annual Report 2014-15 of the Company, circulated to the Members of the Company, will be made available on the Company's website at www.forcemotors.com and also on the website of BSE Limited at www.bseindia.com.
- 16) All documents referred to in the Notice and Statement are open for inspection at the Registered Office of the Company on all working days (Time: 10.00 a.m. to 3.30 p.m.) till the 56th Annual General Meeting i.e., 26th September 2015.
- 17) Equity Shares of the Company are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. The Company has paid the annual listing fees to the Stock Exchange.
- 18) The Directors Identification Number of the Directors being appointed / re-appointed are –

Sr.no.	Name of Director	DIN
i	Mr. Vinay Kothari	00337134
ii	Mr. Prashant V. Inamdar	07071502

- 19) **The route map of the venue of the Meeting is given at the end of the Annual Report. The prominent landmark for the venue is Khandoba Mandir that adjoins Jaya Hind Industries Limited that adjoins Force Motors Limited.**

By Order of the Board of Directors
For **FORCE MOTORS LIMITED**

APARNA G. LAMBORE
Company Secretary

31st July 2015.

Registered Office :

Mumbai-Pune Road, Akurdi,
Pune - 411 035.

CIN: L34102PN1958PLC011172

Website: www.forcemotors.com

Phone : (Board) +91 20 2747 6381

E-mail : compliance-officer@forcemotors.com

Statement as required by Section 102 (1) of the Companies Act, 2013

Item No. 5

As per the provisions of Section 181 of the Companies Act, 2013 ('the Act' in this statement) prior permission of the Company, in general meeting, is required to contribute to bonafide charitable and other funds, if the aggregate amounts, in any financial year exceeds five percent of the Company's average profits for three immediately preceding financial years. Considering the Company's profitability position in recent years and the requirement of donating certain amount to charitable institutions, the Board of Directors consider that the consent of the Members of the Company should be obtained to contribute the sum up to ₹ 25,00,00,000 (Rupees Twenty Five Crore only) to charitable institutions and funds during the Financial Year 2015-16.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Item No. 6

The Board, after considering the recommendation of the Audit Committee, has approved the appointment and remuneration to M/s. Joshi Apte & Associates, Cost Accountants, Pune to conduct verification and review of the cost records of the Company for the Financial Year ending 31st March 2016 on a remuneration of ₹ 2,20,000 (Rupees Two Lakh Twenty Thousand only) plus out of pocket expenses and taxes, if any.

Considering the applicable provisions of the Act and Rules made thereunder, approval of the Members of the Company is being sought by this ordinary resolution as a matter of caution.

M/s. Joshi Apte & Associates' appointment was made by the Board, as stated on the basis of recommendations of the Audit Committee.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

Item No. 7

Mr. Prashant V. Inamdar was appointed as Additional Director of the Company by the Board of Directors in its meeting held on 16th January 2015. Accordingly, it is proposed to appoint Mr. Prashant V. Inamdar as a director of the Company liable to retire by rotation, subject to the approval of the Members of the Company.

The Board in its meeting held on 16th January 2015 has, subject to the approval of Members of the Company, appointed Mr. Prashant V. Inamdar as the Executive

Director (Operations), for a period of 5 years from 16th January 2015 at the revised remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board in their Meeting held on 31st July 2015.

It is proposed to seek the Members' approval for the appointment of and payment of remuneration to Mr. Prashant V. Inamdar to be designated as the Executive Director (Operations), in terms of the applicable provisions of the Act.

Particulars of the terms of appointment of and remuneration payable to Mr. Prashant V. Inamdar are as stated in the resolution above.

Brief resume : Mr. Prashant V. Inamdar, aged 50 years, diploma holder in Mechanical Engineering, was appointed as an Additional Director of the Company on 16th January 2015. Mr. Prashant V. Inamdar started his career at Force Motors Limited as a Junior Engineer in 1984. Since then he has worked and proven his mettle in different divisions. During his tenure in Corporate Controlling he worked across Industrial Engineering, Management Information Services, Industrial Relations, Human Resource Development and SAP Implementation Projects. Special highlights in his career include the setting up of Engine Shop for MAN Trucks at Pithampur (Madhya Pradesh) and setting up a Plant in Chennai. At present, Mr. Inamdar is Executive Director (Operations) of the Company and responsible for Operations of all the Plants of Force Motors Limited.

No formal contracts, except the resolution passed by the Board of Directors and in the Annual General Meeting, are expected to be executed with the Executive Director (Operations). As any other Director, Executive Director (Operations) shall be entitled to resign from the services by submitting resignation and no other fee or any compensation is payable to him by the Company for termination of this arrangement.

Mr. Prashant V. Inamdar's job profile is to manage the operations of all the Plants of Force Motors Limited. He will report to the Chairman and the Managing Director of the Company and will have powers of management as delegated by the Chairman and/or the Managing Director from time to time.

The Company has not made any default in respect of repayment of any debt, including but not limited to, public deposits, debentures, interest thereon or dues to banks or financial institutions.

The Company operates in the automobile industry for about 57 years. The Company's financial performance during the last 5 years is as under :

(Figures in ₹)

Sr No	Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
1	Turnover					
	Gross Turnover - without other Income	1692,83,11,757	2369,16,19,208	2276,35,17,184	2301,13,77,716	2638,90,20,260
	Gross Turnover - with other Income (excluding Exceptional Income)	1786,43,04,400	2393,75,92,224	2320,00,33,469	2361,07,28,222	2704,67,83,976
2	Profit Before Interest, Tax, Depreciation and amortization (including Exceptional income)	149,66,75,677	1106,80,85,360	97,53,29,811	156,64,78,190	212,78,02,816
3	Extra Ordinary Income / Abnormal Income / Exceptional Income	--	960,70,94,000	--	--	--
4	Net Profit as calculated as per provisions of Section 198 of the Companies Act, 2013	81,95,04,983	50,86,42,574	19,44,55,195	62,95,14,779	125,72,39,979
5	Paid - up capital	13,17,90,383	13,17,90,383	13,17,90,383	13,17,90,383	13,17,90,383
6	Reserve & Surplus	321,09,83,498	1130,11,63,775	1139,77,04,607	1212,84,00,706	1303,70,12,053
7	Net owned funds	334,27,73,881	1143,29,54,158	1152,94,94,990	1226,01,91,089	1316,88,02,436
8	Borrowings other than trade creditors and provisions	249,50,72,350	63,41,56,000	68,97,25,000	52,88,70,000	21,28,75,000

The Company is not having any investment from any collaborator in its equity share capital.

Remuneration drawn by Mr. Prashant V. Inamdar during the Financial Year 2014-15 is as under :

Salary (₹)	Value of Perquisites (₹)
71,12,434	79,300

Though the Company has made a book profit, considering the provisions of Section 349 of the Companies Act, 1956 and of the Section 198 of the Act, the Company has incurred a loss as the profit earned on sale of shares are not being considered as profit for the purpose of calculation of profit while determining Managerial Remuneration. Due to losses incurred in Financial Year 2008-09 and due to the requirement of said sections to adjust the carried forward loss, the Company may have inadequate or no profit calculated as per the provisions of the said Sections.

The Company has taken several steps like rationalisation of its product portfolio, investments in new projects, re-establishment of its tractor market and control cost to improve the performance. These measures have already shown results during the Financial Years from 2010-11 to 2014-15.

Subject to unforeseen circumstances, it is expected that, during the next financial year, the Company should be able to achieve production/sale of 36,700 vehicles and earn a profit.

The proposed remuneration is as indicated in the resolution. Considering the other companies operating in the automobile industry and similar area, the managerial remuneration is normally accounted for 0.01 to 0.19 % of revenue from operations.

Considering the budgeted turnover for the Financial Year 2015-16, the proposed remuneration is expected to constitute approximately 0.03% of the turnover (gross).

Considering his age, experience, qualification and performance, the Board of Directors and Nomination and Remuneration Committee of the Board of Directors is of the opinion that Mr. Prashant V. Inamdar, is suitable for the post of Executive Director (Operations). All components of remuneration, payable to Mr. Prashant V. Inamdar as Executive Director (Operations) of the Company and indicated in the resolution Item No.7 of the Notice are fixed, except the performance pay. The amount of performance pay to be paid to Executive Director (Operations) shall be decided by the Nomination and Remuneration Committee and the Board of Directors of the Company, year to year, based on the performance of the Company, profitability of the Company, performance of the Executive Director (Operations) and other factors as may be considered appropriate by the Nomination and Remuneration Committee of the Board.

As stated above, Mr. Prashant V. Inamdar was appointed as an Additional Director, to be designated as Executive Director (Operations), in the Board Meeting held on 16th January 2015 and has attended one out of two Board Meetings convened subsequent to his appointment during the Financial Year 2014-15. He is a member of the Risk Management Committee of the Board of Directors of the Company and holds no shares in the Company.

Mr. Prashant V. Inamdar does not hold directorships, Membership/ Chairmanship of Committees of other Boards of other companies.

The Company has not announced or offered any employees' stock option scheme and the remuneration to be paid to Mr. Prashant V. Inamdar includes the elements in the resolution only.

None of the other Directors / Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Prashant V. Inamdar under Section 190 of the Act.

Item no. 8

Considering the provisions of the Act and provisions of Companies (Acceptance of Deposits) Rules, 2014, if the Company decides to accept the deposits from the Members/Public, a resolution needs to be passed in the general meeting of the Members of the Company, permitting acceptance of deposits and approving the terms and conditions, subject to which such deposits shall be accepted. Considering the present financial position of the Company, Company may not need to accept deposits. The Company is continuing with the deposits already accepted and shall comply with the provisions of Section 74 of the Act, in case the Board decides to do so.

In order to enable the Board to take a decision about acceptance/renewal of deposits, from time to time, depending on the financial position of the Company and prevalent rate of interest, the Board recommend that powers be vested in the Directors of the Company to accept the deposits from the Members of the Company and from

Public, up to the permitted limits. Such deposits would be unsecured deposits carrying interest rate depending on the rate of interest prevalent from time to time. The term of deposits to be accepted shall not be less than six months and not more than thirty six months.

The Company, before accepting deposits, shall comply with all other formalities as prescribed by the Act and the Companies (Acceptance of Deposits) Rules, 2014, as in force from time to time.

None of the Directors or Key Managerial Personnel of the Company, including their relatives, is interested in the resolution set out at Item No. 8 of the Notice.

By Order of the Board of Directors
For **FORCE MOTORS LIMITED**

APARNA G. LAMBORE
Company Secretary

31st July 2015.

Registered Office :

Mumbai-Pune Road, Akurdi,
Pune - 411 035.

CIN : L34102PN1958PLC011172

Website : www.forcemotors.com

Phone : (Board) +91 20 2747 6381

E-mail: compliance-officer@forcemotors.com

BOARD'S REPORT

To
The Members,
The Directors present the 56th Annual Report, together with the Audited Financial Statements for the Financial Year ended on 31st March 2015.

1. Financial Results

Standalone

	2014-15 ₹	2013-14 ₹
Income from Operations (Gross)	2638,90,20,260	2301,13,77,716
Other Income	65,77,63,716	59,93,50,506
Gross Profit (Profit before Depreciation & Taxes)	206,22,74,829	147,46,54,600
Depreciation	81,28,43,342	84,83,84,924
Profit before Tax	124,94,31,487	62,62,69,676
Provision for Tax	23,58,04,250	(15,06,73,127)
Profit after Tax	101,36,27,237	77,69,42,803
Transfer to General Reserve	--	7,76,94,281
Proposed Dividend	6,58,81,310	3,95,28,786
Provision for Tax on Distributed Profit	1,34,11,855	67,17,918
Balance in Profit & Loss Account carried forward	897,96,55,520	807,10,44,173

Consolidated

	2014-15 ₹	2013-14 ₹
Income from Operations (Gross)	2639,27,21,873	2301,47,56,082
Other Income	65,78,72,797	59,93,50,506
Gross Profit (Profit before Depreciation & Taxes)	206,60,44,254	147,79,95,584
Depreciation	81,28,43,342	84,83,84,924
Profit before Tax	125,32,00,912	62,96,10,660
Provision for Tax	23,69,68,730	(14,96,38,127)
Profit after Tax	101,62,32,182	77,92,48,787
Less : Profit for the year attributable to Minority Interest	8,74,606	7,74,230
Profit for the year (after Minority Interest)	101,53,57,576	77,84,74,557
Transfer to General Reserve	6,52,000	7,82,71,281
Proposed Dividend	6,58,81,310	3,95,28,786
Provision for Tax on Distributed Profit	1,34,11,855	67,17,918
Balance in Profit & Loss Account carried forward	899,35,27,180	808,36,18,586

Considering the strong reserve position of the Company, the Board of Directors of your Company decided not to transfer further amount from the profits for the Financial Year under report to General Reserve.

The Audited Consolidated Financial Statement in accordance with the Companies Act, 2013 (the Act for brevity) and Accounting Standard - 21 on Consolidated Financial Statement, is provided in this Annual Report.

2. State of Company's Affairs and Future Outlook

The business of the Company has grown steadily. Vans and Tractors produced by the Company have achieved improved sales and market shares. Systematic and detailed efforts have improved distribution and service network of the Company which has yielded good results, both for Vans and Tractors.

The Company has been preparing for the change in the regulatory environment arising from new emission norms, revised requirements for School Buses and Ambulances, and also specifically taking into account customer requirements for the type of vehicles the Company produces.

The Company's plants have shown good improvement in productivity and quality. Rationalization of procurement policies and focus on cost saving has also yielded benefits.

Thus, product development, manufacturing, material procurement and sales promotion activities of the Company, have all contributed to the steady progress.

The establishment of engine manufacturing factory as a dedicated factory for BMW India Pvt. Ltd. at Chennai and the project to establish a new engine and axle production facility for Mercedes Benz at Chakan near Pune, has enabled the Company to participate in the rapidly growing high performance luxury vehicles market in India, by working together with companies with leadership positions. It is expected that these businesses will also develop and grow rapidly.

Besides the Pithampur Plant, which is Company's main plant producing Traveller and Trax range of vehicles and having its own facilities for production of engines, transmissions etc., the Company has now separate factories in Chennai and Pune for producing engines and transmissions, as stated above for leading luxurious car makers.

The Akurdi factory of the Company focuses mainly on the production of tractors.

The R&D activities, the production engineering and the tool manufacturing activities are located at Akurdi and have been expanded and modernized to tackle future challenges.

3. Change in Nature of Business, if any

During the year, there is no change in the nature of business of the Company.

4. Dividend

The Board of Directors has recommended a dividend of ₹ 5 per share on 1,31,76,262 equity shares of ₹ 10 each fully paid up.

5. Share Capital

The paid up equity share capital as on 31st March 2015 was ₹ 13.17 crore. During the period under review, the Company has not issued any shares with differential voting rights or granted stock options or sweat equity.

6. Extract of Annual Return

The extract of Annual Return as on 31st March 2015, pursuant to the provisions of Section 92 of the Act and Rules framed thereunder, in the prescribed form is annexed to this report.

7. Meetings of the Board of Directors

During the Financial Year 2014-15, the Meetings of the Board of Directors of the Company were held on 29th April 2014, 24th May 2014, 26th July 2014, 30th July 2014, 11th August 2014, 20th September 2014, 18th October 2014, 16th January 2015, 26th February 2015 and 12th March 2015.

8. Particulars of Loans, Guarantees or Investments

The Company has not given loans, guarantees or made investments under Section 186 of the Act during the year under report. Particulars of investments made upto the previous financial year by the Company are provided in the Financial Statement attached to this report.

9. Particulars of Contracts or Arrangements with Related Party

All Related Party Transactions (RPTs) entered during the year were on arm's length basis. There were no material related party contract(s) or arrangement(s) or transaction(s) during the year as defined under Clause 49 of the Listing Agreement and there are no details in this regard to be disclosed in Form AOC-2.

During the year 2014-15, pursuant to Section 177 of the Act and Clause 49 of the Listing Agreement, all RPTs were placed before Audit Committee for its required approval. The policy on RPTs as approved by the Board is uploaded on the Company's website www.forcemotors.com and can be accessed at weblink: http://www.forcemotors.com/page/index/shareholders_information.

10. Explanation / Comments on any Qualification of Auditors

There were no qualifications, reservations or adverse remarks made by either the Auditors or by the Company Secretary in Practice in their respective reports.

11. Material Changes and Commitments

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the Financial Year i.e. 31st March 2015 and the date of Report.

12. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**Conservation of Energy**

Several steps are taken such as –

- Power factor is maintained to "UNITY"
- Auto switch off facility is installed for shop floor lighting during lunch and recess
- Machines are switched off when not in use
- Increasing use of transparent sheets for roofing, to cater for natural lighting
- Strong effort on controlling air leakages and equipment maintenance to minimize losses
- LED lighting for street lights for the Company's plants are now increasingly being installed
- Increased use of well water for select consumption

Technology Absorption

Company has been focusing on developing extremely light weight vans. The T-2 family of Traveller vehicles has a self weight which is approximately 1000 kg less than most competitive vehicles. Similar effort is under way to develop light weight options for other seating capacities. This development has called for strong effort in engineering including product and process development as also material selection.

The Company has completed the development aspect of a full range of Common rail engines which will be highly fuel efficient enabling a low carbon foot print.

The Company has developed a new family of transmissions with higher efficiency, low friction and high reliability, using light weight materials. All these weight reduction activities and development of new engines and transmissions have called for significant technology development and absorption activity.

The expenditure on Research & Development for new products, including the expenditure on Projects and Tool Engineering, was 2.69 % of the operational turnover of the Company for the year under report. The Company continues to maintain its emphasis on Research, Development and Tool Engineering activities.

Foreign Exchange Earnings and Outgo

The foreign exchange outgo, arising out of the import of raw materials, components and capital goods, is as per the details mentioned in the Notes to Financial Statements.

13. Subsidiary Company

Tempo Finance (West) Private Limited is the subsidiary of the Company. The Board of Directors of the Company has reviewed the affairs of the Subsidiary Company. As per Section 129 of the Act, the Company has prepared the Consolidated Financial Statements of the Company and the Subsidiary Company, which form a part of the Annual Report. A statement containing the salient features of the Financial Statement of the Subsidiary Company in the prescribed format AOC-1 forms part of the Audited Financial Statement of the Company. A copy of the Audited Financial Statements of Subsidiary Company will be made available to the Members of the Company, seeking such information. The Audited Financial Statements of Subsidiary Company will be kept for inspection by any Member at its Registered Office during business hours. The same is placed on the Company's website and can be accessed at weblink: http://www.forcemotors.com/page/index/shareholders_information.

14. Risk Management

The Company has deployed a comprehensive Risk Management framework - to identify, monitor, review and take all necessary steps towards mitigation of various risk elements which can impact the existence of the Company, on a periodic basis.

All the identified risks are managed through continuous review of business parameters by the Management, and the Board of Directors are also informed of the risks and concerns.

15. Directors and Key Managerial Personnel

Mr. Vinay Kothari, Director of the Company, retires by rotation and being eligible offers himself for reappointment. All necessary information regarding the Director retiring by rotation is a part of the Statement attached to Notice dated 31st July 2015 and/or Report on Corporate Governance.

Mr. L. Lakshman, Mrs. Anita Ramachandran, Mr. Atul Chordia, Mr. S. A. Gundecha and Mr. R. B. Bhandari have ceased to be Directors of the Company, by resignation during the year under report. Board places on record its appreciation for the services rendered by them in their capacity as Directors.

Mr. Nitin Desai and Dr. Indira Parikh were appointed as Additional Directors of the Company during the year under report. Mr. Desai and Dr. Parikh were appointed as Independent Directors by the Members of the Company in their Meeting held on 20th September 2014. Mr. Prashant V. Inamdar was appointed as an Additional Director of the Company w.e.f. 16th January 2015, designated as Executive Director (Operations) subject to the Members' approval at the ensuing Annual General Meeting.

Mr. Sanjay Bohra, was appointed as the Chief Financial Officer and Key Managerial Personnel, of the Company w.e.f. 16th January 2015. Mr. Pradeep Dhadiwal was the Chief Financial Officer from 26th July 2014 till 16th January 2015, who continues to head the Controlling and IT functions.

16. Declaration of Independent Directors, Terms of Appointment & Disclosure of Appointment

The five Independent Directors – Mr. Pratap Pawar, Mr. S. Padmanabhan, Mr. Arun Sheth, Mr. Nitin Desai and Dr. Indira Parikh, have been appointed by the Members of the Company as Independent Directors for a period of 3 years w.e.f. 20th September 2014. The terms of their appointment are posted on the Company's website at www.forcemotors.com and can be accessed at weblink: http://www.forcemotors.com/page/index/shareholders_information.

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Act so as to qualify themselves to be continued as Independent Directors under the provisions of the Act and the relevant Rules.

17. Details of Significant and Material Orders Passed by the Regulators or Court or Tribunal

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future for the year under Report.

As reported earlier, petition challenging the decision of the Hon'ble High Court of Judicature at Bombay, in respect of change in the name of the Company is still under consideration of the Hon'ble Supreme Court of India.

18. Adequacy of Internal Financial Controls

M/s. Capri Assurance & Advisory Services, Chennai & M/s. Jugal S. Rathi, Chartered Accountants, Pune are appointed as the Internal Auditors of the Company. The internal financial controls are adequate with reference to the Financial Statement and size and operations of the Company.

19. Fixed Deposits

The details of deposits accepted/renewed during the year under review are furnished hereunder:

Sr. No.	Particulars	Nos.	Amount in (₹)
a)	accepted or renewed during the year	4	53,00,000
b)	remained unpaid or unclaimed as at the end of the year (31st March 2015)*	113	49,65,000
c)	whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	--	--
	i) at the beginning of the year	--	--
	ii) maximum during the year	--	--
	iii) at the end of the year	--	--

* includes 5 nos., fixed deposits amounting to ₹ 60,000 which are matured, claimed but have been withheld on the instructions of Statutory Authorities and will be paid upon their approval.

20. Secretarial Audit Report

Mr. I. U. Thakur, Company Secretary in Practice having Membership no. FCS 2298, was appointed to conduct the secretarial audit of the Company for the Financial Year 2014-15, as required under Section 204 of the Act and Rules made there under. The Secretarial Audit Report, in the prescribed Form MR-3, for the Financial Year 2014-15 is annexed to this report.

21. Corporate Social Responsibility (CSR)

The Annual Report on the CSR activities of the Company, pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed to this report.

22. Audit Committee

The Audit Committee consists of Mr. Pratap Pawar, Mr. S. Padmanabhan, Mr. Arun Sheth and Mr. Vinay Kothari.

The above composition of the Audit Committee consists of Independent Directors viz., Mr. Pratap Pawar, Mr. S. Padmanabhan and Mr. Arun Sheth who form the majority.

The Company has established a vigil mechanism, formulated a Whistleblower Policy, and the Committee would oversee the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The mechanism provides direct access to the Chairman of the Audit Committee in exceptional cases. The details of the mechanism/policy are disclosed on the website of the Company www.forcemotors.com.

23. Policy on Directors Appointment and Criteria

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Act is available on the website of the Company www.forcemotors.com.

24. Formal Annual Evaluation of the Performance of Board/Committees and Directors

Information on the manner in which formal annual evaluation has been made by the Board of its own performance and the directors is given in the Report on Corporate Governance.

25. Corporate Governance

The Company has taken all necessary steps to implement the provisions of the Listing Agreement, and a detailed report on the various issues, including the Auditors' Report on Corporate Governance is attached to this report.

26. Details of Directors and Employees' Remuneration

The information required pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and the Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company upto the date of ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

27. Disclosure on Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has in place an Anti Sexual Harassment Policy, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. There are no complaints received during the year under report.

28. Details of Frauds Reported by Auditors

There are no such frauds against the Company reported by the Auditors for the period under report.

29. Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3) (c) of the Act:

- a) in the preparation of the Annual Financial Statements for the year ended 31st March 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) for the Financial Year ended 31st March 2015 such accounting policies as mentioned in the Notes to the Financial Statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for the year ended 31st March 2015;

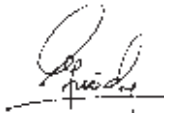
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - d) the annual Financial Statements have been prepared on a going concern basis;
 - e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively;
 - f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.
- 30.** You are requested to appoint Auditors for the current year and fix their remuneration. M/s. P. G. Bhagwat, Chartered Accountants, Pune, Auditors to the Company, who retire at the ensuing Annual General Meeting, are eligible for reappointment.
- 31.** The Company appointed M/s. Joshi Apte &

Associates, Cost Accountants, Pune, for verification and review of the Cost Records of the Company, for the Financial Year 2014-15.

- 32.** The industrial relations at the Pithampur Plant continued to be cordial. The litigation connected with recognition of labour union at the Company's Akurdi, Pune Plant, is still pending before the Hon'ble Supreme Court of India.
- 33.** The Directors express their grateful thanks to the Dealers, Suppliers and Banks for their support, and express their warm appreciation of the sincere co-operation and dedicated work by a majority of the employees of the Company.

For and on behalf of the Board of Directors

Pune - 411 035
31st July 2015.



ABHAYKUMAR FIORDIA
Chairman
DIN:00025179

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March 2015.

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

I. REGISTRATION AND OTHER DETAILS :

- i) CIN :- L34102PN1958PLC011172
- ii) Registration Date :- 8th September 1958
- iii) Name of the Company :- Force Motors Limited
- iv) Category / Sub-Category of the Company :- Public Company limited by shares
- v) Address of the Registered Office and contact details :- Mumbai-Pune Road, Akurdi, Pune – 411 035, Phone no.020 27476381
- vi) Whether listed company :- Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:-
 Link Intime India Private Limited, Block no.202, Akshay Complex, Near Ganesh Temple, Off. Dhole Patil Road, Pune – 411 001. Phone no.020-26160084

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company :-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service				% to Total turnover of the Company
		Division	Group	Class	Sub Class	
1)	Light Commercial Vehicles & Utility Vehicles	29	291	2910	29102	60.57
2)	Engines	29	291	2910	29104	15.58

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1)	Jaya Hind Investments Private Limited Mumbai-Pune Road, Akurdi, Pune - 411 035.	U67200PN1981PTC023979	Holding	55.92	2(46)
2)	Tempo Finance (West) Private Limited Mumbai-Pune Road, Akurdi, Pune - 411 035.	U65910PN1991PTC062179	Subsidiary	66.43	2(87)

IV. SHARE HOLDING 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 (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
a)	Individual / HUF	412334	120896	533230	4.05	364218	120896	485114	3.68	-0.37
b)	Central Govt.	0	0	0	0	0	0	0	0	0
c)	State Govt(s)	0	0	0	0	0	0	0	0	0
d)	Bodies Corp.	6916181	0	6916181	52.49	7436381	0	7436381	56.44	3.95
e)	Banks / FI	0	0	0	0	0	0	0	0	0
f)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (1) :-	7328515	120896	7449411	56.54	7800599	120896	7921495	60.12	3.58
(2)	Foreign									
a)	NRIs - Individuals	0	0	0	0	0	0	0	0	0
b)	Other – Individuals	0	0	0	0	0	0	0	0	0

Category of Shareholders		No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c)	Bodies Corp.	0	0	0	0	0	0	0	0	0
d)	Banks / FI	0	0	0	0	0	0	0	0	0
e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
	Total shareholding of Promoter (A)=(A)(1)+(A)(2)	7328515	120896	7449411	56.54	7800599	120896	7921495	60.12	3.58
B.	Public Shareholding									
(1)	Institutions									
a)	Mutual Funds	0	200	200	0.00	78143	200	78343	0.59	0.59
b)	Banks / FI	1500	2472	3972	0.03	1910	2440	4350	0.03	0
c)	Central Govt	0	0	0	0	0	0	0	0	0
d)	State Govt(s)	0	0	0	0	0	0	0	0	0
e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)	Insurance Companies	30155	0	30155	0.23	20055	0	20055	0.15	-0.08
g)	FII's	755101	300	755401	5.73	805988	300	806288	6.12	0.39
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Others (specify)	0	0	0	0	0	0	0	0	0
	Sub-total (B) (1):-	786756	2972	789728	5.99	906096	2940	909036	6.90	0.91
(2)	Non-Institutions									
a)	Bodies Corp.									
i)	Indian	2755460	14462	2769922	21.02	615534	13021	628555	4.77	-16.25
ii)	Overseas	0	0	0	0	5007	0	5007	0.04	0.04
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs.1 lakh	1147219	510846	1658065	12.58	2631253	482539	3113792	23.63	11.05
ii)	Individual shareholders holding nominal share capital in excess of Rs1 lakh	387724	121412	509136	3.86	577044	21333	598377	4.54	0.68
c)	Others (Foreign Portfolio Investor - Corporate)	0	0	0	0	5007	0	5007	0.04	0.04
	Sub-total (B)(2) :-	4290403	646720	4937123	37.47	3828838	516893	4345731	32.98	-4.49
	Total Public Shareholding (B)=(B)(1) + (B)(2)	5077159	649692	5726851	43.46	4734934	519833	5254767	39.88	-3.58
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	12405674	770588	13176262	100	12535533	640729	13176262	100	0

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.3.2015)			% change in shareholding 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)	Jaya Hind Investments Private Limited	6848497	51.98	0	7368697	55.92	0	3.94
2)	Jaya Hind Industries Limited	10909	0.08	0	10909	0.08	0	0
	Total	6859406	52.06	0	7379606	56.00	0	3.94

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	JAYA HIND INVESTMENTS PRIVATE LIMITED				
	At the beginning of the year	6848497	51.98		
	Purchased from market on 31st July 2014	420000	3.19	7268497	55.16
	Purchased from market on 13th March 2015	100200	0.76	7368697	55.92
	At the end of the year (31.03.2015)			7368697	55.92
2.	JAYA HIND INDUSTRIES LIMITED				
	At the beginning of the year	10909	0.08		
	At the end of the year (31.03.2015)			10909	0.08

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

Sl. No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	BAJAJ HOLDINGS AND INVESTMENT LIMITED				
	At the beginning of the year –	2566661	19.48		
	Sale of shares as per report dated 06.06.2014	32209	0.24	2534452	19.24
	Sale of shares as per report dated 13.06.2014	222667	1.69	2311785	17.55
	Sale of shares as per report dated 20.06.2014	62112	0.47	2249673	17.07
	Sale of shares as per report dated 30.06.2014	149626	1.14	2100047	15.94
	Sale of shares as per report dated 04.07.2014	313645	2.38	1786402	13.56
	Sale of shares as per report dated 11.07.2014	289756	2.20	1496646	11.36
	Sale of shares as per report dated 18.07.2014	177482	1.35	1319164	10.01
	Sale of shares as per report dated 25.07.2014	190602	1.45	1128562	8.57
	Sale of shares as per report dated 01.08.2014	595867	4.52	532695	4.04
	Sale of shares as per report dated 08.08.2014	532695	4.04	0	0
	At the end of the year (or on the date of separation, if separated during the year)			0	0
2.	NATIONAL WESTMINSTER BANK PLC AS TRUSTEE OF THE JUPITER INDIA FUND				
	At the beginning of the year –	513767	3.90		
	Sale of shares as per report dated 10.10.2014	21947	0.17	491820	3.73
	Sale of shares as per report dated 17.10.2014	13850	0.11	477970	3.63
	At the end of the year (or on the date of separation, if separated during the year)			477970	3.63
3.	JUPITER SOUTH ASIA INVESTMENT COMPANY LIMITED – SOUTH ASIA ACCESS FUND				
	At the beginning of the year –	241334	1.83		
	Sale of shares as per report dated 10.10.2014	10982	0.08	230352	1.75
	Sale of shares as per report dated 17.10.2014	6931	0.05	223421	1.70
	At the end of the year (or on the date of separation, if separated during the year)			223421	1.70
4.	INDIRA ABHAYKUMAR FIRODIA				
	At the beginning of the year –	64396	0.49		
	At the end of the year (or on the date of separation, if separated during the year)			64396	0.49



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
5.	JAMNABAI N. FIRODIA At the beginning of the year – At the end of the year (or on the date of separation, if separated during the year)	58825	0.45	58825	0.45
6.	PRASANNA HOLDINGS PRIVATE LIMITED At the beginning of the year – At the end of the year (or on the date of separation, if separated during the year)	48579	0.37	48579	0.37
7.	JAMNABAI NAVALMAL FIRODIA At the beginning of the year – At the end of the year (or on the date of separation, if separated during the year)	44468	0.34	44468	0.34
8.	KAMALA BANSILAL BHANDARI At the beginning of the year – At the end of the year (or on the date of separation, if separated during the year)	37500	0.28	37500	0.28
9.	MGM FORGINGS PRIVATE LIMITED At the beginning of the year – Sale of shares as per report dated 13.06.2014 Sale of shares as per report dated 20.06.2014 Sale of shares as per report dated 04.07.2014 Sale of shares as per report dated 08.08.2014 Sale of shares as per report dated 15.08.2014 Sale of shares as per report dated 22.08.2014 At the end of the year (or on the date of separation, if separated during the year)	37178 1000 253 1000 20000 12000 2925	0.28 0.01 0.00 0.01 0.15 0.09 0.02	36178 35925 34925 14925 2925 0 0	0.27 0.27 0.26 0.11 0.02 0 0
10.	JAMNALAL SONS PRIVATE LIMITED At the beginning of the year – Sale of shares as per report dated 23.05.2014 Sale of shares as per report dated 30.05.2014 Sale of shares as per report dated 06.06.2014 At the end of the year (or on the date of separation, if separated during the year)	36378 6892 14155 15331	0.28 0.05 0.11 0.12	29486 15331 0 0	0.22 0.12 0 0



(v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	MR. ABHAYKUMAR FIRODIA, CHAIRMAN At the beginning of the year At the end of the year.	160755	1.22	160755	1.22
2.	MR. PRASAN FIRODIA, MANAGING DIRECTOR At the beginning of the year At the end of the year.	203463	1.54	203463	1.54
3.	MR. VINAY KOTHARI At the beginning of the year At the end of the year.	101	0	101	0.00
4.	MR. S. A. GUNDECHA (ceased to be director w.e.f. 7th August 2014) At the beginning of the year At the end of the year.	2012	0.02	2012	0.02
5.	MR. ATUL CHORDIA (ceased to be director w.e.f. 8th August 2014) At the beginning of the year At the end of the year.	400	0	400	0.00
6.	MR. R. B. BHANDARI (ceased to be director w.e.f. 16th January 2015) At the beginning of the year At the end of the year.	8408	0.06	8408	0.06
7.	MR. PRADEEP DHADIWAL (appointed as CFO w.e.f. 26th July 2014 and ceased to be CFO w.e.f. 16th January 2015) At the beginning of the year At the end of the year.	500	0.00	500	0.00

Note : (1) Other Directors and Key Managerial Personnel do not hold any shares in the Company.

(2) There is no change in the Shareholding of Directors during the year.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits (in ₹)	Total Indebtedness (in ₹)
Indebtedness at the beginning of the financial year				
(i) Principal Amount	Nil	Nil	52,88,70,000	52,88,70,000
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	3,29,87,214	3,29,87,214
Total (i+ii+iii)	Nil	Nil	56,18,57,214	56,18,57,214
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	53,00,000	53,00,000
• Reduction	Nil	Nil	32,12,95,000	32,12,95,000
Net Change	Nil	Nil	31,59,95,000	31,59,95,000
Indebtedness at the end of the financial year				
(i) Principal Amount	Nil	Nil	21,28,75,000	21,28,75,000
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	1,51,49,307	1,51,49,307
Total (i+ii+iii)	Nil	Nil	22,80,24,307	22,80,24,307

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount (₹)
		Mr. Abhaykumar Firodia *	Mr. Prasan Firodia	Mr. Prashant V. Inamdar **	
		(in ₹)	(in ₹)	(in ₹)	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	62,66,667.00	16,27,590.42	78,94,257.42
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	9,62,340.00	16,520.83	9,78,860.83
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	5,80,000.00	50,427.29	6,30,427.29
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission				
	- as% of profit				
	- others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	Nil	78,09,007.00	16,94,538.54	95,03,545.54
	Ceiling as per the Act				12,57,23,997.90

* Mr. Abhaykumar Firodia was appointed as Managing Director of the Company to be designated as Chairman w.e.f 20th September 2014.

** Mr. Prashant V. Inamdar was appointed as Additional Director w.e.f. 16th January 2015 and the above details relate to payments made to him as managerial remuneration.

B. Remuneration to other Directors :

Sl. No.	Names	Particulars of Remuneration (in ₹)			Total Amount (in ₹)
		Fee for attending Board and Committee Meetings	Commission	Others	
(1)	Independent Directors				
	i. Mr. Arun Sheth	4,40,000	-	-	4,40,000
	ii. Mr. Nitin Desai**	3,20,000	-	-	3,20,000
	iii. Mr. Pratap Pawar	6,20,000	-	-	6,20,000
	iv. Mr. S. Padmanabhan	5,90,000	-	-	5,90,000
	v. Dr. Indira Parikh**	1,20,000	-	-	1,20,000
	Total (1)	20,90,000	-	-	20,90,000
(2)	Other Non-Executive Directors				
	i. Mr. Sudhir Mehta	2,50,000	-	-	2,50,000
	ii. Mr. Vinay Kothari	3,90,000	-	-	3,90,000
	iii. Mrs. Anita Ramchandran#	20,000	-	-	20,000
	iv. Mr. Abhaykumar Firodia*	80,000	-	-	80,000
	v. Mr. R. B. Bhandari#	2,60,000	-	-	2,60,000
	vi. Mr. S.A. Gundecha#	1,20,000	-	-	1,20,000
	vii. Mr. L. Lakshman#	--	-	-	--
	viii. Mr. Atul Chordia#	--	-	-	--
	Total (2)	11,20,000	-	-	11,20,000
	Total (B) = (1+2)	32,10,000	-	-	32,10,000
	Total Managerial Remuneration				32,10,000
	Overall Ceiling as per the Act	Not Applicable as only sitting fees paid			

* sitting fees paid to Mr. Abhaykumar Firodia upto 11th August 2014.

** Mr. Nitin Desai and Dr. Indira Parikh were appointed as Director w.e.f. 20th September 2014.

Mr. L. Lakshman has ceased to be a Director of the Company w.e.f. 28th June 2014. Mr. S.A. Gundecha has ceased to be a Director of the Company w.e.f. 7th August 2014. Mr. Atul Chordia has ceased to be a Director of the Company w.e.f. 8th August 2014. Mrs. Anita Ramchandran has ceased to be a Director of the Company w.e.f. 9th August 2014. Mr. R.B. Bhandari has ceased to be a Director of the Company w.e.f. 16th January 2015.

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WT D**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total (in ₹)
		Mr. Pradeep Dhadiwal * CFO	Mr. Sanjay Bohra * CFO	Mrs. Aparna Lambore Company Secretary	
		(in ₹)	(in ₹)	(in ₹)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,55,173.00	21,32,609.00	12,02,400.00	54,90,182.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	24,016.66	15,542.00	13,000.00	52,558.66
	(c) Profits in lieu of salary under section 17(3) of the income-tax Act, 1961	28,622.92	-	-	28,622.92
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- As % of profit				
	- Others, specify....				
5.	Others, please specify	-	-	-	-
	Total	22,07,812.58	21,48,151.00	12,15,400.00	55,71,363.58

* Mr. Pradeep Dhadiwal was the Chief Financial Officer of the Company from 26th July 2014 to 16th January 2015; Mr. Sanjay Bohra was appointed as the Chief Financial Officer w.e.f. 16th January 2015.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL

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

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

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

To,
 The Members,
FORCE MOTORS LIMITED
 Pune

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FORCE MOTORS LIMITED** (CIN: L34102PN1958PLC011172) (hereinafter called **The Company**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the FORCE MOTORS LIMITED books, papers, minutes book, 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes book, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – **Not applicable** to the Company during the Audit Period
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable** to the Company during the Audit Period
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable** to the Company during the Audit Period
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable** to the Company during the Audit Period
- (vi) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (BSE) and Pune Stock Exchange (PSE).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. On the basis of the information provided by the Company, following laws are also complied with:

A) ENVIRONMENTAL LAWS:

1. The Air (Prevention and Control of Pollution) Act, 1981 & The Air (Prevention and Control of Pollution) Rules 1982
2. The Water (Prevention and Control of Pollution) Act, 1974 & The Water (Prevention and Control of Pollution) Rules 1975
3. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

B) LABOUR LAWS :

4. The Factories Act, 1948 and The Maharashtra Factories Rules 1963
5. The Employees' Compensation Act, 1923 (Earlier known as Workmen's Compensation Act, 1923)
6. The Employees State Insurance Act, 1948
7. The Industrial Disputes Act, 1947
8. The Minimum Wages Act, 1948
9. The Payment of Wages Act, 1936
10. The Equal Remuneration Act, 1976
11. The Apprentices Act, 1961 – The Working hours, overtime, leave and holidays of apprentices are within the limit as provided in the Act.
12. The Child Labour (Prohibition and Regulation) Act, 1986 – No child labour is involved
13. The Contract Labour (Regulation and Abolition) Act, 1970
14. The Employees Provident Fund and Miscellaneous Provisions Act, 1956 and the schemes made thereunder - Maintained properly
15. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
16. The Industrial Employment (Standing Orders) Act, 1946
17. The Maternity Benefit Act, 1961
18. The Payment of Bonus Act, 1965
19. The Payment of Gratuity Act, 1972

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

I 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.

The Independent Directors were appointed on 20/09/2014. One separate meeting of Independent Directors was held on 26th February, 2015 as required under Schedule IV i.e. Code for Independent Directors.

The Company earlier had "Remuneration Committee" which has been properly reconstituted as "Nomination and Remuneration Committee", on 18/10/2014, as per the provisions u/s 178 of the Act.

The Company earlier had "Shareholders Grievance Committee" which has been properly re-constituted as "Stakeholders Relationship Committee", on 11/08/2014 as per the provisions u/s 178 of the Act.

The Company has properly reconstituted "Corporate Social Responsibility Committee", as on 11/08/2014, as per the provisions u/s 135 of the Act.

The Company earlier had "Audit Committee" which has been properly re-constituted on 11/08/2014, as per the provisions u/s 177 of the Act.

The Company has properly constituted "Risk Management Committee" as on 18/10/2014 as per Clause 49 of the Listing Agreement.

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

Majority decisions are carried through and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no event has occurred during the year which has a major bearing on the Company's affairs.

Place: Pune

Date: 31/07/2015

Signature:

Name of Company Secretary in practice : I U Thakur

FCS: 2298 C.P. No.: 1402

ANNUAL REPORT ON CSR ACTIVITIES

1. Outline of the CSR policy.
 - The Corporate Social Responsibility (CSR) Policy of the Company covers the causes that the Company may pursue as its CSR.
 - Based on the profit for each financial year, the Chief Financial Officer shall indicate the amount to be spent during the year.
 - The procedure for approval of the project(s), investment/incurred costs and monitoring is also laid down in the policy.
 - The activity recommended by the CSR Committee is to pursue the project of establishing modern, sophisticated hospital at Akurdi, Pune 411 035 being the area of operation.
 - The said CSR Policy and the activity to be pursued by the Company are placed on the website of the Company at http://www.forcemotors.com/page/index/shareholders_information.
2. The Committee consists of the following Directors as members-
 - i) Mr. S. Padmanabhan, Chairman
 - ii) Mr. Nitin Desai
 - iii) Mr. Sudhir Mehta
3. Average net profit of the Company for last three financial years: ₹ 43,98,83,511.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 87,97,670.
5. Details of CSR spent during the financial year.
 - (a) Total amount to be spent for the financial year: ₹ 88,00,000
 - (b) Amount unspent, if any: NIL
 - (c) Manner in which the amount spent during the financial year is detailed below.

1	2	3	4	5	6	7
Sr. No.	CSR Project or Activity identified	Sector in which the Project is covered	Projects or programs (1) local area or other (2) Specify the State and District where project or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs subheads (1) Direct expenditure on projects or programs (2) Overheads	Amount spent : Direct or through implementing agency
1	Project of establishing modern, sophisticated hospital	Health Care	Akurdi, Pune - 411 035.	₹ 88,00,000	₹ 88,00,000	Directly*

Note : Since 2014-15 is the first year of applicability of Section 135 of the Companies Act, 2013, the figure for cumulative expenditure is not being given, as the same is not applicable.

6. *The Company had established and decided to assist Navalmal Firodia Memorial Hospital Trust for creation of a modern multispecialty hospital involving substantial outgo. During the year under review the sum of ₹ 88,00,000 has been paid to the trust for the hospital.
7. The Committee reviewed the implementation of CSR Policy and the spend as explained in the earlier part and confirmed the implementation and monitoring has been as per CSR Policy adopted by the Company.

Sd/-
S. Padmanabhan
 Chairman CSR Committee

Sd/-
Prasan Firodia
 Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

I. INDUSTRY STRUCTURE AND DEVELOPMENTS

The demand for vehicles in the segments in which the Company is active has continued to be subdued during the year under review.

In view of the increasing emphasis on school buses and ambulances now being placed in the country, the proportion of these vehicles in the overall sale of vehicles by the Company shows improvement. There is potential for significant growth in the years to come as the prosperity of society increases in India. It should be noted that school buses and ambulances are a small niche of the commercial vehicles and passenger transport market.

II. PERFORMANCE OF THE COMPANY

The number of vehicles sold during the year under report was 29,366 compared to 27,537 vehicles sold in the year 2013-14. During the year under report, the Company achieved a topline of ₹ 2,638.90 crore. The sales turnover stood at ₹ 2,610.31 crore compared to the previous year's turnover of ₹ 2,275.50 crore.

The sale of the Traveller van, backed by improved sale of school buses, etc. has registered good growth. The Company has made significant efforts to align product offerings in the van range to changing market requirements.

The Bus Body Code is to be applicable to all vehicles with seating capacity more than 12 passengers. The Company has effected the necessary improvements / modifications in its vehicle range, to ensure compliance.

The Company entered into a contract with BMW India Pvt. Ltd. BMW are one of the world's leading automobile manufacturers, of highly acclaimed range of high performance luxury vehicles. We shall be supplying engines for their Indian operations. During the year under review, the project was undertaken to set up a dedicated facility to meet this requirement in Chennai. It is a matter of pride and satisfaction for the Company that the young team engaged in the project, established this facility within seven months from the assignment of the contract to achieve actual production of the first engine, including procurement of land, designing and construction of buildings, procurement and installation of equipment, and organising the actual production.

The tractor business of the Company has shown an improvement in sales on account of the focused effort in select markets, and the significantly improved customer support established. During the year under review, the tractor industry declined by 13 percent over Financial Year 2013-14. However the Company's sale of tractors improved by 28 percent. While the 25 horse power Orchard tractor has met with very good acceptance in select markets, efforts are on to enhance the penetration of higher horse power tractors from the Balwan range, available in the Company's product portfolio.

During the year, special efforts have been made to introduce product variants on the Traveller platform on the 26 seater Traveller a special luxury model, with air suspension and air conditioning, with seating for 15 passengers has been introduced. These have been well received.

The Company's 4x4 Off Road product - the GURKHA - is widely acclaimed and appreciated as one of the best offroad vehicles anywhere. In the Rain Forest Challenge competition, which is an international competition carried out under excruciatingly difficult conditions, the Company's vehicles were placed first and second in 2014.

The Company has made satisfactory progress in developing a complete range of engines, with various displacement capacities such as 2 litres, 2.6 litres and 3.2 litres. These engines are established to meet not only BS IV emission requirement, but are capable of meeting the BS V and BS VI emission regulations. Further development activity is taken up in this regard. The Company's Engine Tech Centre has been very well utilized in this effort.

The Company has also completed development during the year, of a new family of transmissions, suitable for the future requirements, compatible with the power ranges for BS IV, V and VI engines. The design, development and proving of the new family of transmissions has been carried out in house.

III. SUBSIDIARY

The Company is a subsidiary of Jaya Hind Investments Private Limited, promoter of the Company, which holds 55.92 % in the Company.

The Company is a Holding Company of Tempo Finance (West) Private Limited, and holds 66.43 % in the subsidiary company.

IV. OPPORTUNITIES, THREATS AND RISK FACTORS

The Company produces "working vehicles" and not personal usage vehicles. While the personal transportation vehicle segments have been growing rapidly - such as personal passenger cars and 2-wheelers, the growth of commercial vehicles is tied very greatly to the situation of economic growth and transformation occurring in India.

Another factor affecting the sale of passenger vehicles for hire and reward is government's policies relating to categorisation of vehicles, applicable excise duty structure, permit regime, permit charges, facilities for operating in specific territories, etc. In this regard the new Motor Vehicles Act may improve the conditionalities under which vehicles ply for hire and reward, to facilitate convenient, easy and safe transportation. If such an effect does occur, this sector in which the company operates, would see significant improvement in its market opportunities. Excise duty rationalization is a major concern.

V. FINANCIAL PERFORMANCE

As stated above, the Company sold 29,366 vehicles during the Financial Year 2014-15 compared to 27,537 vehicles in the previous year 2013-14. The proportion of Light Commercial Vehicles and Utility Vehicles, in the product mix of the Company, has increased in relation to the Small Commercial Vehicles.

The Profit, before Finance Costs and Taxes, from operations for the year under report was ₹ 131.50 crore compared to operating profit for the previous year 2013-14 amounting to ₹ 71.81 crore.

The Net Profit of the Company after Finance Costs, Depreciation and Taxes items was ₹ 101.36 crore for the year 2014-15.

Considering the above, the Board of Directors of the Company has recommended a dividend of ₹ 5 per share on 1,31,76,262 equity shares of ₹ 10 each for the consideration of the Members.

The Reserves and Surplus of the Company as on 31st March 2015 stood at ₹ 1303.70 crore.

While the Company has seen significant improvement in the bottom line during the year under review, due to changes in product mix and market penetration, the growth in the top line has been subdued.

VI. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

To further enhance the internal control systems, the Company has emphasized the audit process which comprises 3 levels in the Company:

Level I – Statutory Audit

Level II – Controlling

The controlling department analyses information and

trends in the operational parameters, and provides wide ranging inputs to Company Management.

Level III – Internal Audit

Two firms of auditors are engaged, to examine the 'operating processes' employed by the Company, and to assess conformance thereto by various operatives and departments within the Company.

These auditors are engaged in all plants of the Company, as also to examine all the operational functions. These auditors, on a quarterly basis, report their findings to the Board of Directors and the Audit Committee.

VII. HUMAN RESOURCE DEVELOPMENT

Human Resource Development activity is greatly strengthened by a comprehensive initiative. Training initiative at the Head Office, at all plants and also for the field force, comprising of Company's employees as also the employees of Company's dealers - has been greatly emphasized. Increase in Management bandwidth, at senior and middle management levels, in view of growth aspirations is being carried out.

The Company is attempting to install performance based incentive, across all levels of employees.

VIII. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand/supply and price conditions in the markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

REPORT ON CORPORATE GOVERNANCE

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

- The Company's decision making process and operational methods are guided by the philosophy of "creating low cost, hi-tech products, which are suitable for Indian markets". Simplicity, self-reliance, social responsibility, trust and transparency in dealings with all stakeholders, the ethos on which this business was started by Late Mr. N. K. Firodia, the founder of the Company, continues to be the guiding principles for the Organization, in arranging the activities. The Company's philosophy on the 'Code of Governance' is based on compliance of applicable provisions and requires exchange of relevant information and appropriate disclosures to each group of stakeholders, connected with the area of common interest/stake between the Company and the Stakeholder.

BOARD OF DIRECTORS

- The Board of Directors of the Company (as of 31st March 2015) ('the Board' for brevity) consisted of 10 Directors. 07 Directors were Non-Executive Directors and 03 Directors were Executive Directors. 05 Directors were Independent Directors.

The Company's Board did not consist of any Nominee Directors appointed by lender(s) or equity investor(s).

Mr. Abhaykumar Firodia, Chairman and Mr. Prasan Firodia, Managing Director of the Company represent Promoters of the Company.

- The details of other directorships of the Directors (as of 31st March 2015) of the Company are as under:-

Name of the Director	Number of other companies in which directorships held*	Number of companies of which Chairman
Mr. Abhaykumar Firodia	11	07
Mr. Prasan Firodia	07	--
Mr. Sudhir Mehta	09	01
Mr. Pratap Pawar	14	--
Mr. S. Padmanabhan	06	01
Mr. Nitin Desai #	10	--
Dr. Indira Parikh #	09	--
Mr. Arun Sheth	11	10
Mr. Vinay Kothari	09	--
Mr. Prashant V. Inamdar #	--	--
Mr. L. Lakshman **	10	01
Mrs. Anita Ramachandran**	05	--
Mr. Atul Chordia **	31	--
Mr. S. A. Gundecha **	02	--
Mr. R. B. Bhandari**	01	--

* includes directorship in private companies and bodies corporate.

** additional information - Mr. L. Lakshman has ceased to be a Director of the Company w.e.f. 28th June 2014. Mr. S.A.Gundecha has ceased to be a Director of the Company w.e.f. 7th August 2014. Mr. Atul Chordia has ceased to be a Director of the Company w.e.f. 8th August 2014. Mrs. Anita Ramachandran has ceased to be a Director of the Company w.e.f. 9th August 2014. Mr. R.B. Bhandari has ceased to be a Director of the Company w.e.f. 16th January 2015.

Mr. Nitin Desai and Dr. Indira Parikh were appointed as Directors w.e.f. 20th September 2014. Mr. Prashant V. Inamdar was appointed as Additional Director w.e.f. 16th January 2015.

- The details of Committee positions held by the Directors of the Company in other companies are as under:-

Name of the Director	Number of Audit Committee Memberships	Number of Nomination and Remuneration Committee Memberships	Number of Stakeholders' Relationship Committee Memberships	Number of Risk Management Committee Memberships	Number of Chairmanships*
Mr. Abhaykumar Firodia	01	01	--	--	--
Mr. Prasan Firodia	--	--	--	01	--
Mr. Pratap Pawar	03	02	02	01	04
Mr. S. Padmanabhan	02	02	--	--	01
Mr. Nitin Desai #	01	04	--	--	02
Dr. Indira Parikh #	03	03	01	--	--
Mr. L. Lakshman**	07	--	01	--	03
Mrs. Anita Ramachandran**	03	03	--	--	02

* includes Chairmanship of Remuneration Committee, Risk Management Committee.

** additional information - Mr. L. Lakshman has ceased to be a Director of the Company, w.e.f. 28th June 2014. Mrs. Anita Ramachandran has ceased to be a Director of the Company w.e.f. 9th August 2014.

Mr. Nitin Desai and Dr. Indira Parikh were appointed as Directors w.e.f. 20th September 2014.

- During the Financial Year 2014-15, ten meetings of the Board were held on 29th April 2014, 24th May 2014, 26th July 2014, 30th July 2014, 11th August 2014, 20th September 2014, 18th October 2014, 16th January 2015, 26th February 2015 and 12th March 2015. The attendance of Directors during the Financial Year 2014-15 for Board Meetings and General Meeting are as under :-

Name of the Director	Number of Board Meetings attended	Whether present at Annual General Meeting
Mr. Abhaykumar Firodia	9	Yes
Mr. Prasan Firodia	7	Yes
Mr. Sudhir Mehta	8	Yes
Mr. Pratap Pawar	10	Yes
Mr. S. Padmanabhan	7	Yes
Mr. Nitin Desai #	5	Yes
Dr. Indira Parikh #	3	Yes
Mr. Arun Sheth	7	Yes
Mr. Vinay Kothari	7	Yes
Mr. Prashant V. Inamdar #	1	--
Mr. L. Lakshman **	--	--
Mrs. Anita Ramachandran **	1	--
Mr. Atul Chordia **	--	--
Mr. S. A. Gundecha **	4	--
Mr. R. B. Bhandari**	8	Yes

** additional information - Mr. L. Lakshman has ceased to be a Director of the Company w.e.f. 28th June 2014. Mr. S.A.Gundecha has ceased to be a Director of the Company w.e.f. 7th August 2014. Mr. Atul Chordia has ceased to be a Director of the Company w.e.f. 8th August 2014. Mrs. Anita Ramachandran has ceased to be a Director of the Company w.e.f. 9th August 2014. Mr. R.B. Bhandari has ceased to be a Director of the Company w.e.f. 16th January 2015.

Mr. Nitin Desai and Dr. Indira Parikh were appointed as Directors w.e.f. 20th September 2014. Mr. Prashant V. Inamdar was appointed as Additional Director w.e.f. 16th January 2015.

6. The Board is presented with all the relevant information in various matters affecting the working of the Company and which requires deliberation at the highest level. Besides key operational and financial information, the Board is presented with information relevant to strategy formulation, for deliberations. This includes information as per annexure to Clause 49 of the Listing Agreement. At each meeting, the Managing Director presents an elaborate report on the operations of the Company, including an assessment of the market, operational issues, operating profitability and various risks associated with the Company's business. Also presented are assessments of the strategic and technological issues enabling a discussion on the strategy, projects and tactics employed in the management of the Company's affairs.
7. The Directors made all disclosures as per the requirement of the Companies Act, 2013 (**the Act** for brevity) from time to time to the Board of Directors regarding their financial interest in the transactions with the Company. The related party disclosure forms part of the Notes to Financial Statements as per the disclosure requirement of Accounting Standard 18 issued by the Institute of Chartered Accountants of India. The Directors have informed the Company about the Committee positions occupied by them in other Companies and changes therein.
8. The Independent Directors held their separate Meeting on 26th February 2015 as mandated by the provisions of the Act and Listing Agreement. The details of the familiarization programme can be accessed at the weblink : http://www.forcemotors.com/page/index/shareholders_information
9. Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the Chairman. The criteria for Performance Evaluation of Directors and the Board, as approved by the Board of Directors of the Company are placed on the Company's website www.forcemotors.com. Based on this, a separate exercise was carried out to evaluate the performance of the Board, the individual Directors including the Chairman of the Board.
10. The details of remuneration paid to the Executive Directors during the Financial Year 2014-15 is as under:-

Name of the Director	Salary ₹	Value of Perquisites ₹
Mr. Prasan Firodia	62,66,667.00	9,62,340.00
Mr. Prashant V. Inamdar #	16,27,590.42	16,520.83

Mr. Prashant V. Inamdar was appointed as Additional Director w.e.f. 16th January 2015 and the above details relate to payments made to him as managerial remuneration.

The appointment, terms and remuneration of Mr. Prasan Firodia as the Managing Director of the

Company had been approved by the Members in the Annual General Meeting held on 20th September 2014. The appointment and remuneration of Mr. Prashant V. Inamdar will be placed before the Members for approval including the terms and other disclosures in the Notice dated 31st July 2015 convening the Annual General Meeting.

11. The details of sitting fees paid to Non-Executive Directors during the Financial Year 2014-15 are as under:-

Name of the Director	Sitting fees paid for attending Board Meetings and Committee Meetings ₹
Mr. Abhaykumar Firodia	80,000
Mr. Sudhir Mehta	2,50,000
Mr. Pratap Pawar	6,20,000
Mr. S. Padmanabhan	5,90,000
Mr. Nitin Desai #	3,20,000
Dr. Indira Parikh #	1,20,000
Mr. Arun Sheth	4,40,000
Mr. Vinay Kothari	3,90,000
Mr. L. Lakshman **	—
Mrs. Anita Ramachandran **	20,000
Mr. Atul Chordia **	—
Mr. S. A. Gundecha **	1,20,000
Mr. R. B. Bhandari**	2,60,000

** additional information - Mr. L. Lakshman has ceased to be a Director of the Company w.e.f. 28th June 2014. Mr. S.A. Gundecha has ceased to be a Director of the Company w.e.f. 7th August 2014. Mr. Atul Chordia has ceased to be a Director of the Company w.e.f. 8th August 2014. Mrs. Anita Ramachandran has ceased to be a Director of the Company w.e.f. 9th August 2014. Mr. R.B. Bhandari has ceased to be a Director of the Company w.e.f. 16th January 2015.

Mr. Nitin Desai and Dr. Indira Parikh were appointed as Directors w.e.f. 20th September 2014.

Sitting fees paid to Non-Executive Directors, including Independent Directors for every meeting of the Board of Directors or Committee thereof attended, has been increased from ₹ 20,000 per meeting to ₹ 50,000. This increase in sitting fees has been approved by the Members in the 55th Annual General Meeting held on 20th September 2014.

12. The details of financial transactions with Non-Executive Directors are as under:-

Name of the Director	Nature of Payment	Amount Paid ₹
Mr. S.A. Gundecha*	Interest paid on Fixed Deposits	1,16,630
Mr. R.B. Bhandari*	Interest paid on Fixed Deposits	7,80,504

* Mr. S.A. Gundecha has ceased to be a Director of the Company w.e.f. 7th August 2014, Mr. R.B. Bhandari has ceased to be a Director of the Company w.e.f. 16th January, 2015.

No Stock Options are granted to any of the Directors.

13. The details of shares of the Company held by Directors are as under:-

Name of the Director	Number of shares held
Mr. Abhaykumar Firodia	1,60,755
Mr. Prasan Firodia	2,03,463
Mr. Vinay Kothari	101
Mr. Atul Chordia *	400
Mr. S. A. Gundecha*	2,012
Mr. R. B. Bhandari*	8,408

* Mr. S.A. Gundecha has ceased to be a Director of the Company w.e.f. 7th August 2014.
Mr. Atul Chordia has ceased to be a Director of the Company w.e.f. 8th August 2014. Mr. R. B. Bhandari has ceased to be a Director of the Company w.e.f. 16th January 2015.

14. The value of purchases and sales from/to Jaya Hind Industries Limited, which is a company deemed to be a Promoter as per the provisions of the Securities & Exchange Board of India (Substantial Acquisition of Shares) Regulations, 2011 were ₹ 74,64,44,413 and ₹ 7,69,97,561 respectively.
15. Mr. Vinay Kothari (DIN 00337134), Director of the Company, retires by rotation and being eligible offers himself for reappointment.
16. The requisite information about Directors is as under:-

Mr. Vinay Kothari

Mr. Vinay Kothari (DIN 00337134), 51, is a Commerce Graduate and holds MBA Degree from IESE Business School, Spain. He has business interest in Real Estate, Autoparts Industry, Retail Solutions manufacturing, Elevator Components and Construction.

He holds directorships in the following Companies:-

Savera India Riding System Co. Private Limited, Savera Kothari India Private Limited, RAK Realty Private Limited, Barca iTechnologies Private Limited, Dihatex India Private Limited, Lumaran Technologies Private Limited, Caveo Pinnacle India Private Limited, Indaux India Private Limited, Kider India Private Limited and EMESA India Elevator Components Company Private Limited.

The Company has received intimation in the prescribed form as per the provisions of Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 from him.

Mr. Kothari holds 101 equity shares of the Company.

Mr. Prashant V. Inamdar

Mr. Prashant V. Inamdar (DIN 07071502), 50, is a diploma holder in Mechanical Engineering. Mr. Inamdar started his career at Force Motors Limited as a Junior Engineer in 1984. Since, then he has worked and proven his mettle in different divisions. During his tenure in Corporate Controlling he worked across Industrial Engineering, Management Information Services, Industrial Relations, Human Resource Development and SAP

Implementation Projects. Special highlights in his career include the setting up of Engine Shop for MAN Trucks at Pithampur (Madhya Pradesh) and setting up a Plant in Chennai. At present, Mr. Inamdar is Executive Director (Operations) of the Company and responsible for Operations of all the Plants of Force Motors Limited.

The Company has received intimation in the prescribed form as per the provisions of Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 from him.

COMMITTEES

17. The reconstituted Nomination and Remuneration Committee of the Board consists of Mr. S. Padmanabhan, Mr. Pratap Pawar, Non-Executive Independent Directors, and Mr. Vinay Kothari, Non-Executive Director. Mr. S. Padmanabhan, is the Chairman of the Nomination and Remuneration Committee. The Committee met on 26th July 2014, 11th August 2014 and 14th January 2015. Mr. Vinay Kothari is a member of the Committee w.e.f. 18th October 2014. Mr. S. Padmanabhan and Mr. Pratap Pawar, attended all the meetings. Mr. Pratap Pawar, previous Chairman of the Committee, was present in the last Annual General Meeting.

Terms of reference of Nomination and Remuneration Committee includes -

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

On the recommendation of Nomination & Remuneration Committee, the Board has adopted the policy on appointment of Directors/ Independent Directors and Key Managerial Personnel and remuneration payable to them. As mandated, the said policy is posted on the website of the Company www.forcemotors.com.

18. The Audit Committee consists of four Directors - Mr. Pratap Pawar, Mr. Vinay Kothari, Mr. S. Padmanabhan and Mr. Arun Sheth. Mr. S. A. Gundecha was the Audit Committee Member till 7th August 2014.

Mr. Pratap Pawar, Mr. S. Padmanabhan and Mr. Arun Sheth are Non-Executive Independent Directors, whereas Mr. Vinay Kothari is a Non-Executive Director. Mr. Pratap Pawar, Chairman of the Audit Committee, specializes in marketing and finance.

The Audit Committee met on 24th May 2014, 26th July 2014, 20th September 2014, 18th October 2014 and 16th January 2015. Mr. Pratap Pawar, Mr. S. Padmanabhan, Mr. Arun Sheth and Mr. Vinay Kothari attended all the five meetings. Mr. S. A. Gundecha attended two meetings.

The terms of reference of the Audit Committee includes oversight of Company's reporting processes and financial information, review of Financial Statements, both audited and unaudited, review of accounting policies and practices, review of compliance with accounting standards, discussion with statutory auditors before the audit commences and post audit, recommendation of appointment and remuneration of statutory and cost auditors, internal auditors, approval of appointment of Chief Financial Officer, review and approval of related party transaction(s), decide the principles for grant of omnibus approval for related party transaction(s), review of auditors' independence and performance, oversee the vigil mechanism, evaluation of internal financial controls and risk management systems, and other areas indicated in Clause 49 of the Listing Agreement executed by the Company with Stock Exchanges and as per the provisions of Section 177 of the Act.

The Audit Committee reviewed the Unaudited Financial Results (Provisional) for the three quarters and Audited Annual Accounts for the Financial Year 2014-15 in its meetings.

During the year under Report, the Audit Committee interacted with the Statutory Auditors, Cost & Management Consultants and Internal Auditors of the Company regarding internal control systems, discussed the financial results/cost accounting records, and also held a post statutory audit review of the financial/cost accounts. This Committee also interacted with the executives of the Company on finance related matters including officials of Internal Audit department of the Company. The Committee reviewed the risk management policies, insurance cover sought by the Company, purchase procedures of raw materials and components for manufacture of various types of motor vehicles and also the foreign exchange exposure of various transactions. The remuneration of the Auditors was decided in consultation with the Audit Committee. Extensive data/details connected with the financial management of the Company and on other related aspects were submitted to the Committee in each of the meetings. The Certificate from the Managing Director and the Chief Financial Officer was also submitted to the Audit Committee and to the Board. The Audit Committee is empowered to require presence of any of the employee of the Company. No employee has sought access to the Audit Committee during the year under Report.

19. The "Stakeholders' Relationship Committee" of the Board consists of Mr. Sudhir Mehta, Non-Executive Director, Mr. Vinay Kothari, Non-Executive Director and Mr. Prasan Firodia, Managing Director. Mr. Sudhir Mehta is the Chairman of the Stakeholders' Relationship Committee. This Committee met from time to time for approval of transfer of shares, issue of duplicate share certificates, approval of transmission and to deal with non-routine shareholders' complaints.

Mrs. Aparna G. Lambore, Company Secretary, is the designated Compliance Officer. During the year under Report, 15 shareholders' complaints were received and all these complaints were resolved to the satisfaction of the concerned Members. As of 31st March 2015, no complaint was pending.

20. The Board has also constituted a Committee, as per the provisions of Section 135 of the Act, viz. Corporate Social Responsibility Committee consisting of Mr. S. Padmanabhan, Mr. Nitin Desai, Non-Executive Independent Directors and Mr. Sudhir Mehta, Non-Executive Director. Mr. S. Padmanabhan is the Chairman of the Committee.
21. The Risk Management Committee of the Board consists of Mr. Prasan Firodia, Managing Director, Mr. Sudhir Mehta, Non-Executive Director, Mr. Prashant V. Inamdar, Executive Director (Operations), Mr. R. B. Bhandari, Officer on Special Duty, and Mr. Pradeep Dhadiwal, Vice President. Mr. Prasan Firodia is the Chairman of the Committee. The role of Committee is to implement and monitor the risk management plan / framework of the Company.

SHAREHOLDERS

22. The Unaudited Financial Results for the first, second and third quarters and Audited Results for the last quarter were made available to the Stock Exchanges, where the shares of the Company are quoted, on the same day on which they were approved and taken on record by the Board. The Unaudited Financial Results for the quarter ended on 30th June 2014, 30th September 2014, 31st December 2014 were published in Financial Express and Loksatta and the Audited Financial Results for the Financial Year 2014-15 were published in Financial Express, Loksatta and Business Standard after the information was made available to the Stock Exchanges in the prescribed format. The working results of the Company are available on the Company's website www.forcemotors.com. The Quarterly Unaudited Financial Results were subject to limited review by the Statutory Auditors of the Company. The appropriate certificates for each quarter were filed with the Stock Exchanges on 26th July 2014, 18th October 2014 and 16th January 2015 respectively.
23. No presentation was made to any institutional investors or analyst during the year 2014-15.

24. General Body Meetings : The details of the last three Annual General Meetings are as under: -

Annual General Meeting held on	Time	Location	Number of Special Resolution	Subject of Special Resolution
22nd September 2012	11.30 a.m.	Mumbai-Pune Road, Akurdi, Pune - 411 035.	01	Alteration of Articles of Association - Increase in sitting fees of Directors
21st September 2013	11.30 a.m.	Mumbai-Pune Road, Akurdi, Pune - 411 035.	--	--
20th September 2014	11.30 a.m.	Mumbai-Pune Road, Akurdi, Pune - 411 035.	04	Alteration of Articles of Association - Appointment of Managing Directors

25. There was no matter, required to be dealt by the Company, by passing a resolution through postal ballot as per the provisions of Section 110 of the Act, read with Companies (Management and Administration) Rules, 2014.

26. The Company has paid penalty of ₹ 17,977 (including service tax) to BSE Limited for delay in submission of Report on Corporate Governance as per Clause 49 of the Listing Agreement. However, no penalties were imposed by the Stock Exchanges or SEBI on the Company in any manner related to capital markets.

27. No materially significant related party transactions that may have potential conflict with the interests of the Company at large was entered into.

28. Annual General Meeting

Time : 11.30 a.m.

Date : 26th September 2015.

Venue : Registered Office of the Company at Mumbai - Pune Road, Akurdi, Pune - 411 035.

29. Financial Year :

The financial year observed by the Company is 1st April of a year to 31st March of the following year.

30. Financial Calendar

Unaudited Financial Results will be published on or before

For Quarter 1 : 14th August

For Quarter 2 : 14th November

For Quarter 3 : 14th February

Audited Results : 30th May

31. **Period of book closure :** Saturday, 19th September 2015 to Saturday, 26th September 2015 (both days inclusive).

32. The Board has recommended a payment of dividend of ₹ 5 per share on 1,31,76,262 equity shares of

₹ 10 each fully paid up. The dividend, if declared, by the Members of the Company will be paid after 26th September 2015.

33. Shares of the Company are listed on the Pune Stock Exchange Limited and BSE Limited. Annual Listing fee for the Financial Year 2014-15 has been paid to both the Exchanges. Pune Stock Exchange Limited has been voluntarily derecognized as Regional Stock Exchange by the Securities Exchange Board of India vide SEBI order WTM/RKA/MRD/28/2015 dated 13th April 2015.

34. The Stock Code allotted by BSE Limited is 500033.

35. Market price data during the Financial Year 2014-15 is as under: -

Month	Share Price		BSE Sensex	
	High ₹	Low ₹	High	Low
April 2014	440.00	340.40	22939.31	22197.51
May 2014	529.90	342.85	25375.63	22277.04
June 2014	625.00	440.70	25725.12	24270.20
July 2014	599.90	422.00	26300.17	24892.00
August 2014	858.00	558.00	26674.38	25232.82
September 2014	1443.00	785.10	27354.99	26220.49
October 2014	1463.00	1254.00	27894.32	25910.77
November 2014	1384.00	1235.00	28822.37	27739.56
December 2014	1338.80	955.25	28809.64	26469.42
January 2015	1284.95	1070.00	29844.16	26776.12
February 2015	1472.00	1131.30	29560.32	28044.49
March 2015	1494.00	1255.00	30024.74	27248.45

36. Distribution of shareholding as on 31st March 2015 was as under: -

Category (Shares)	Number of shareholders	Percentage to total shareholders	Number of shares	Percentage to total number of shares held
1 to 500	21950	94.31	1602128	12.16
501 to 1000	706	3.03	534212	4.05
1001 to 2000	317	1.36	457329	3.47
2001 to 3000	101	0.44	255364	1.94
3001 to 4000	49	0.21	176559	1.34
4001 to 5000	38	0.16	174836	1.33
5001 to 10000	64	0.28	461426	3.50
10001 & above	50	0.21	9514408	72.21
Total	23275	100.00	13176262	100.00

37. The Company has appointed Registrar and Share Transfer Agent - Link Intime India Private Limited, Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001, to handle demat and physical share transfers as well as other shares related activities of the Company.

38. Share Transfer System: Applications for transfers, transmission, are received by the Company at its Registered Office or at the office of its Registrar and Share Transfer Agents and are processed by the Registrar and Share Transfer Agents on regular basis. Request for transfer of shares in dematerialized form are duly processed by National Securities Depository Limited / Central Depository Services (India) Limited in the electronic form through the respective depository participants.

As on 31st July 2015, no transfer and transmission request of shares held in physical form is pending. During the year under Report, the Company processed 35 share transfers, 11 transmission and 146 requests for dematerialization / re-materialization of shares.

39. The shares of the Company are available for trading in depository system of both National Securities Depository Limited and Central Depository Services (India) Limited. The International Securities Identification Number code allotted to the shares of the Company is INE451A01017.

As of 31st March 2015, the number of equity shares of the Company held, through depositories were 1,25,35,533 (95.14 % of the total paid up capital of the Company).

40. Unclaimed Share Certificate and Suspense Account:

Share certificates in respect of 3229 shares earlier issued as right shares or bonus shares were returned undelivered. The Company intimated the fact to the concerned Members from time to time including reminders issued as per the provisions of the Listing Agreement. List of these Members is hosted on the website of the Company. The said unclaimed shares will be transferred to the 'Force Motors Limited-Unclaimed Suspense Account'. As per the Listing Agreement, all corporate benefits in terms of securities accruing on such shares shall also be credited to such account. Voting rights on such shares shall remain frozen till the rightful owner claims the shares.

41. The Company has not issued any GDRs, ADRs or Warrants or Convertible Instruments.

42. The Corporate Identity Number allotted to the Company is L34102PN1958PLC011172.

43. The Company's registered address is Mumbai - Pune Road, Akurdi, Pune - 411 035.

44. The Company's plants are located at (a) Mumbai - Pune Road, Akurdi, Pune - 411 035 (b) Plot No.3, Sector No.1, Industrial Area, Pithampur, District Dhar - 454 775, Madhya Pradesh (c) Gat no. 3,4,5, Village Urse, Tal. Maval, District Pune - 410 506 (d) Mahindra World City, Panchayat Anjur, Taluk Chengalpattu, District Kancheepuram-603 004, Tamilnadu and (e) Gat no. 330 (P), 331, 332, 333, 312/5/6/7 and 355 Village Nanekarwadi, Chakan, Taluka Khed, District Pune.

The address for correspondence is -

Ms. Aparna G. Lambore

Company Secretary & Compliance Officer
Secretarial Department

Force Motors Limited

Mumbai - Pune Road, Akurdi,
Pune - 411 035.

Phone: (020) 27476381

e-mail: compliance-officer@forcemotors.com

or

Link Intime India Private Limited

Block no. 202,

Akshay Complex,

Near Ganesh Temple,

Off Dhole Patil Road,

Pune - 411 001.

Phone : (020) 26161629 / 26160084 / 26163503

Telefax No. : (020) 26163503

e-mail : pune@linkintime.co.in

45. COMPLIANCES

The certificate obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is attached to the Report. The Code of Conduct approved by the Board is available on the website of the Company. The confirmation about compliance of the code is being obtained on annual basis. A declaration signed by the Managing Director to that effect is obtained. The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement executed by the Company with the Stock Exchanges.

Declaration by the Managing Director Under Clause 49 of the Listing Agreement

To

The Members of Force Motors Limited

I, Prasan Firodia, Managing Director of Force Motors Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2015.

31st July 2015

Prasan Firodia
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Force Motors Limited

We have examined the compliance of conditions of Corporate Governance by Force Motors Limited, for the year ended 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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 **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

Place : Pune
Date : 31st July 2015.

S. S. Athavale
Partner
Membership No. 83374

INDEPENDENT AUDITORS' REPORT

To the Members of Force Motors Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's 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 misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. 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 31st March, 2015, 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, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - (d) In our opinion, the aforesaid 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) In our opinion there are no financial transactions or matters which have any adverse effect on the functioning of the company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
- (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—Refer Note 28 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, subject to Note No. 42 in Notes to Financial Statements.

For **M/s. P. G. Bhagwat**
Firm's Registration Number : 101118W
Chartered Accountants

Place : Pune
Date : 6th May, 2015

Sanjay Athavale
Partner
Membership Number 83374

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our report of even date)

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, considering the nature of the Fixed Assets, the same have been physically verified by the management at reasonable intervals during the year as per the verification plan adopted by the company, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us and the records produced to us for our verification, the discrepancies noticed during such physical verification were not material and the same have been properly dealt with in the books of account.
2. (a) The inventory has been physically verified during the year by the management, which, is in our opinion, at reasonable intervals.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stock and the book records.
3. The Company has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the Register maintained under Section 189 of the Companies Act, 2013, during the year.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
5. In our opinion and according to the information and explanations given to us, the company has complied with the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 of the Companies Act 2013, and the rules framed thereunder, wherever applicable. As informed to us, no order has been passed against the company by the Company Law Board, the National Company Law Tribunal, RBI, or any court or any tribunal.
6. The Company is maintaining cost records as prescribed under Section 148 (1) of the Companies

Act, 2013. However, we have not verified the same for completeness or accuracy.

7. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues with the appropriate authorities. There were no amounts payable in respect of the statutory dues outstanding, as at the Balance Sheet date for a period of more than six months from the date they became payable.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, ESI, Sale Tax, VAT, Income Tax, Customs duty, Wealth Tax, Service Tax, Excise Duty, Cess and any other statutory dues were outstanding, as at the balance sheet date for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, there are no dues of Sales Tax, VAT, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Cess and Service Tax which have not been deposited on account of any dispute, except :

Name of the Statute	Amount (₹ Lakhs)	Forum
Customs Duty	0.80	Asst. Commissioner of Customs, Mumbai CESTAT, Mumbai
Sales Tax	467.68	Sr. Dy. Comm. of Sales Tax, Pune. Jt. Comm. of Sales Tax (Appeals) 1, Pune, Jt. Comm., Pune. Dy. Comm. (Appeals) III, Commercial Taxes, Jaipur, Dy. Comm. of Commercial Tax, (Coimbatore & Sitarampur), Dy. Comm., Commercial Tax, Ratlam, M.P. Commercial Tax Appellate Board, Bhopal, Additional Comm., Commercial Tax, Indore.
Excise Duty	495.88	Commissioner of Central Excise (Appeals), Pune - I Commissionerate, Pune, CESTAT, Western regional Bench, Mumbai, CESTAT, New Delhi and Comm. (Appeals), Bhopal.
Total	964.36	

- (c) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time, subject to Note No. 42 in Notes to Financial Statements.

- 8 The company has no accumulated losses as on the Balance Sheet date. The company has not incurred cash losses during the financial year covered by our audit nor during the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
10. As informed to us, the company has not given any guarantee for loans taken by from bank or financial institutions.
11. During the year, Term Loans have not been raised by the company.
12. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For M/s. P. G. Bhagwat
Firm's Registration Number : 101118W
Chartered Accountants

Place : Pune
Date : 6th May, 2015

Sanjay Athavale
Partner
Membership Number 83374

Balance Sheet as at 31st March, 2015

Particulars	Note No.	₹	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
I EQUITY AND LIABILITIES :				
1. Shareholders' Funds				
(a) Share Capital	2	13,17,90,383		13,17,90,383
(b) Reserves and Surplus	3	1303,70,12,053		1212,84,00,706
			1316,88,02,436	1226,01,91,089
2. Non-current Liabilities				
(a) Long-term Borrowings	4	10,73,00,000		20,38,25,000
(b) Deferred Tax Liabilities (Net)	5	26,61,33,572		6,61,87,436
(c) Other Long-term Liabilities	6	3,96,00,000		3,96,00,000
(d) Long-term Provisions	7	19,21,58,120		20,66,14,643
			60,51,91,692	51,62,27,079
3. Current Liabilities				
(a) Trade Payables		392,83,42,417		299,94,25,393
(b) Other Current Liabilities	8	161,68,65,749		168,90,37,489
(c) Short-term Provisions	9	39,76,20,801		25,38,69,668
			594,28,28,967	494,23,32,550
Total			1971,68,23,095	1771,87,50,718
II ASSETS :				
1. Non-current Assets				
(a) Fixed Assets				
(i) Tangible Assets	10	624,23,94,551		639,97,68,833
(ii) Intangible Assets	11	13,31,33,825		3,31,67,160
(iii) Capital Work-in-progress		174,54,94,847		143,14,30,460
(iv) Intangible Assets under development		65,20,62,995		62,63,09,054
			877,30,86,218	849,06,75,507
(b) Non-current Investments	12	1,23,03,364		1,23,03,364
(c) Long-term Loans and Advances	13	99,96,72,196		76,27,05,849
			101,19,75,560	77,50,09,213
2. Current Assets				
(a) Inventories	14	392,54,80,084		377,25,16,254
(b) Trade Receivables	15	108,68,03,598		135,08,43,220
(c) Cash and Bank Balances	16	303,03,42,907		216,09,06,992
(d) Short-term Loans and Advances	17	184,65,95,288		114,99,90,309
(e) Other Current Assets	18	4,25,39,440		1,88,09,223
			993,17,61,317	845,30,65,998
Total			1971,68,23,095	1771,87,50,718

Summary of Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Aparna G. Lambore
Company Secretary

Place : Pune
Date : 6th May, 2015

Prasan Firodia

Managing Director

Sudhir Mehta

Director

Sanjay Bohra

Chief Financial Officer

Place : Pune
Date : 6th May, 2015

Statement of Profit and Loss for the year ended 31st March, 2015

Particulars	Note No.	₹	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
III INCOME :				
(a) Revenue from Operations (Gross)	19	2638,90,20,260		2301,13,77,716
Less : Excise Duty / Service Tax		275,17,94,930		279,51,10,531
Revenue from Operations (Net)			2363,72,25,330	2021,62,67,185
(b) Other Income	20		65,77,63,716	59,93,50,506
(c) Total Revenue (a) + (b)			2429,49,89,046	2081,56,17,691
IV EXPENSES :				
(a) Cost of Raw Materials and Components consumed	21	1647,15,56,774		1414,06,84,327
(b) Change in Inventories of Finished Goods and Work-in-progress	22	(6,12,47,029)		1,97,17,479
(c) Employee Benefits expense	23	277,73,48,335		240,55,96,777
(d) Finance Costs	24	6,55,27,987		9,18,23,590
(e) Depreciation and Amortization expense	25	81,28,43,342		84,83,84,924
(f) Other expenses	26	317,08,20,687		284,72,23,265
		2323,68,50,096		2035,34,30,362
Less : Expenditure included in the above items capitalized		19,12,92,537		16,40,82,347
Total Expenses			2304,55,57,559	2018,93,48,015
V Profit before exceptional and extra-ordinary items and tax (III) - (IV)			124,94,31,487	62,62,69,676
VI Exceptional Items			--	--
VII Profit before extra-ordinary items and tax (V + VI)			124,94,31,487	62,62,69,676
VIII Extra-ordinary items			--	--
IX Profit Before Tax (VII - VIII)			124,94,31,487	62,62,69,676
X Tax Expenses :				
(a) Current Tax		--		--
(b) Deferred Tax		21,31,91,333		(15,30,82,063)
(c) Taxation Provision in respect of earlier years		2,26,12,917		24,08,936
Total Tax Expenses			23,58,04,250	(15,06,73,127)
XI Profit for the year (IX - X)			101,36,27,237	77,69,42,803
XII Basic and Diluted Earnings per equity share [Nominal value per share ₹ 10]	28		76.93	58.97
Summary of Significant Accounting Policies.	1			

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Aparna G. Lambore
Company Secretary

Place : Pune
Date : 6th May, 2015

Prasan Firodia
Sudhir Mehta

Managing Director
Director

Sanjay Bohra

Chief Financial Officer

Place : Pune
Date : 6th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,

	2015 ₹	2014 ₹
(A) Cash flow from Operating Activities :		
Net Profit / (Loss) before tax and extraordinary items	124,94,31,487	62,62,69,676
Adjustments for :		
Depreciation	81,28,43,342	84,83,84,924
Foreign exchange loss / (gain)	1,26,87,240	(5,81,816)
Interest Income on bank deposits & others	(20,63,57,371)	(14,72,51,457)
Dividend / Income from trade investments	(14,51,875)	(12,62,500)
Loss / (Profit) on sale of assets	(1,29,227)	1,22,94,451
Interest expense	6,55,27,987	9,18,23,590
Operating Profit before Working Capital Changes	193,25,51,583	142,96,76,868
(Increase) / Decrease in trade receivables, loans & advances and other current assets	(17,69,68,178)	(44,13,51,522)
(Increase) / Decrease in Inventories	(15,29,63,831)	4,37,47,884
Increase / (Decrease) in trade payables and other payables	98,12,66,907	14,56,28,960
Cash generated from operations	258,38,86,481	117,77,02,190
Direct Taxes paid	(32,41,88,927)	(2,10,25,540)
Net Cash flow from Operating Activities (A)	225,96,97,554	115,66,76,650
(B) Cash flow from investing activities :		
Purchase of fixed assets	(117,31,73,536)	(128,22,71,111)
Proceeds from sale of assets / equipments	31,10,252	13,85,61,452
Interest received	20,63,57,371	14,72,51,457
Investment in shares of subsidiary / others	—	(5,00,000)
Dividend / Income from trade investments	14,51,875	12,62,500
Net Cash flow from Investing Activities (B)	(96,22,54,038)	(99,56,95,702)
(C) Cash flow from financing activities :		
Proceeds of long-term borrowing	(9,65,25,000)	(21,60,45,000)
Proceeds of short-term borrowing	(21,94,70,000)	5,51,90,000
Interest paid	(8,33,65,894)	(9,47,12,087)
Dividend paid (Including Tax thereon)	(4,62,46,704)	(4,62,46,704)
Net Cash flow from Financing Activities (C)	(44,56,07,598)	(30,18,13,791)
Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	85,18,35,918	(14,08,32,843)
Cash and Cash equivalents as at 01-04-2014	210,86,24,636	224,94,57,479
Cash and Cash equivalents as at 31-03-2015 (excluding unrealised exchange fluctuation gain)	296,04,60,554	210,86,24,636

As per our separate report of even date.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Aparna G. Lambore
Company Secretary

Place : Pune
Date : 6th May, 2015

Prasan Firodia

Managing Director

Sudhir Mehta

Director

Sanjay Bohra

Chief Financial Officer

Place : Pune
Date : 6th May, 2015

Notes to Financial Statements for the year ended 31st March, 2015.
1. ACCOUNTING POLICIES
A. Depreciation :
(a) Tangible Assets :

The Depreciation on Fixed assets is provided as per the Schedule-II to the Companies Act, 2013.

(b) Intangible Assets :

- (i) Software and their implementation costs are written off over the period of 5 years.
- (ii) Technical Know-how acquired and internally generated are amortized over the useful life of the assets, not exceeding 10 years.

(c) Leasehold land is amortized over the period of lease.
B. Investments (Long Term) :

Investments (Long Term) are valued at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of investments.

C. Valuation of Inventory :

Inventories are valued at lower of their cost or net realisable value. The cost of raw materials, stores and consumables is measured on moving weighted average basis.

D. Employees Retirement Benefit :

The accruing liability of Gratuity is covered by Employees Group Gratuity Scheme of Life Insurance Corporation of India (LIC) and the premium is accounted for in the year of accrual. The additional liability, if any, due to deficit in the Plan assets managed by LIC as compared to the present value of accrued liability on the basis of actuarial valuation, is recognised and provided for.

Benefits in respect of leave encashable at retirement / cessation are provided for, based on valuation, as at the Balance Sheet date, made by independent actuaries.

E. Research and Development Expenses :

Revenue expenditure on Research and Development is charged off as an expense in the year in which incurred and capital expenditure is grouped with Fixed Assets under appropriate heads and depreciation is provided as per rates applicable.

F. Foreign Currency Transactions :

- (a) Foreign Currency transactions are recorded at the rate of exchange on the date of the transaction.
- (b) Monetary items of Assets and Liabilities booked in foreign currency are translated into rupee at the exchange rate prevailing at the Balance Sheet date.
- (c) Exchange difference resulting from settlement of such transaction and from translation of monetary items of Assets and Liabilities are recognised in the Statement of Profit and Loss.
- (d) The premium or discounts arising on Forward Contracts is amortized over the life of the Contract.
- (e) Exchange difference arising on translation of foreign currency liabilities for acquisition of fixed assets are adjusted to the Statement of Profit and Loss.

G. Cost of borrowings incurred for acquisition, construction or production of qualifying asset is capitalised as per Accounting Standard (AS 16) the Companies (Accounting Standard) Rules, 2006.
H. Leases :
(a) Where the Company is the Lessee :

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 recognised as an expense in the Statement of Profit and Loss.

(b) Where the Company is the Lessor :

Assets subject to operating leases are included in fixed assets, lease income is recognised in the Statement of Profit and Loss. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

I. Incentives :

Incentives receivable / received are disclosed as "Other Income", in the Financial Statements.

2. SHARE CAPITAL

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Authorised Share Capital :		
2,00,00,000 (2,00,00,000) Shares of ₹10 each	20,00,00,000	20,00,00,000
Issued Share Capital :		
1,32,13,802 (1,32,13,802) Equity Shares of ₹10 each	13,21,38,020	13,21,38,020
Subscribed and paid-up Share Capital :		
1,31,76,262 (1,31,76,262) Equity Shares of ₹10 each fully paid up	13,17,62,620	13,17,62,620

[of the above **2,00,918** (2,00,918) Equity Shares are allotted as fully paid shares pursuant to a contract without payment being received in cash and **57,29,934** (57,29,934) Equity Shares are allotted as fully paid Bonus Shares by capitalisation of reserves]

[These allotments were made before earlier financial year and not in the period of five years preceding 31st March, 2015 or 31st March, 2014]

Add : Amount paid on Forfeited Shares	27,763	27,763
Total	13,17,90,383	13,17,90,383

Note : Offer on Right basis for **17,932** (17,932) Equity Shares of ₹ 10 each is kept in abeyance as per the provisions of Section 126 of the Companies Act, 2013.

- (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
Equity Shares of ₹ 10 each.

	31st March, 2015		31st March, 2014	
	No.	₹	No.	₹
At the beginning of the period	1,31,76,262	13,17,62,620	1,31,76,262	13,17,62,620
Issued / Reduced during the period	--	--	--	--
Outstanding at the end of the period	1,31,76,262	13,17,62,620	1,31,76,262	13,17,62,620

(b) Terms/rights attached to equity shares :

The Company has issued equity shares. All equity shares issued rank pari passu in respect of distribution of dividend and repayment of capital. 1,30,32,914 equity shares are quoted equity shares with no restriction on transfer of shares. 27,600 equity shares are 'A' equity shares which are transferrable only to permanent employees of the Company. 1,15,748 equity shares are Second 'A' equity shares which are transferrable to permanent employees, who have put in five years of service with the Company.

- (c) The Board of Directors has recommended a dividend of ₹ 5 (₹ 3) per share on **1,31,76,262** (1,31,76,262) equity shares of ₹10 each fully paid up.
- (d) In the event of liquidation of the Company, the holders of equity shares 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.
- (e) **Shares held by holding/ultimate holding company and/or their subsidiaries/associates**
- (i) The Company is a subsidiary of Jaya Hind Investments Private Limited, which holds **55.92%** (51.98%) **73,68,697** (68,48,497) shares in the Company.
- (ii) Jaya Hind Industries Limited, being associate company of Jaya Hind Investments Private Limited, holds **0.08%** (0.08%) **10,909** (10,909) shares in the Company.

(f) Details of shareholders holding more than 5% of paid up equity share capital.

	31st March, 2015		31st March, 2014	
	No. of Equity Shares of ₹ 10 each fully paid	% of holding of equity capital	No. of Equity Shares of ₹ 10 each fully paid	% of holding of equity capital
(i) Jaya Hind Investments Private Limited	73,68,697	55.92	68,48,497	51.98
(ii) Bajaj Holdings & Investment Limited	--	--	25,66,661	19.48

3. RESERVES AND SURPLUS

		As at 31st March, 2015	As at 31st March, 2014
	₹	₹	₹
(a) Capital Reserve		25,00,000	25,00,000
(b) Securities Premium		59,19,77,215	59,19,77,215
(c) General Reserve			
Balance as per the last Financial Statements		346,28,79,318	338,51,85,037
Add : Transferred from surplus		—	7,76,94,281
Closing Balance		346,28,79,318	346,28,79,318
(d) Surplus			
Balance as per last Financial Statements	807,10,44,173		741,80,42,355
Profit for the year	101,36,27,237		77,69,42,803
		908,46,71,410	819,49,85,158
Less : Appropriations			
- WDV of Asset (Net of tax) as per Note 7 (b) of Schedule II to the Companies Act, 2013.	2,57,22,725		--
- Proposed Equity Dividend	6,58,81,310		3,95,28,786
- Tax on proposed Equity Dividend	1,34,11,855		67,17,918
- Transfer to General Reserve	--		7,76,94,281
Total Appropriations		10,50,15,890	12,39,40,985
Net Surplus		897,96,55,520	807,10,44,173
Reserves and Surplus	Total	1303,70,12,053	1212,84,00,706

Securities Premium represents premium received on issue of Equity Shares.

4. LONG-TERM BORROWINGS

	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
Deposits (Unsecured)	10,73,00,000	20,38,25,000
Total	10,73,00,000	20,38,25,000

Deposits accepted by the Company are for a period ranging between 1 to 3 years from the date of acceptance of each deposits.

5. DEFERRED TAX LIABILITIES (NET)

(Refer Note No. 40)

	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
Deferred Tax Liabilities	60,25,26,389	40,25,80,253
Less : Deferred Tax Assets	33,63,92,817	33,63,92,817
Net Deferred Tax Liabilities	Total	26,61,33,572
		6,61,87,436

6. OTHER LONG-TERM LIABILITIES

	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
Deposits received from lessee	3,96,00,000	3,96,00,000
Total	3,96,00,000	3,96,00,000

7. LONG-TERM PROVISIONS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Provision for Employee Benefits (Refer Note No. 37)	18,63,34,996	19,70,22,131
(b) Provision for Product Warranties and Service Charges (Refer Note No. 39)	58,23,124	95,92,512
Total	<u>19,21,58,120</u>	<u>20,66,14,643</u>

8. OTHER CURRENT LIABILITIES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Deposits (unsecured)	10,06,10,000	32,15,40,000
(b) Deposits matured but not claimed (unsecured)	49,65,000	35,05,000
(c) Interest accrued but not due on Fixed Deposits	1,51,49,307	3,29,87,213
(d) Interest accrued and due on unclaimed deposits	5,25,819	3,72,964
(e) Creditors for Capital goods	74,22,17,182	54,68,86,412
(f) Advances and deposits against orders	33,48,85,820	44,12,25,773
(g) Unclaimed dividend	34,01,678	10,61,193
(h) Statutory Dues	37,77,52,973	28,83,81,869
(i) Other payables	3,73,57,970	5,30,77,065
Total	<u>161,68,65,749</u>	<u>168,90,37,489</u>

Deposits accepted by the Company are for a period ranging between 1 to 3 years from the date of acceptance of each deposits.

9. SHORT-TERM PROVISIONS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Provisions for Employee Benefits (Refer Note No. 37)	19,54,73,539	14,14,12,576
(b) Provision for Product Warranties & Service Charges (Refer Note No. 39)	12,28,54,097	6,62,10,388
(c) Provision for Taxation :		
Taxation provision for the earlier years	23,11,25,992	207,47,47,305
Taxation provision for the year	21,31,91,333	13,29,30,000
	<u>44,43,17,325</u>	<u>220,76,77,305</u>
Less : (i) Advance payment of tax	56,75,24,083	227,00,51,703
(ii) MAT Credit Entitlement	58,82,50,660	34,75,07,010
[Contra Refer Note 17-d]	<u>(71,14,57,418)</u>	<u>(40,98,81,408)</u>
(d) Provision for proposed Equity Dividend	6,58,81,310	3,95,28,786
(e) Provision for Tax on Distributed Profit	1,34,11,855	67,17,918
	<u>7,92,93,165</u>	<u>4,62,46,704</u>
Total	<u>39,76,20,801</u>	<u>25,38,69,668</u>

10. TANGIBLE ASSETS

Fixed Assets	Land		Buildings	Plant, Machinery & Equipments	Furniture & Fixtures	Vehicles	Office Equipment	Others (Aircraft)	Total	Previous Year Total
	Freehold	Leasehold								
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Block As at 31st March, 2014	7,94,12,385	\$ 1,60,53,256	* @ \$ 115,03,49,366	1167,54,34,588	9,02,90,898	30,69,46,645	5,44,70,179	144,80,55,156	1482,10,12,473	1392,25,19,064
Additions	--	15,58,18,291	9,66,41,237	35,80,05,305	1,25,30,801	3,04,64,786	78,69,337	--	66,13,29,757	120,58,00,971
Disposals	--	--	--	15,00,368	3,73,169	1,38,81,115	8,35,549	--	1,65,90,201	30,73,07,562
As at 31st March, 2015	7,94,12,385	17,18,71,547	124,69,90,603	1203,19,39,525	10,24,48,530	32,35,30,316	6,15,03,967	144,80,55,156	1546,57,52,029	1482,10,12,473
Depreciation As at 31st March, 2014	--	32,30,815	42,77,93,170	758,10,51,855	5,69,76,932	14,96,84,692	3,75,56,853	16,49,49,323	842,12,43,640	775,82,24,644
Transfer to Retained earnings #	--	--	1,66,91,367	1,76,83,721	14,68,844	21,56,038	9,67,952	--	3,89,67,922	--
For the Year	--	** 18,14,024	7,00,84,969	59,94,69,257	69,28,962	2,78,72,837	64,16,257	6,41,68,784	77,67,55,090	81,94,70,657
Disposals	--	--	--	6,76,817	1,55,007	1,21,49,281	6,28,069	--	1,36,09,174	15,64,51,661
As at 31st March, 2015	--	50,44,839	51,45,69,506	819,75,28,016	6,52,19,731	16,75,64,286	4,43,12,993	22,91,18,107	922,33,57,478	842,12,43,640
Net Block As at 31st March, 2014	7,94,12,385	1,28,22,441	72,25,56,196	409,43,82,733	3,33,13,966	15,72,61,953	1,69,13,326	128,31,05,833	639,97,68,833	616,42,94,420
Net Block As at 31st March, 2015	7,94,12,385	16,68,26,708	73,24,21,097	383,44,11,509	3,72,28,799	15,59,66,030	1,71,90,974	121,89,37,049	624,23,94,551	639,97,68,833

Notes :

* Includes office premises on ownership basis ₹ 5,00,000/-

@ Certain Buildings completed are capitalised - pending finalisation of Contractors' bills, adjustment in cost, if any required, will be carried out during the financial year in which the same is finalized.

** Amortisation charges for one year in respect of leasehold land.

\$ Assets given on lease are included herein and are detailed in separate Note No. 36.

WDV of Assets transferred to retained earnings as per Note 7 (b) of Schedule II to the Companies Act, 2013.

As per our separate report of even date.

For **M/s. P. G. Bhagwat**

[FRN : 101118W]

Chartered Accountants

Prasan Firodia

Managing Director

Sudhir Mehta

Director

Aparna G. Lambore

Company Secretary

Sanjay Bohra

Chief Financial Officer

S. S. AthavalePartner
Membership No. 83374

Place : Pune

Date : 6th May, 2015

Place : Pune

Date : 6th May, 2015

11. INTANGIBLE ASSETS

Fixed Assets	Software	Technical Know-how acquired on or after 1-4-2003	Technical Know-how acquired upto 1-4-2003	Technical Know-how internally generated	Total	Previous Year Total
	₹	₹	₹	₹	₹	₹
Gross Block						
As at 31st March, 2014	13,69,29,600	20,85,05,354	8,22,00,834	9,23,39,718	51,99,75,506	50,94,78,720
Additions	5,62,54,915	7,98,00,000	--	--	13,60,54,915	1,04,96,786
Disposals	--	--	--	--	--	--
As at 31st March, 2015	19,31,84,515	28,83,05,354	8,22,00,834	9,23,39,718	65,60,30,421	51,99,75,506
Amortization						
As at 31st March, 2014	11,04,43,642	20,18,24,152	8,22,00,834	9,23,39,718	48,68,08,346	45,78,94,079
For the Year *	1,87,73,775	1,73,14,475	--	--	3,60,88,251	2,89,14,267
Deductions	--	--	--	--	--	--
As at 31st March, 2015	12,92,17,417	21,91,38,627	8,22,00,834	9,23,39,718	52,28,96,596	48,68,08,346
Net Block						
As at 31st March, 2014	2,64,85,958	66,81,202	--	--	3,31,67,160	5,15,84,641
Net Block						
As at 31st March, 2015	6,39,67,098	6,91,66,727	--	--	13,31,33,825	3,31,67,160
Useful Life	5 Years	6 Years	6 Years	6 Years		

Note :

* Amortisation Charges for one year

As per our separate report of even date.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Place : Pune
Date : 6th May, 2015

Aparna G. Lambore
Company Secretary

Prasan Firodia

Sudhir Mehta

Sanjay Bohra

Place : Pune
Date : 6th May, 2015

Managing Director

Director

Chief Financial Officer



12. NON-CURRENT INVESTMENTS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Trade Investments (Valued at cost)		
Unquoted		
8,80,200 (8,80,200) Equity Shares of ₹ 10 each, fully paid in Tempo Finance (West) Private Limited	88,56,854	88,56,854
25,000 (25,000) Equity Shares of ₹ 10 each, fully paid in Tempo Finance (North) Private Limited	2,50,000	2,50,000
1 (1) Equity Share of ₹ 10 each, fully paid in MAN Trucks India Private Limited	10	10
50,000 (50,000) equity share of ₹ 10 each, fully paid in Pithampur Auto Cluster Ltd.	5,00,000	5,00,000
Quoted		
3,15,625 (63,125) Equity Shares of ₹ 2 (₹ 10) each, fully paid in ICICI Bank Limited	26,96,250	26,96,250
(b) Other Investments (Valued at cost)		
Unquoted		
5 (5) Equity Shares of ₹ 50 each, fully paid in Mittal Tower Premises Co-Operative Society Limited.	250	250
Total	1,23,03,364	1,23,03,364

Aggregate amount of quoted investments :

	As on 31st March, 2015		As on 31st March, 2014	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Quoted	26,96,250	10,04,79,219	26,96,250	7,85,93,781
Unquoted	96,07,114	--	96,07,114	--

13. LONG-TERM LOANS AND ADVANCES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Capital Advances (Unsecured)	88,96,18,003	65,83,16,696
Considered Good		
(b) Security Deposits (Unsecured)	10,97,43,193	10,39,04,415
Considered Good		
(c) Other Loans & Advances (Unsecured)		
Considered Good	3,11,000	4,84,738
Considered Doubtful	9,53,576	9,90,083
	12,64,576	14,74,821
Less : Provision for doubtful advances	9,53,576	9,90,083
	3,11,000	4,84,738
Total	99,96,72,196	76,27,05,849

14. INVENTORIES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Raw Materials and Components [Includes in transit ₹ 56,69,39,997 (₹ 37,81,95,874)]	216,19,56,400	199,49,76,404
(b) Finished Goods (Refer Note 22)	107,47,87,393	94,48,51,577
(c) Work-in-progress (Refer Note 22)	48,69,49,961	55,56,38,748
(d) Excise Duty on Inventory of Finished Goods	15,02,85,993	10,31,67,672
(e) Stores and Spares	5,15,00,337	17,38,81,853
Total	392,54,80,084	377,25,16,254

Method of valuation is as stated in Note No. 1 C.

15. TRADE RECEIVABLES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Unsecured		
(a) Outstanding for a period exceeding six months from the date they are due for payment		
- Considered Good	6,84,51,003	11,11,55,763
- Considered Doubtful	--	--
	6,84,51,003	11,11,55,763
- Less : Provision for doubtful receivables	--	--
	6,84,51,003	11,11,55,763
(b) Other receivables		
- Considered Good	101,83,52,595	123,96,87,457
Total	108,68,03,598	135,08,43,220



16. CASH AND BANK BALANCES

	₹	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Cash and Cash equivalents			
(i) Balance with Banks	295,97,16,335		208,54,35,063
(ii) Cheques / Drafts on hand	--		2,22,64,780
(iii) Cash on hand	7,24,894		6,45,956
		296,04,41,229	210,83,45,799
(b) Other bank balances			
(i) Unpaid dividend account	34,01,678		10,61,193
(ii) Margin money deposit	6,65,00,000		5,15,00,000
		6,99,01,678	5,25,61,193
Total		303,03,42,907	216,09,06,992

17. SHORT-TERM LOANS AND ADVANCES

	₹	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Unsecured			
(a) Security Deposits			
Considered Good		47,05,214	45,31,157
(b) Advances recoverable in cash or kind			
Considered Good	111,82,17,229		72,57,46,826
Considered Doubtful	1,08,13,700		1,08,13,700
	112,90,30,929		73,65,60,526
Less : Provision for doubtful advances	1,08,13,700		1,08,13,700
		111,82,17,229	72,57,46,826
(c) Other Loans & Advances			
Considered Good		1,22,15,427	98,30,918
(d) Others			
(i) Advance Income-tax	12,32,06,758		6,23,74,398
(ii) MAT Credit Entitlement (net of provision for taxation) [Contra - Refer Note 9-C]	58,82,50,660		34,75,07,010
		71,14,57,418	40,98,81,408
Total		184,65,95,288	114,99,90,309

18. OTHER CURRENT ASSETS

		As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Unsecured, considered good			
Interest accrued on deposits with Banks		4,25,39,440	1,88,09,223
Total		4,25,39,440	1,88,09,223

19. REVENUE FROM OPERATIONS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Revenue from operations		
Sale of products	2610,30,61,842	2275,50,27,936
(b) Other operating revenue		
(i) Service Charges	1,34,95,958	13,70,573
(ii) Others	27,24,62,460	25,49,79,207
Revenue from operations (Gross)	2638,90,20,260	2301,13,77,716
Less : Excise Duty / Service Tax	275,17,94,930	279,51,10,531
Revenue from operations (Net)	Total 2363,72,25,330	2021,62,67,185

DETAILS OF PRODUCTS SOLD

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
- Automobiles	1797,34,81,327	1650,18,96,089
- Auto Components	792,45,32,256	615,88,30,541
- Moulds, Dies, Press Tools, Jigs & Fixtures	20,50,48,259	9,43,01,306
Total	2610,30,61,842	2275,50,27,936

20. OTHER INCOME

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Interest Income	24,63,09,426	19,75,60,234
(b) Dividend Income	14,51,875	12,62,500
(c) Net gain on foreign currency translation and transaction (other than considered as finance cost)	13,05,29,092	--
(d) Industrial Promotion Incentive	20,73,01,099	29,15,86,018
(e) Lease Rent received	4,55,41,201	4,33,20,484
(f) Profit on sale of assets	13,76,235	3,42,36,391
(g) Others	2,52,54,788	3,13,84,879
Total	65,77,63,716	59,93,50,506

21. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Steel and other metals	116,76,29,649	94,61,62,696
(b) Castings and Forgings	64,36,03,184	63,30,75,758
(c) Components	1466,03,23,941	1256,14,45,873
Total	1647,15,56,774	1414,06,84,327

22. (INCREASE) / DECREASE IN INVENTORIES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹	(Increase) / Decrease ₹
(a) Inventories at the end of the year			
(i) Finished Goods	107,47,87,393	94,48,51,577	(12,99,35,816)
(ii) Work-in-progress	48,69,49,961	55,56,38,748	6,86,88,787
Total	156,17,37,354	150,04,90,325	(6,12,47,029)
(b) Inventories at the beginning of the year			
(i) Finished Goods	94,48,51,577	98,55,49,934	4,06,98,357
(ii) Work-in-progress	55,56,38,748	53,46,57,870	(2,09,80,878)
Total	150,04,90,325	152,02,07,804	1,97,17,479

DETAILS OF INVENTORY

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Finished Goods		
(i) On-road automobiles	68,59,24,228	72,09,66,200
(ii) Tractors	17,48,29,617	6,06,31,881
(iii) Engines	67,230	1,29,712
(iv) Others	21,39,66,318	16,31,23,784
Total	107,47,87,393	94,48,51,577
Work-in-progress		
(i) On-road automobiles	1,40,37,442	10,47,21,303
(ii) Engines	8,73,30,728	6,18,30,688
(iii) Others	38,55,81,791	38,90,86,757
Total	48,69,49,961	55,56,38,748

23. EMPLOYEE BENEFIT EXPENSE

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Salaries, Wages, Bonus, etc.	246,99,17,283	218,71,50,898
(b) Contribution to provident, other funds and schemes	20,66,81,421	12,71,58,029
(c) Staff welfare expenses	10,07,49,631	9,12,87,850
Total	277,73,48,335	240,55,96,777

24. FINANCE COSTS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Interest	5,99,66,083	8,77,30,668
(b) Other borrowing cost	55,61,904	40,92,922
Total	6,55,27,987	9,18,23,590

25. DEPRECIATION AND AMORTIZATION EXPENSE

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Depreciation of tangible assets	77,67,55,091	81,94,70,657
(b) Amortization of intangible assets	3,60,88,251	2,89,14,267
Total	81,28,43,342	84,83,84,924

26. OTHER EXPENSES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Consumption of stores and spares	74,02,09,751	70,88,89,472
(b) Fabrication and Processing Charges	7,30,92,611	8,21,00,631
(c) Power and Fuel	38,97,83,407	37,94,34,703
(d) Forwarding Charges	26,47,64,282	24,26,87,034
(e) Rent	1,67,42,588	1,14,18,642
(f) Rates and Taxes	10,57,45,244	8,00,20,750
(g) Insurance	5,35,89,149	4,77,44,145
(h) Repairs and Maintenance :		
(i) Plant and Machinery	12,02,16,174	8,73,14,277
(ii) Buildings	6,55,23,560	3,47,34,194
(iii) Others	2,48,57,080	3,02,30,735
(i) Publicity and sales promotion	53,03,22,508	33,16,40,184
(j) Payments to Auditors (Refer details below)	20,88,229	21,04,281
(k) Prior year expenses	53,65,281	34,95,186
(l) Loss on Exchange Fluctuation (Net)	—	4,72,98,435
(m) Donation	10,00,000	1,44,000
(n) Miscellaneous Expenses	77,75,20,823	75,79,66,596
Total	317,08,20,687	284,72,23,265

Payments to Auditors

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Audit Fees	16,00,000	16,00,000
(b) Tax Audit Fees	1,00,000	1,00,000
(c) Certification work	3,38,896	3,25,000
(d) Provident Fund Audit fees paid to Associate of Statutory Auditor	--	15,000
(e) Reimbursement of expenses	49,333	64,281
Total	20,88,229	21,04,281

27. EARNINGS PER SHARE (EPS)

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Values used in calculating Earnings Per Share (Basic & Diluted)		
(a) Numerator		
Profit / (Loss) after tax	101,36,27,237	77,69,42,803
(b) Denominator		
Number of Equity Shares	1,31,76,262	1,31,76,262
Weighted average number of Equity Shares	1,31,76,262	1,31,76,262

28. CONTINGENT LIABILITIES AND COMMITMENTS
(to the extent not provided for)

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Contingent Liabilities		
(i) Taxes & Duties	46,73,90,719	29,66,45,603
(ii) Others (Court cases pending)	32,94,43,302	29,19,19,172
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	76,42,58,903	77,94,02,336
(c) As reported earlier, a foreign company has initiated legal proceedings in a foreign court, in respect of notional and unfounded claims for damages, without there being any enforceable agreement, relating to export business. The Company has obtained opinion from a Senior Counsel, in respect of these alleged claims against the Company. The Company has been advised that such notional / unfounded claims are not as per the applicable law nor these claims, if any, can be enforced in the Court of Law in India. This information is being disclosed as per the provisions of Schedule III to the Companies Act, 2013, only to indicate the alleged claims made against the Company and the developments in respect thereof. Moreover, considering the period lapsed, since the conclusion of the said legal proceedings, the Company does not expect any impact of this litigation on its financial position.		

29. As of 31st March, 2015, the Company has not received any intimation, except in few cases, as to the status as Micro, Small or Medium Enterprises from suppliers of the Company along with a copy of the Memorandum, filed by the said suppliers, as per the provisions of Section 8 of the Micro, Small & Medium Enterprises Development Act, 2006 (**the Act**). The proceedings initiated by one of the suppliers, claiming to be a small scale enterprise, as per the provisions of Section 18 of the Act, culminated into an award of claim for ₹ 1,56,61,877 with interest. The Company has not accepted the said liability. The Company has a major counter-claim against the said supplier amounting to about ₹ 9,06,40,899, which being unearned income, is not accounted. The award is challenged by the Company, as per the provisions of the Act and proceedings are pending before the Hon'ble District Judge, Pune, and before the Hon'ble High Court of Judicature at Bombay.

30. IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMPTION

	₹		Percentage	
	31-03-2015	31-03-2014	31-03-2015	31-03-2014
(a) Imported	498,26,41,578	417,99,95,394	30.25	29.56
(b) Indigenous	1148,89,15,196	996,06,88,933	69.75	70.44
Total	1647,15,56,774	1414,06,84,327	100.00	100.00

**31. C.I.F. VALUE OF IMPORTS, EXPENDITURE & EARNINGS
IN FOREIGN EXCHANGE**

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) C. I. F. Value of Imports		
(i) Raw Materials	5,81,35,573	10,64,33,490
(ii) Components	513,66,78,078	363,66,30,259
(iii) Capital Goods	5,24,38,194	13,22,12,921
(iv) Machinery Spares, Tools & Others	3,96,44,795	3,47,92,013
(b) Expenditure in Foreign Currency :		
(i) Travelling and Other expenses	2,20,77,844	2,55,23,619
(ii) Royalty and Technical know-how fees (net of tax)	57,58,052	80,70,135
(iii) Technical services and consultation fees (net of tax)	1,26,39,593	2,59,11,527
(c) Earnings in Foreign Currency :		
Exports on FOB basis	55,60,70,069	49,16,90,309

32. REMITTANCE OF DIVIDEND IN FOREIGN CURRENCY

(a) Number of Non-resident shareholders (7 NRI and 5 Foreign Nationals)	(Nos)	12	14
(b) Number of shares held	(Nos)	1,14,379	1,15,643
(c) Amount of dividend remitted (net of taxes)	(₹)	3,43,137	3,46,929
(d) Accounting year to which dividend relates		2013-14	2012-13

33. The amount of net exchange differences included in the Profit / Loss for the year on Revenue account is ₹ 13,02,67,935 Credit (₹ 3,94,14,600 Debit) and on Capital account is ₹ 2,61,157 Credit (₹ 78,83,835 Debit).

**34. THE COMPANY'S EXPENDITURE ON ITS RESEARCH & DEVELOPMENT
ACTIVITY DURING THE YEAR UNDER REPORT WAS AS FOLLOWS**

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Capital Expenditure	13,01,04,220	47,26,66,591
(b) Revenue Expenditure	52,32,49,935	42,54,72,952

The above expenditure is grouped with other non-R&D expenditure under various heads of Capital and Revenue expenditure.

**35. THE COMPANY'S LIABILITIES AND OBLIGATIONS IN FOREIGN CURRENCY OUTSTANDING AS AT
31ST MARCH, 2015, NET OF RECEIVABLES ARE AS UNDER**

	Hedged by forward cover contracts with bankers		Not hedged by forward cover contracts or other derivative Instruments	
	Foreign Currency	Amount ₹	Foreign Currency	Amount ₹
(a) In US Dollar	-- (--)	-- (--)	-- (--)	-- (--)
(b) In Euro	-- (--)	-- (--)	4,37,076 (1,84,026)	2,99,04,727 (1,52,24,054)
(c) In Japanese Yen	-- (--)	-- (--)	15,47,18,900 (--)	8,14,28,557 (--)
(d) In G. B. Pounds	-- (--)	-- (--)	12,000 (--)	11,21,880 (--)

36. LEASES**Operating Leases :****(a) Assets taken on Lease :**

The Company has taken 10 vehicles on operating lease for a period of 4 years.

Lease rentals are recognised in the Statement of Profit and Loss.

(b) Assets given on Lease :**(i) Industrial Shed at Chakan :**

The Company has entered into a Lease Agreement for Industrial Shed for a period of 10 years.

The said agreement provides for progressive increase in rentals during the tenure of the agreement.

The Lessee is entitled to terminate the Lease Agreement after the expiry of 60th month from the date of agreement. The Lessor is also entitled to terminate the Lease Agreement, if the Lessee defaults the terms and conditions of the Lease Agreement.

The Lease income has been recognised in Statement of Profit and Loss.

Category	Gross carrying amount of the portion of assets leased, disclosed in Note No. 10	Accumulated Depreciation	Depreciation recognised in Statement of Profit & Loss
	₹	₹	₹
(1) Freehold Land	23,02,671 (23,02,671)	-- (--)	-- (--)
(2) Building	7,71,03,623 (7,71,03,623)	1,16,85,228 (92,16,795)	24,68,432 (25,81,574)
(3) Plant & Machinery	1,83,04,544 (1,83,04,544)	66,13,712 (51,14,008)	14,99,704 (14,38,891)

The future minimum lease rentals :

(a) Less than one year	₹	4,55,40,000 (4,55,40,000)
(b) Later than one year but not later than five years	₹	21,18,32,160 (20,00,91,375)
(c) Later than five years	₹	2,25,84,996 (7,98,65,781)

On termination of lease, due to exercise of the option by the Lessee, at the end of 60 months, the Lessee shall be liable to pay a sum of ₹ 2,00,00,000.

(ii) Freehold land at Akurdi :

Out of the freehold land at Akurdi;

- 2700 sq. mtrs. (cost ₹ 1,374) of land has been given on lease to Maharashtra State Electricity Distribution Company Limited for 99 years, w.e.f. 1st August, 1989. Lease rentals are recognised in the Statement of Profit and Loss.
- 19,000 sq. mtrs. (cost ₹ 9,669) of land has been given on lease to Navalmal Firodia Memorial Hospital Trust for 25 years, w.e.f. 12th August, 2014. Lease rentals are recognised in the Statement of Profit and Loss.

37. DISCLOSURE AS PER ACCOUNTING STANDARD 15 (REVISED) IS AS UNDER

	Gratuity ₹		Leave Entitlement ₹	
	31st March		31st March	
	2015	2014	2015	2014
(A) Amount to be recognised in Balance Sheet				
(i) Present Value of Obligation	42,31,40,687	40,48,17,171	23,06,11,622	19,70,33,452
(a) Current Liability	14,95,78,756	9,90,18,019	4,42,76,626	4,15,85,243
(b) Non-current Liability	27,35,61,931	30,57,99,152	18,63,34,996	15,54,48,209
(ii) Funded Status	27,35,61,931	26,42,25,230	—	—
(iii) Net Asset / (Liability) recognised in Balance Sheet	(14,95,78,756)	(14,05,91,941)	(23,06,11,622)	(19,70,33,452)
(B) Expense recognised in the Statement of Profit & Loss at the end				
(i) Current Service Cost	3,02,26,928	2,69,02,657	2,82,76,496	2,45,76,448
(ii) Interest Cost	3,39,66,078	3,24,90,140	1,71,18,496	1,60,69,728
(iii) Expected Return on Plan Assets	(2,24,62,058)	(2,10,26,592)	—	—
(iv) Net actuarial (gain) / loss recognised in the year	1,53,51,016	(4,45,21,420)	60,19,396	(3,31,41,860)
(v) Expenses recognised in the Statement of Profit and Loss	5,70,81,964	(61,55,215)	5,14,14,388	75,04,316
(C) Present value of obligation as at the end				
(i) Present value of obligation as at the beginning	40,48,17,171	43,50,46,574	19,70,33,452	21,22,14,067
(ii) Interest Cost	3,39,66,078	3,24,90,140	1,71,18,496	1,60,69,728
(iii) Current Service Cost	3,02,26,928	2,69,02,657	2,82,76,496	2,45,76,448
(iv) Benefits paid	(6,31,27,137)	(5,78,39,656)	(1,78,36,218)	(2,26,84,931)
(v) Actuarial (gain) / loss on obligation	1,72,57,647	(3,17,82,544)	60,19,396	(3,31,41,860)
(vi) Present value of obligation as at the end	42,31,40,687	40,48,17,171	23,06,11,622	19,70,33,452
(D) Actuarial Assumptions :				
(i) Discount Rate	7.80%	9.10%	7.80%	9.10%
(ii) Salary escalation rate	10.00%	10.00%	10.00%	10.00%
(iii) Rate of Return on Plan Assets	8.75%	8.75%	—	—
(iv) Mortality Rate	As per standard table of LIC (1994-95)			

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

The Liability for Earned Leave, for Temporary Employees (short term) has been provided on actual basis, amounting to ₹ 16,18,157 (₹ 6,23,220).

38. RELATED PARTY DISCLOSURES (As identified by the Management)**(A) Name of the related parties and nature of related party relationship where control exists are as under :**

- (a) Subsidiary Company : Tempo Finance (West) Private Limited
 (b) Key Management : Mr. Abhaykumar Firodia, Chairman.
 Personnel : Mr. Prasan Firodia, Managing Director
 (c) Relatives of Key Management Personnel
 (i) Mr. Abhaykumar Firodia : Mr. Prasan Firodia : Son
 (ii) Mr. Prasan Firodia : Mr. Abhaykumar Firodia : Father
 (d) Other related parties : Jaya Hind Industries Ltd.
 : Jaya Hind Investments Pvt. Ltd.
 : Jaya Hind Montupet Pvt. Ltd.

(B) Disclosure of Transactions with these parties are mentioned below :

Type of Related party	Nature of Transaction	Volume of Transactions during 2014-15	Amount outstanding as on 31st March, 2015	
			Receivables	Payables
		₹	₹	₹
(a) Key Management Personnel :	Managerial Remuneration / Sitting Fees	78,89,007 (33,78,078)	-- (--)	1,20,000 (24,000)
(b) Other Related Parties				
(i) Jaya Hind Industries Ltd. :	Purchase of Capital Goods	7,00,088 (5,72,61,618)		
	: Sale of Capital Goods	2,40,939 (--)		
	: Purchase of Raw Materials, Components & Others	74,33,85,665 (62,19,71,771)		
	: Sundry Sales	3,67,63,364 (1,73,16,413)		
	: Charges towards I. T. Support Services (Net)	33,32,504 (--)		
	: Processing Charges recovered	26,92,637 (9,83,473)	51,13,71,631 (46,76,65,407)	10,44,56,364 (3,62,88,063)
	: Material given on Loan	1,32,411 (2,28,005)		
	: Machinery given on Loan	4,12,231 (2,62,22,440)		
	: Expenses recovered	3,39,68,117 (3,15,26,893)		
	: Expenses reimbursed	23,58,660 (17,91,554)		
(ii) Jaya Hind Montupet Pvt. Ltd.	: Sale of Capital Goods	7,21,359 (--)	5,92,308 (--)	-- (--)
	: Expenses recovered	5,31,176 (--)	-- (--)	-- (--)

39. Provisions made for present obligations, based on reliable estimates, expected to result into outflow of resources, are as under

Class of Provisions and brief description.	Carrying Amount of provisions as at 1st April, 2014	Additional provisions made during the year	Paid during the year against provisions	Amount reversed and written back	Carrying Amount of provisions as at 31st March, 2015
	₹	₹	₹	₹	₹
Warranty	2,92,16,598 (2,86,73,774)	7,84,69,162 (2,92,16,598)	2,92,16,598 (2,86,73,774)	-- (--)	7,84,69,162 (2,92,16,598)
Free Service Coupons	4,65,86,302 (2,54,36,411)	5,02,08,056 (4,65,86,302)	4,65,86,302 (2,54,36,411)	-- (--)	5,02,08,056 (4,65,86,302)

40. DETAILS OF DEFERRED TAX ASSETS / (LIABILITIES)

	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
A) Nature of Timing difference		
(i) Difference between accounting and tax depreciation (cumulative)	(69,39,45,916)	(66,09,30,262)
(ii) Other Timing differences	42,78,12,343	59,47,42,826
Total	(26,61,33,573)	(6,61,87,436)
B) Current Tax		
Current Tax (MAT)	26,34,31,620	13,19,80,000
Less : MAT Credit entitlement	26,34,31,620	13,19,80,000
Net Current Tax	—	—

41. The Consortium of Banks has sanctioned working capital limits - both fund based and non-fund based - to the Company. These limits are secured by hypothecation of Company's stock of raw materials, work-in-progress, finished goods, consumable stores, spares, bills receivable and book debts, both present and future, situated at Company's factories or at any other place.

The fund based limits, if utilised, are payable on demand to the Banks. During the year 2014-15, the Company has not utilised any fund based limits.

42. All amounts which became due, for transfer to the Credit of Investor Education and Protection Fund, as of 31st March, 2015, have been transferred to that fund, except a sum of ₹ 60,000 being amount of 5 (five) fixed deposits and interest thereon amounting to ₹ 25,051. In view of the directives received from the Government Authorities, these amounts are not transferred to the Fund, being involved in an investigation.

43. As per the Accounting Standard AS 26 - Intangible Assets, the Company has recognised Intangible Assets arising out of in-house Research and Development activities of the Company amounting to ₹ **6,07,27,190** (₹ 11,73,96,866), in the development phase of a new model Multipurpose Vehicles, Monocoque Bus (Project T2) and TD 2650 CRDI BS IV version of the SUV. As the development activity is continued, the said asset is considered as Capital Work-in-progress, and will be amortized over the period of its life, after completion of the development phase.

44. During the year under report the eligibility and method of availing, various incentives, granted by the Government of Madhya Pradesh, as per the Industrial Promotion Policy, being clarified, the Company recognised a sum of ₹ **20,73,01,099** (₹ 29,15,86,018) in the Statement of Profit & Loss as "Industrial Investment Promotion Assistance". These incentives are now accounted on accrual basis. These incentives are available as per the Industrial Promotion Policy of the Government of Madhya Pradesh, based on the investment made by the Company, in eligible assets, for eligible products, in the State of Madhya Pradesh. These incentives are monetary incentives.

45. The Company has spent ₹ 88,00,000 towards Corporate Social Responsibility (CSR) activities, which is included in "Miscellaneous Expenses" [Note No. 26 (n)] to the Notes to Account.

46. The Company is operating in a Single Segment.

47. Previous year/period's figures are re-arranged wherever necessary and shown in brackets.

As per our separate report of even date.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Place : Pune
Date : 6th May, 2015

Aparna G. Lambore
Company Secretary

Prasan Firodia

Sudhir Mehta

Sanjay Bohra

Managing Director

Director

Chief Financial Officer

Place : Pune
Date : 6th May, 2015

Form AOC - 1

Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

**Statement containing salient features of the Financial Statement of
subsidiaries / associate companies / joint ventures**

Part "A" : SUBSIDIARIES

1.	Sr. No.	1
2.	Name of the Subsidiary	Tempo Finance (West) Private Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as per the holding Company's reporting period
4.	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	N. A.
5.	Share Capital	₹ 1,32,51,000
6.	Reserves & Surplus	₹ 2,77,93,040
7.	Total Assets	₹ 4,10,57,669
8.	Total Liabilities	₹ 4,10,57,669
9.	Investments	—
10.	Turnover (Total Revenue)	₹ 38,10,694
11.	Profit before taxation	₹ 37,69,425
12.	Provision for taxation	₹ 11,64,480
13.	Profit after taxation	₹ 26,04,945
14.	Proposed Dividend	—
15.	% of Shareholding	66.43%

1.	Names of subsidiaries which are yet to commence operations	N. A.
2.	Names of subsidiaries which have been liquidated or sold during the year	N. A.

Part “B” : Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates / Joint Ventures	N.A.
1.	Latest Audited Balance Sheet date	N.A.
2.	Shares of Associate / Joint Ventures held by the Company on the year end.	N.A.
	a) No.	N.A.
	b) Amount of Investment in Associates / Joint Ventures	N.A.
	c) Extend of Holding %	N.A.
3.	Description of how there is significant influence	N.A.
4.	Reason why the Associate / Joint Venture is not consolidated	N.A.
5.	Networth attributable to Shareholding as per latest Audited Balance Sheet	N.A.
6.	Profit / Loss for the year	N.A.
	(i) Considered in Consolidation	N.A.
	(ii) Not considered in Consolidation	N.A.

1.	Names of Associates or Joint Ventures which are yet to commence operations	N.A.
2.	Names of Associates or Joint Ventures which have been liquidated or sold during the year	N.A.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Place : Pune
Date : 6th May, 2015

Aparna G. Lambore
Company Secretary

Prasan Firodia

Sudhir Mehta

Sanjay Bohra

Place : Pune
Date : 6th May, 2015

Managing Director

Director

Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORCE MOTORS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Force Motors Limited (herein referred to as **"the Holding Company"**) and its subsidiary (the Holding Company and its subsidiary together referred to as **"the Group"**), comprising of the consolidated Balance Sheet as at March 31, 2015, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as **"the consolidated financial statements"**).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act 2013 (hereinafter referred to as the **"the Act"**) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are responsible and prudent; and the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated 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, 2015 (**"the Order"**), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and the subsidiary company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 28 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses 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 Holding Company and its subsidiary company, subject to Note No. 39 in Notes to Financial Statements of the Holding Company.

For M/s. P. G. Bhagwat
Firms Registration Number : 101118W
Chartered Accountants

Place : Pune
Date : 6th May, 2015

Sanjay Athavale
Partner
Membership Number 83374

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our report of even date)

1. (a) The Group has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, considering the nature of the Fixed Assets, the same have been physically verified by the management at reasonable intervals during the year as per the verification plan adopted by the company, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us and the records produced to us for our verification, the discrepancies noticed during such physical verification were not material and the same have been properly dealt with in the books of account.
2. (a) The inventory has been physically verified during the year by the management, which, in our opinion, at reasonable intervals.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the Group is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stock and the book records.
3. The Group has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the Register maintained under Section 189 of the Companies Act, 2013, during the year.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Group and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
5. In our opinion and according to the information and explanations given to us, the Group has complied with the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 of the Companies Act 2013, and the rules framed thereunder, wherever applicable. As informed to us, no order has been passed against the Group by the Company Law Board, the National Company Law Tribunal, RBI, or any court or any tribunal.
6. The Group is maintaining cost records as prescribed under Section 148 (1) of the Companies Act, 2013. However, we have not verified the same for completeness or accuracy.

7. (a) According to the records of the Group, the Group is regular in depositing undisputed statutory dues with the appropriate authorities. There were no amounts payable in respect of the statutory dues outstanding, as at the Balance Sheet date for a period of more than six months from the date they became payable.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, ESI, Sale Tax, VAT, Income Tax, Customs duty, Wealth Tax, Service Tax, Excise Duty, Cess and any other statutory dues were outstanding, as at the balance sheet date for a period of more than six months from the date they became payable.

- (b) According to the records of the Group, there are no dues of Sales Tax, VAT, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Cess and Service Tax which have not been deposited on account of any dispute, except:

Name of the Statute	Amount (₹ Lakhs)	Forum
Customs Duty	0.80	Asst. Commissioner of Customs, Mumbai CESTAT, Mumbai
Sales Tax	467.68	Sr. Dy. Comm. of Sales Tax, Pune. Jt. Comm. of Sales Tax (Appeals) 1, Pune, Jt. Comm., Pune. Dy. Comm. (Appeals) III, Commercial Taxes, Jaipur, Dy. Comm. of Commercial Tax, (Coimbatore & Sitarampur), Dy. Comm., Commercial Tax, Ratlam, M.P. Commercial Tax Appellate Board, Bhopal, Additional Comm., Commercial Tax, Indore.
Excise Duty	495.88	Commissioner of Central Excise (Appeals) Pune - I Commissionerate, Pune, CESTAT, Western regional Bench, Mumbai, CESTAT, New Delhi and Comm. (Appeals), Bhopal.
Total	964.36	

- (c) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time, subject to Note No. 39 in Notes to Financial Statements of the Holding company.

8. The Group has no accumulated losses as on the Balance Sheet date. The Group has not incurred cash losses during the financial year covered by our audit nor during the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Group has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
10. As informed to us, the Group has not given any guarantee for loans taken by others from bank or financial institutions.
11. During the year, Term Loans have not been raised by the Group.

12. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Group has been noticed or reported during the course of our audit.

For M/s. P. G. Bhagwat
Firm's Registration Number : 101118W
Chartered Accountants

Place : Pune
Date : 6th May, 2015

Sanjay Athavale
Partner
Membership Number 83374

Consolidated Balance Sheet as at 31st March, 2015

Particulars	Note No.	₹	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
I EQUITY AND LIABILITIES :				
1. Shareholders' Funds				
(a) Share Capital	2	13,17,90,383		13,17,90,383
(b) Reserves and Surplus	3	1305,54,73,628		1214,51,31,942
			1318,72,64,011	1227,69,22,325
2. Minority Interest			1,37,80,465	1,29,05,859
3. Non-current Liabilities				
(a) Long-term Borrowings	4	10,73,00,000		20,38,25,000
(b) Deferred Tax Liabilities (Net)	5	26,61,33,572		6,61,87,436
(c) Other Long-term Liabilities	6	3,96,00,000		3,96,00,000
(d) Long-term Provisions	7	19,21,58,120		20,66,14,643
			60,51,91,692	51,62,27,079
4. Current Liabilities				
(a) Trade Payables		392,83,42,417		299,95,07,867
(b) Other Current Liabilities	8	161,68,79,379		168,90,77,579
(c) Short-term Provisions	9	39,76,20,801		25,38,69,668
			594,28,42,597	494,24,55,114
Total			1974,90,78,765	1774,85,10,377
II ASSETS :				
1. Non-current Assets				
(a) Fixed Assets				
(i) Tangible Assets	10	624,23,94,551		639,97,68,833
(ii) Intangible Assets	11	13,31,88,679		3,32,22,014
(iii) Capital Work-in-progress		174,54,94,847		143,14,30,460
(iv) Intangible Assets under development		65,20,62,995		62,63,09,054
			877,31,41,072	849,07,30,361
(b) Non-current Investments	12	34,46,510		34,46,510
(c) Long-term Loans and Advances	13	100,21,72,196		76,52,05,849
			100,56,18,706	76,86,52,359
2. Current Assets				
(a) Inventories	14	392,54,80,084		377,25,16,254
(b) Trade Receivables	15	108,68,03,598		135,08,43,220
(c) Cash and Bank Balances	16	306,78,81,340		219,60,17,434
(d) Short-term Loans and Advances	17	184,70,48,225		115,04,57,538
(e) Other Current Assets	18	4,31,05,740		1,92,93,211
			997,03,18,987	848,91,27,657
Total			1974,90,78,765	1774,85,10,377

Summary of Significant Accounting Policies 1

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Aparna G. Lambore
Company Secretary

Prasan Firodia

Managing Director

Sudhir Mehta

Director

Sanjay Bohra

Chief Financial Officer

Place : Pune
Date : 6th May, 2015

Place : Pune
Date : 6th May, 2015

Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

Particulars	Note No.	₹	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
III INCOME :				
(a) Revenue from Operations (Gross)	19	2639,27,21,873		2301,47,56,082
Less : Excise Duty / Service Tax		275,17,94,930		279,51,10,531
Revenue from Operations (Net)			2364,09,26,943	2021,96,45,551
(b) Other Income	20		65,78,72,797	59,93,50,506
(c) Total Revenue (a) + (b)			2429,87,99,740	2081,89,96,057
IV EXPENSES :				
(a) Cost of Raw Materials and Components consumed	21	1647,15,56,774		1414,06,84,327
(b) Change in Inventories of Finished Goods and Work-in-progress	22	(6,12,47,029)		1,97,17,479
(c) Employee Benefits expense	23	277,73,48,335		240,55,96,777
(d) Finance Costs	24	6,55,28,133		9,18,23,590
(e) Depreciation and Amortization expense	25	81,28,43,342		84,83,84,924
(f) Other expenses	26	317,08,61,810		284,72,60,647
		2323,68,91,365		2035,34,67,744
Less : Expenditure included in the above items capitalized		19,12,92,537		16,40,82,347
Total Expenses			2304,55,98,828	2018,93,85,397
V Profit before exceptional and extra-ordinary items and tax (III) - (IV)			125,32,00,912	62,96,10,660
VI Exceptional Items			--	--
VII Profit before extra-ordinary items and tax (V + VI)			125,32,00,912	62,96,10,660
VIII Extra-ordinary items			--	--
IX Profit Before Tax (VII - VIII)			125,32,00,912	62,96,10,660
X Tax Expenses :				
(a) Current Tax		11,65,000		10,35,000
(b) Deferred Tax		21,31,91,333		(15,30,82,063)
(c) Taxation Provision in respect of earlier years		2,26,12,397		24,08,936
Total Tax Expenses			23,69,68,730	(14,96,38,127)
XI Less : Profit for the year attributable to Minority Interest			8,74,606	7,74,230
XII Profit for the year			101,53,57,576	77,84,74,557
XIII Basic and Diluted Earnings per equity share	27		77.06	59.08
[Nominal value per share ₹ 10]				
Summary of Significant Accounting Policies.		1		

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Aparna G. Lambore
Company Secretary

Place : Pune
Date : 6th May, 2015

Prasan Firodia
Sudhir Mehta

Sanjay Bohra

Managing Director
Director

Chief Financial Officer

Place : Pune
Date : 6th May, 2015



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,		2015	2014
		₹	₹
(A) Cash flow from Operating Activities :			
Net Profit / (Loss) before tax and extraordinary items		125,32,00,912	62,96,10,660
Adjustments for :			
Depreciation		81,28,43,342	84,83,84,924
Foreign exchange loss / (gain)		1,26,87,240	(5,81,816)
Interest Income on bank deposits & others		(20,63,57,371)	(14,72,51,457)
Dividend / Income from trade investments		(14,51,875)	(12,62,500)
Loss / (Profit) on sale of assets		(1,29,227)	1,22,94,451
Interest expense		6,55,27,987	9,18,23,590
Operating Profit before Working Capital Changes		193,63,21,008	143,30,17,852
(Increase) / Decrease in trade receivables, loans & advances and other current assets		(17,70,50,490)	(43,80,63,052)
(Increase) / Decrease in Inventories		(15,29,63,831)	4,37,47,884
Decrease in trade payables and other payables		98,11,57,972	14,56,22,512
Cash generated from operations		258,74,64,659	118,43,25,196
Direct Taxes paid		(32,53,39,114)	(2,22,02,911)
Net Cash flow from Operating Activities	(A)	226,21,25,545	116,21,22,285
(B) Cash flow from Investing Activities :			
Purchase of fixed assets		(117,31,73,536)	(128,22,71,111)
Proceeds from sale of assets / equipments		31,10,252	13,85,61,452
Interest received		20,63,57,371	14,72,51,457
Investment in shares of subsidiary		—	(5,00,000)
Dividend / Income from trade investments		14,51,875	12,62,500
Net Cash flow from Investing Activities	(B)	(96,22,54,038)	(99,56,95,702)
(C) Cash flow from Financing Activities :			
Proceeds of long-term borrowing		(9,65,25,000)	(21,60,45,000)
Proceeds of short-term borrowing		(21,94,70,000)	5,51,90,000
Interest paid		(8,33,65,894)	(9,47,12,087)
Dividend paid (Including Tax thereon)		(4,62,46,704)	(4,62,46,704)
Net Cash flow from Financing Activities	(C)	(44,56,07,598)	(30,18,13,791)
Net Increase / (Decrease) in Cash and Cash equivalents	(A+B+C)	85,42,63,909	(13,53,87,208)
Cash and Cash equivalents as at 01-04-2014		214,37,35,078	227,91,22,286
Cash and Cash equivalents as at 31-03-2015 (excluding unrealised exchange fluctuation gain)		299,79,98,987	214,37,35,078

As per our separate report of even date.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Aparna G. Lambore
Company Secretary

Prasan Firodia

Managing Director

Sudhir Mehta

Director

Sanjay Bohra

Chief Financial Officer

Place : Pune
Date : 6th May, 2015

Place : Pune
Date : 6th May, 2015

Notes to Consolidated Financial Statements for the year ended 31st March, 2015.
1. ACCOUNTING POLICIES :
A. Depreciation :
(a) Tangible Assets :

The Depreciation on Fixed assets is provided as per Schedule-II to the Companies Act, 2013.

(b) Intangible Assets :

(i) Software and their implementation costs are written off over the period of 5 years.

(ii) Technical Know-how acquired and internally generated are amortized over the useful life of the assets, not exceeding ten years.

(c) Leasehold land is amortized over the period of lease.

B. Investments (Long Term) :

Investments (Long Term) are valued at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of investments.

C. Valuation of Inventory :

Inventories are valued at lower of their cost or net realisable value. The cost of raw materials, stores and consumables is measured on moving weighted average basis.

D. Employees Retirement Benefit :

The accruing liability of Gratuity is covered by Employees Group Gratuity Scheme of Life Insurance Corporation of India (LIC) and the premium is accounted for in the year of accrual. The additional liability, if any, due to deficit in the Plan assets managed by LIC as compared to the present value of accrued liability on the basis of actuarial valuation, is recognised and provided for.

Benefits in respect of leave encashable at retirement / cessation are provided for based on valuation, as at the Balance Sheet date, made by independent actuaries.

E. Research and Development Expenses :

Revenue expenditure on Research and Development is charged off as an expense in the year in which incurred and capital expenditure is grouped with Fixed Assets under appropriate heads and depreciation is provided as per rates applicable.

F. Foreign Currency Transactions :

(a) Foreign Currency transactions are recorded at the rate of exchange on the date of the transaction.

(b) Monetary items of Assets and Liabilities booked in foreign currency are translated into rupee at the exchange rate prevailing at the Balance Sheet date.

(c) Exchange difference resulting from settlement of such transaction and from translation of monetary items of Assets and Liabilities are recognised in the Statement of Profit and Loss.

(d) The premium or discounts arising on Forward Contracts is amortized over the life of the Contract.

(e) Exchange difference arising on translation of foreign currency liabilities for acquisition of fixed assets are adjusted to the Statement of Profit and Loss.

G. Cost of borrowings incurred for acquisition, construction or production of qualifying asset is capitalised as per Accounting Standard (AS 16) - the Companies (Accounting Standard) Rules, 2006.

H. Leases :
(a) Where the Group is the Lessee :

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 recognised as an expense in the Statement of Profit and Loss.

(b) Where the Group is the Lessor :

Assets subject to operating leases are included in fixed assets, lease income is recognised in the Statement of Profit and Loss. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

I. Incentives :

Incentives receivable / received are disclosed as "Other Income", in the Financial Statements.

J. (a) The Group has followed Equated balance method for the implicit rate for accounting the income from Hire Purchase.

(b) Directions and guidelines issued by the Reserve Bank of India in respect of income recognition, asset classification and provision for bad and doubtful debts have been followed.



2. SHARE CAPITAL

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Authorised Share Capital :		
2,00,00,000 (2,00,00,000) Equity Shares of ₹10 each	20,00,00,000	20,00,00,000
Issued Share Capital :		
1,32,13,802 (1,32,13,802) Equity Shares of ₹10 each	13,21,38,020	13,21,38,020
Subscribed and paid-up Share Capital :		
1,31,76,262 (1,31,76,262) Equity Shares of ₹10 each fully paid up	13,17,62,620	13,17,62,620
[of the above 2,00,918 (2,00,918) Equity Shares are allotted as fully paid Shares pursuant to a contract without payment being received in cash and 57,29,934 (57,29,934) Equity Shares are allotted as fully paid Bonus Shares by capitalisation of reserves]		
[These allotments were made before earlier financial year and not in the period of five years preceding 31st March, 2015 or 31st March, 2014]		
Add : Amount paid on Forfeited Shares	27,763	27,763
Total	13,17,90,383	13,17,90,383

Note : Offer on Right basis for **17,932** (17,932) Equity Shares of ₹ 10 each is kept in abeyance as per provisions of Section 126 of the Companies Act, 2013.

- (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
Equity Shares of ₹ 10 each.

	31st March, 2015		31st March, 2014	
	No.	₹	No.	₹
At the beginning of the period	1,31,76,262	13,17,62,620	1,31,76,262	13,17,62,620
Issued / Reduced during the period	--	--	--	--
Outstanding at the end of the period	1,31,76,262	13,17,62,620	1,31,76,262	13,17,62,620

(b) Terms/rights attached to equity shares :

The Group has issued equity shares. All equity shares issued rank pari passu in respect of distribution of dividend and repayment of capital. **1,30,32,914** (1,30,32,914) equity shares are quoted equity shares with no restriction on transfer of shares. **27,600** (27,600) equity shares are 'A' equity shares which are transferrable only to permanent employees of the Group. **1,15,748** (1,15,748) equity shares are Second 'A' equity shares which are transferrable to permanent employees, who have put in five years of service with the Group.

- (c) The Board of Directors has recommended a dividend of ₹ 5 (₹ 3) per share on **1,31,76,262** (1,31,76,262) equity shares of ₹10 each fully paid up.
- (d) In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (i) The Company is a subsidiary of Jaya Hind Investments Private Limited, which holds **55.92%** (51.98%) **73,68,697** (68,48,497) shares in the Company.
- (ii) Jaya Hind Industries Limited, being associate company of Jaya Hind Investments Private Limited, holds **0.08%** (0.08%) **10,909** (10,909) shares in the Company.

(e) Details of shareholders holding more than 5% of paid up equity share capital.

	31st March, 2015		31st March, 2014	
	No. of Equity Shares of ₹ 10 each fully paid	% of holding of equity capital	No. of Equity Shares of ₹ 10 each fully paid	% of holding of equity capital
(i) Jaya Hind Investments Private Limited	73,68,697	55.92	68,48,497	51.98
(ii) Bajaj Holdings & Investment Limited	--	--	25,66,661	19.48

3. RESERVES AND SURPLUS

		As at 31st March, 2015	As at 31st March, 2014
	₹	₹	₹
(a) Capital Reserve		25,00,000	25,00,000
(b) Securities Premium		59,19,77,215	59,19,77,215
(c) General Reserve			
Balance as per the last Financial Statements	346,32,47,721		338,55,53,440
Add : Transferred from Surplus	--		7,76,94,281
Less : Minority Interest	1,23,691		1,23,691
Closing Balance		346,31,24,030	346,31,24,030
(d) General Reserve II			
Balance as per the last Financial Statements	58,89,500		53,12,500
Add : Transferred from Surplus	6,52,000		5,77,000
Less : Minority Interest	21,96,297		19,77,389
Closing Balance		43,45,203	39,12,111
(e) Surplus			
Balance as per last Financial Statements	808,99,74,365		743,52,43,563
Profit for the year	101,62,32,182		77,92,48,787
		910,62,06,547	821,44,92,350
Less : Appropriations			
WDV of Asset (net of tax) as per Note 7 (b) of Schedule II to the Companies Act, 2013.	2,57,22,725		--
Proposed Equity Dividend	6,58,81,310		3,95,28,786
Tax on proposed Equity Dividend	1,34,11,855		67,17,918
Transfer to General Reserve	6,52,000		7,82,71,281
Total Appropriations		10,56,67,890	12,45,17,985
Sub-Total		900,05,38,657	808,99,74,365
Less : Minority Interest		70,11,477	63,55,779
Net Surplus		899,35,27,180	808,36,18,586
Total		1305,54,73,628	1214,51,31,942

Securities Premium represents premium received on issue of Equity Shares.

4. LONG-TERM BORROWINGS

		As at 31st March, 2015	As at 31st March, 2014
		₹	₹
Deposits (Unsecured)		10,73,00,000	20,38,25,000
Total		10,73,00,000	20,38,25,000

Deposits accepted by the Group are for a period ranging between 1 to 3 years from the date of acceptance of each deposits.

5. DEFERRED TAX LIABILITIES (NET)

(Refer Note No. 36)

		As at 31st March, 2015	As at 31st March, 2014
		₹	₹
Deferred Tax Liabilities		60,25,26,389	40,25,80,253
Less : Deferred Tax Assets		33,63,92,817	33,63,92,817
Total		26,61,33,572	6,61,87,436

6. OTHER LONG-TERM LIABILITIES

		As at 31st March, 2015	As at 31st March, 2014
		₹	₹
Deposits received from lessee		3,96,00,000	3,96,00,000
Total		3,96,00,000	3,96,00,000



7. LONG-TERM PROVISIONS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Provision for Employee Benefits	18,63,34,996	19,70,22,131
(b) Provision for Product Warranties and Service Charges	58,23,124	95,92,512
Total	19,21,58,120	20,66,14,643

8. OTHER CURRENT LIABILITIES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Deposits (unsecured)	10,06,10,000	32,15,40,000
(b) Deposits matured but not claimed (unsecured)	49,65,000	35,05,000
(c) Interest accrued but not due on Fixed Deposits	1,51,49,307	3,29,87,213
(d) Interest accrued and due on unclaimed deposits	5,25,819	3,72,964
(e) Creditors for Capital goods	74,22,17,182	54,68,86,412
(f) Advances and deposits against orders	33,48,85,820	44,12,25,773
(g) Unclaimed dividend	34,01,678	10,61,193
(h) Statutory Dues	37,77,53,120	28,83,81,869
(i) Other payables	3,73,71,453	5,31,17,155
Total	161,68,79,379	168,90,77,579

Deposits accepted by the Group are for a period ranging between 1 to 3 years from the date of acceptance of each deposits.

9. SHORT-TERM PROVISIONS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Provisions for Employee Benefits	19,54,73,539	14,14,12,576
(b) Provision for Product Warranties & Service Charges (Refer Note No. 35)	12,28,54,097	6,62,10,388
(c) Provision for Taxation :		
Taxation provision for the earlier years	23,19,72,992	207,72,44,305
Taxation provision for the year	21,43,56,333	13,39,65,000
	44,63,29,325	221,12,09,305
Less : (i) Advance payment of tax	57,11,54,020	227,40,50,932
(ii) MAT Credit Entitlement	58,82,50,660	34,75,07,010
[Contra Refer Note 17-d]	(71,30,75,355)	(41,03,48,637)
(d) Provision for proposed Equity Dividend	6,58,81,310	3,95,28,786
(e) Provision for Tax on Distributed Profit	1,34,11,855	67,17,918
	7,92,93,165	4,62,46,704
Total	39,76,20,801	25,38,69,668

10. TANGIBLE ASSETS

Fixed Assets	Land		Buildings	Plant, Machinery & Equipments	Furniture & Fixtures	Vehicles	Office Equipment	Others (Aircraft)	Total	Previous Year Total
	Freehold	Leasehold								
Gross Block As at 31st March, 2014	7,94,12,385	\$ 1,60,53,256	115,03,49,366	1167,54,34,588	9,02,90,898	30,69,46,645	5,44,70,179	144,80,55,156	1482,10,12,473	1392,25,19,064
Additions	--	15,58,18,291	9,66,41,237	35,80,05,305	1,25,30,801	3,04,64,786	78,69,337	--	66,13,29,757	120,58,00,971
Disposals	--	--	--	15,00,368	3,73,169	1,38,81,115	8,35,549	--	1,65,90,201	30,73,07,562
As at 31st March, 2015	7,94,12,385	17,18,71,547	124,69,90,603	1203,19,39,525	10,24,48,530	32,35,30,316	6,15,03,967	144,80,55,156	1546,57,52,029	1482,10,12,473
Depreciation As at 31st March, 2014	--	32,30,815	42,77,93,170	758,10,51,855	5,69,76,932	14,96,84,692	3,75,56,853	16,49,49,323	842,12,43,640	775,82,24,644
Transfer to Retained earnings #	--	--	1,66,91,367	1,76,83,721	14,68,844	21,56,038	9,67,952	--	3,89,67,922	--
For the Year	--	** 18,14,024	7,00,84,969	59,94,69,257	69,28,962	2,78,72,837	64,16,257	6,41,68,784	77,67,55,090	81,94,70,657
Disposals	--	--	--	6,76,817	1,55,007	1,21,49,281	6,28,069	--	1,36,09,174	15,64,51,661
As at 31st March, 2015	--	50,44,839	51,45,69,506	819,75,28,016	6,52,19,731	16,75,64,286	4,43,12,993	22,91,18,107	922,33,57,478	842,12,43,640
Net Block As at 31st March, 2014	7,94,12,385	1,28,22,441	72,25,56,196	409,43,82,733	3,33,13,966	15,72,61,953	1,69,13,326	128,31,05,833	639,97,68,833	616,42,94,420
Net Block As at 31st March, 2015	7,94,12,385	16,68,26,708	73,24,21,097	383,44,11,509	3,72,28,799	15,59,66,030	1,71,90,974	121,89,37,049	624,23,94,551	639,97,68,833

Notes :

* Includes office premises on ownership basis ₹ 5,00,000

@ Certain Buildings completed are capitalised - pending finalisation of Contractors' bills, adjustment in cost, if any required, will be carried out during the financial year in which the same is finalized.

** Amortisation charges for one year in respect of leasehold land.

\$ Assets given on lease are included herein and are detailed in separate Note No. 32.

WDV of Assets transferred to retained earnings as per Note 7 (b) of Schedule II to the Companies Act, 2013.

As per our separate report of even date.

For M/s. P. G. Bhagwat

[FRN : 101118W]

Chartered Accountants

Prasan Firodia

Managing Director

Sudhir Mehta

Director

S. S. Athavale

Partner

Membership No. 83374

Aparna G. Lambore

Company Secretary

Sanjay Bohra

Chief Financial Officer

Place : Pune

Date : 6th May, 2015

Place : Pune

Date : 6th May, 2015

11. INTANGIBLE ASSETS

Fixed Assets	Software	Technical Know-how acquired on or after 1-4-2003	Technical Know-how acquired upto 1-4-2003	Technical Know-how internally generated	Total	Previous Year Total
	₹	₹	₹	₹	₹	₹
Gross Block						
As at 31st March, 2014	13,69,29,600	20,85,05,354	8,22,00,834	9,23,39,718	51,99,75,506	50,94,78,720
Additions	5,62,54,916	7,98,00,000	--	--	13,60,54,916	1,04,96,786
Disposals	--	--	--	--	--	--
As at 31st March, 2015	19,31,84,516	28,83,05,354	8,22,00,834	9,23,39,718	65,60,30,422	51,99,75,506
Amortization	--	--	--	--	--	--
As at 31st March, 2014	11,04,43,642	20,18,24,152	8,22,00,834	9,23,39,718	48,68,08,346	45,78,94,079
For the Year *	1,87,73,775	1,73,14,476	--	--	3,60,88,251	2,89,14,267
Deductions	--	--	--	--	--	--
As at 31st March, 2015	12,92,17,417	21,91,38,628	8,22,00,834	9,23,39,718	52,28,96,597	48,68,08,346
Net Block						
As at 31st March, 2015	6,39,67,099	6,91,66,726	--	--	13,31,33,825	3,31,67,160
Add : Goodwill arising out of consolidation of accounts	--	--	--	--	54,854	54,854
Net Block including goodwill As at 31st March, 2015	6,39,67,099	6,91,66,726	--	--	13,31,88,679	3,32,22,014
Useful Life	5 Years	6 Years	6 Years	6 Years		

Note :

* Amortisation Charges for one year

As per our separate report of even date.

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Aparna G. Lambore
Company Secretary

Place : Pune
Date : 6th May, 2015

Prasan Firodia

Managing Director

Sudhir Mehta

Director

Sanjay Bohra

Chief Financial Officer

Place : Pune
Date : 6th May, 2015

12. NON-CURRENT INVESTMENTS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Trade Investments (Valued at cost)		
Unquoted		
25,000 (25,000) Equity Shares of ₹ 10 each, fully paid in Tempo Finance (North) Private Limited	2,50,000	2,50,000
1 (1) Equity Share of ₹ 10 each, fully paid in MAN Trucks India Private Limited	10	10
50,000 (50,000) Equity Shares of ₹ 10 each, fully paid in Pithampur Auto Cluster Ltd.	5,00,000	5,00,000
Quoted		
3,15,625 (63,125) Equity Shares of ₹ 10 each, fully paid in ICICI Bank Limited	26,96,250	26,96,250
(b) Other Investments (Valued at cost)		
Unquoted		
5 (5) Equity Shares of ₹ 50 each, fully paid in Mittal Tower Premises Co-Operative Society Limited.	250	250
Total	34,46,510	34,46,510

Aggregate amount of quoted investments :

	As on 31st March, 2015		As on 31st March, 2014	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Quoted	26,96,250	10,04,79,219	26,96,250	7,85,93,781
Unquoted	7,50,260	--	7,50,260	--

13. LONG-TERM LOANS AND ADVANCES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Capital Advances (Unsecured)		
Considered Good	88,96,18,003	65,83,16,696
(b) Security Deposits (Unsecured)		
Considered Good	10,97,43,193	10,39,04,415
(c) Other Loans & Advances (Unsecured)		
Considered Good	28,11,000	29,84,738
Considered Doubtful	9,53,576	9,90,083
	37,64,576	39,74,821
Less : Provision for doubtful advances	9,53,576	9,90,083
	28,11,000	29,84,738
Total	100,21,72,196	76,52,05,849



14. INVENTORIES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Raw Materials and Components [Includes in transit ₹ 56,69,39,997 (₹ 37,81,95,874)]	216,19,56,400	199,49,76,404
(b) Finished Goods (Refer Note 22)	107,47,87,393	94,48,51,577
(c) Work-in-progress (Refer Note 22)	48,69,49,961	55,56,38,748
(d) Excise Duty on Inventory of Finished Goods	15,02,85,993	10,31,67,672
(e) Stores and Spares	5,15,00,337	17,38,81,853
Total	392,54,80,084	377,25,16,254

Method of valuation is as stated in Note No. 1 C.

15. TRADE RECEIVABLES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Unsecured		
(a) Outstanding for a period exceeding six months from the date they are due for payment		
- Considered Good	6,84,51,003	11,11,55,763
- Considered Doubtful	--	--
	6,84,51,003	11,11,55,763
- Less : Provision for doubtful receivables	--	--
	6,84,51,003	11,11,55,763
(b) Other receivables		
- Considered Good	101,83,52,595	123,96,87,457
Total	108,68,03,598	135,08,43,220

16. CASH AND BANK BALANCES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Cash and Cash equivalents		
(i) Balance with Banks	299,72,54,683	212,05,45,420
(ii) Cheques / Drafts on hand	--	2,22,64,780
(iii) Cash on hand	7,24,979	6,46,041
	299,79,79,662	214,34,56,241
(b) Other Bank balances		
(i) Unpaid dividend account	34,01,678	10,61,193
(ii) Margin money deposit	6,65,00,000	5,15,00,000
	6,99,01,678	5,25,61,193
Total	306,78,81,340	219,60,17,434

17. SHORT-TERM LOANS AND ADVANCES

		As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Unsecured			
(a) Security Deposits			
Considered Good		47,05,214	45,31,157
(b) Advances recoverable in cash or kind			
Considered Good	111,82,17,229		72,57,46,826
Considered Doubtful	1,08,13,700		1,08,13,700
	<u>112,90,30,929</u>		<u>73,65,60,526</u>
Less : Provision for doubtful advances	<u>1,08,13,700</u>		<u>1,08,13,700</u>
		111,82,17,229	72,57,46,826
(c) Other Loans & Advances			
Considered Good		1,22,15,427	98,30,918
(d) Others			
(i) Advance Income-tax	12,36,59,695		6,28,41,627
(ii) MAT Credit Entitlement (net of provision for taxation) [Contra - Refer Note 9-c]	<u>58,82,50,660</u>		<u>34,75,07,010</u>
		71,19,10,355	41,03,48,637
Total		<u><u>184,70,48,225</u></u>	<u><u>115,04,57,538</u></u>

18. OTHER CURRENT ASSETS

		As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Unsecured, Considered Good			
Interest accrued on deposits with Banks		4,28,35,740	1,90,23,211
Interest accrued on deposits with Others		2,70,000	2,70,000
Total		<u><u>4,31,05,740</u></u>	<u><u>1,92,93,211</u></u>



19. REVENUE FROM OPERATIONS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Revenue from operations		
(i) Sale of products	2610,30,61,842	2275,50,27,936
(ii) Interest	37,01,613	33,78,366
(b) Other operating revenue		
(i) Service Charges	1,34,95,958	13,70,573
(ii) Others	27,24,62,460	25,49,79,207
Revenue from operations (Gross)	2639,27,21,873	2301,47,56,082
Less : Excise Duty / Service Tax	275,17,94,930	279,51,10,531
Revenue from operations (Net)	Total 2364,09,26,943	2021,96,45,551

DETAILS OF PRODUCTS SOLD

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
- Automobiles	1797,34,81,327	1650,18,96,089
- Auto Components	792,45,32,256	615,88,30,541
- Moulds, Dies, Press Tools, Jigs & Fixtures	20,50,48,259	9,43,01,306
Total	2610,30,61,842	2275,50,27,936

20. OTHER INCOME

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Interest Income	24,63,09,426	19,75,60,234
(b) Dividend Income	14,51,875	12,62,500
(c) Net gain on foreign currency translation and transaction (other than considered as finance cost)	13,05,29,092	--
(d) Industrial Promotion Incentive	20,73,01,099	29,15,86,018
(e) Lease Rent received	4,55,41,201	4,33,20,484
(f) Profit on sale of assets	13,76,235	3,42,36,391
(g) Others	2,53,63,869	3,13,84,879
Total	65,78,72,797	59,93,50,506

21. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Steel and other metals	116,76,29,649	94,61,62,696
(b) Castings and Forgings	64,36,03,184	63,30,75,758
(c) Components	1466,03,23,941	1256,14,45,873
Total	1647,15,56,774	1414,06,84,327

22. (INCREASE) / DECREASE IN INVENTORIES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹	(Increase) / Decrease ₹
(a) Inventories at the end of the year			
(i) Finished Goods	107,47,87,393	94,48,51,577	(12,99,35,816)
(ii) Work-in-progress	48,69,49,961	55,56,38,748	6,86,88,787
Total	156,17,37,354	150,04,90,325	(6,12,47,029)
(b) Inventories at the beginning of the year			
(i) Finished Goods	94,48,51,577	98,55,49,934	4,06,98,357
(ii) Work-in-progress	55,56,38,748	53,46,57,870	(2,09,80,878)
Total	150,04,90,325	152,02,07,804	1,97,17,479

DETAILS OF INVENTORY

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Finished Goods		
(i) On-road automobiles	68,59,24,228	72,09,66,200
(ii) Tractors	17,48,29,617	6,06,31,881
(iii) Engines	67,230	1,29,712
(iv) Others	21,39,66,318	16,31,23,784
Total	107,47,87,393	94,48,51,577
Work-in-progress		
(i) On-road automobiles	1,40,37,442	10,47,21,303
(ii) Engines	8,73,30,728	6,18,30,688
(iii) Others	38,55,81,791	38,90,86,757
Total	48,69,49,961	55,56,38,748

23. EMPLOYEE BENEFIT EXPENSE

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Salaries, Wages, Bonus, etc.	246,99,17,283	218,71,50,898
(b) Contribution to provident, other funds and schemes	20,66,81,421	12,71,58,029
(c) Staff welfare expenses	10,07,49,631	9,12,87,850
Total	277,73,48,335	240,55,96,777



24. FINANCE COSTS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Interest	5,99,66,229	8,77,30,668
(b) Other borrowing cost	55,61,904	40,92,922

Total	6,55,28,133	9,18,23,590
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25. DEPRECIATION AND AMORTIZATION EXPENSE

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Depreciation of tangible assets	77,67,55,091	81,94,70,657
(b) Amortization of intangible assets	3,60,88,251	2,89,14,267

Total	81,28,43,342	84,83,84,924
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26. OTHER EXPENSES

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Consumption of stores and spares	74,02,09,751	70,88,89,472
(b) Fabrication and Processing Charges	7,30,92,611	8,21,00,631
(c) Power and Fuel	38,97,83,407	37,94,34,703
(d) Forwarding Charges	26,47,64,282	24,26,87,034
(e) Rent	1,67,42,588	1,14,18,642
(f) Rates and Taxes	10,57,47,744	8,00,23,250
(g) Insurance	5,35,89,149	4,77,44,145
(h) Repairs and Maintenance :		
(i) Plant and Machinery	12,02,16,174	8,73,14,277
(ii) Buildings	6,55,23,560	3,47,34,194
(iii) Others	2,48,57,080	3,02,30,735
(i) Publicity and sales promotion	53,03,22,508	33,16,40,184
(j) Payments to auditors (Refer details below)	21,03,397	21,20,584
(k) Prior year expenses	53,65,281	34,95,186
(l) Loss on Exchange Fluctuation (Net)	--	4,72,98,435
(m) Donation	10,00,000	1,44,000
(n) Miscellaneous Expenses	77,75,44,278	75,79,85,175

Total	317,08,61,810	284,72,60,647
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Payments to Auditors

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Audit Fees	16,13,483	16,13,483
(b) Tax Audit Fees	1,00,000	1,00,000
(c) Certification work	3,40,019	3,27,246
(d) Provident Fund Audit fees paid to Associate of Statutory Auditor	--	15,000
(e) Reimbursement of expenses	49,895	64,855

Total	21,03,397	21,20,584
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27. EARNINGS PER SHARE (EPS)

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Values used in calculating Earnings Per Share (Basic & Diluted)		
(a) Numerator		
Profit / (Loss) after tax	101,53,57,576	77,84,74,557
(b) Denominator		
Number of Equity Shares	1,31,76,262	1,31,76,262
Weighted average number of Equity Shares	1,31,76,262	1,31,76,262

28. CONTINGENT LIABILITIES AND COMMITMENTS
(to the extent not provided for)

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
(a) Contingent Liabilities		
(i) Taxes & Duties	46,82,41,048	29,74,95,932
(ii) Others (Court cases pending)	32,94,43,302	29,19,19,172
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	76,42,58,903	77,94,02,336
(c) As reported earlier, a foreign company has initiated legal proceedings in a foreign court, in respect of notional and unfounded claims for damages, without there being any enforceable agreement, relating to export business. The Group has obtained opinion from a Senior Counsel, in respect of these alleged claims against the Group. The Group has been advised that such notional / unfounded claims are not as per the applicable law nor these claims, if any, can be enforced in the Court of Law in India. This information is being disclosed as per the provisions of Schedule III to the Companies Act, 2013, only to indicate the alleged claims made against the Group and the developments in respect thereof. Moreover, considering the period lapsed, since the conclusion of the said legal proceedings, the Group does not expect any impact of this litigation on its financial position.		

29. As of 31st March, 2015, the Group has not received any intimation, except in few cases, as to the status as Micro, Small or Medium Enterprises from suppliers of the Group along with a copy of the Memorandum, filed by the said suppliers, as per the provisions of Section 8 of the Micro, Small & Medium Enterprises Development Act, 2006 (**the Act**). The proceedings initiated by one of the suppliers, claiming to be a small scale enterprise, as per the provisions of Section 18 of the Act, culminated into an award of claim for ₹ 1,56,61,877 with interest. The Group has not accepted the said liability. The Group has a major counter-claim against the said supplier amounting to about ₹ 9,06,40,899, which being unearned income, is not accounted. The award is challenged by the Group, as per the provisions of the Act and proceedings are pending before the Hon'ble District Judge, Pune, and before the Hon'ble High Court of Judicature at Bombay.

30. The amount of net exchange differences included in the Statement of Profit / Loss for the year on Revenue account is ₹ **13,02,67,935 Credit** (₹ 3,94,14,600 Debit) and on Capital account is ₹ **2,61,157 Credit** (₹ 78,83,835 Debit).

31. THE GROUP'S LIABILITIES AND OBLIGATIONS IN FOREIGN CURRENCY OUTSTANDING AS AT 31ST MARCH, 2015, NET OF RECEIVABLES ARE AS UNDER

	Hedged by forward cover contracts with bankers		Not hedged by forward cover contracts or other derivative Instruments	
	Foreign Currency	Amount ₹	Foreign Currency	Amount ₹
(a) In US Dollar	-- (--)	-- (--)	-- (--)	-- (--)
(b) In Euro	-- (--)	-- (--)	4,37,076 (1,84,026)	2,99,04,727 (1,52,24,054)
(c) In Japanese Yen	-- (--)	-- (--)	15,47,18,900 (--)	8,14,28,557 (--)
(d) In G. B. Pounds	-- (--)	-- (--)	12,000 (--)	11,21,880 (--)

32. LEASES**Operating Leases :****(a) Assets taken on Lease :**

The Group has taken 10 vehicles on operating lease for a period of 4 years.

Lease rentals are recognised in the Statement of Profit and Loss.

(b) Assets given on Lease :**(i) Industrial Shed at Chakan :**

The Group has entered into a Lease Agreement for Industrial Shed for a period of 10 years.

The said agreement provides for progressive increase in rentals during the tenure of the agreement.

The Lessee is entitled to terminate the Lease Agreement after the expiry of 60th month from the date of agreement. The Lessor is also entitled to terminate the Lease Agreement, if the Lessee defaults the terms and conditions of the Lease Agreement.

The Lease income has been recognised in Statement of Profit and Loss.

Category	Gross carrying amount of the portion of assets leased, disclosed in Note No. 10	Accumulated Depreciation	Depreciation recognised in the Statement of Profit and Loss
	₹	₹	₹
(1) Freehold Land	23,02,671 (23,02,671)	-- (--)	-- (--)
(2) Building	7,71,03,623 (7,71,03,623)	1,16,85,228 (92,16,795)	24,68,432 (25,81,574)
(3) Plant & Machinery	1,83,04,544 (1,83,04,544)	66,13,712 (51,14,008)	14,99,704 (14,38,891)

The future minimum lease rentals :

(a) Less than one year	₹	4,55,40,000 (4,55,40,000)
(b) Later than one year but not later than five years	₹	21,18,32,160 (20,00,91,375)
(c) Later than five years	₹	2,25,84,996 (7,98,65,781)

On termination of lease, due to exercise of the option by the Lessee, at the end of 60 months, the Lessee shall be liable to pay a sum of ₹ 2,00,00,000.

(ii) Freehold land at Akurdi :

Out of the freehold land at Akurdi;

- 2700 sq. mtrs. (cost ₹ 1,374) of land has been given on lease to Maharashtra State Electricity Distribution Company Limited for 99 years, w.e.f. 1st August, 1989. Lease rentals are recognised in the Statement of Profit and Loss.
- 19,000 sq. mtrs. (cost ₹ 9,669) of land has been given on lease to Navalmal Firodia Memorial Hospital Trust for 25 years, w.e.f. 12th August, 2014. Lease rentals are recognised in the Statement of Profit and Loss.

33. DISCLOSURE AS PER ACCOUNTING STANDARD 15 (REVISED) IS AS UNDER

	Gratuity (₹)		Leave Entitlement (₹)	
	31st March		31st March	
	2015	2014	2015	2014
(A) Amount to be recognised in Balance Sheet				
(i) Present Value of obligation	42,31,40,687	40,48,17,171	23,06,11,622	19,70,33,452
(a) Current Liability	14,95,78,756	9,90,18,019	4,42,76,626	4,15,85,243
(b) Non-current Liability	27,35,61,931	30,57,99,152	18,63,34,996	15,54,48,209
(ii) Funded Status	27,35,61,931	26,42,25,230	--	--
(iii) Net Asset / (Liability) recognised in Balance Sheet	(14,95,78,756)	(14,05,91,941)	(23,06,11,622)	(19,70,33,452)
(B) Expense recognised in the Statement of Profit and Loss at the end				
(i) Current Service Cost	3,02,26,928	2,69,02,657	2,82,76,496	2,45,76,448
(ii) Interest Cost	3,39,66,078	3,24,90,140	1,71,18,496	1,60,69,728
(iii) Expected Return on Plan Assets	(2,24,62,058)	(2,10,26,592)	--	--
(iv) Net actuarial (gain) / loss recognised in the year	1,53,51,016	(4,45,21,420)	60,19,396	(3,31,41,860)
(v) Expenses recognised in the Statement of Profit and Loss	5,70,81,964	(61,55,215)	5,14,14,388	75,04,316
(C) Present value of obligation as at the end				
(i) Present value of obligation as at the beginning	40,48,17,171	43,50,46,574	19,70,33,452	21,22,14,067
(ii) Interest Cost	3,39,66,078	3,24,90,140	1,71,18,496	1,60,69,728
(iii) Current Service Cost	3,02,26,928	2,69,02,657	2,82,76,496	2,45,76,448
(iv) Benefits paid	(6,31,27,137)	(5,78,39,656)	(1,78,36,218)	(2,26,84,931)
(v) Actuarial (gain) / loss on obligation	1,72,57,647	(3,17,82,544)	60,19,396	(3,31,41,860)
(vi) Present value of obligation as at the end	42,31,40,687	40,48,17,171	23,06,11,622	19,70,33,452
(D) Actuarial Assumptions:				
(i) Discount Rate	7.80%	9.10%	7.80%	9.10%
(ii) Salary escalation rate	10.00%	10.00%	10.00%	10.00%
(iii) Rate of Return on Plan Assets	8.75%	8.75%	--	--
(iv) Mortality Rate	As per standard table of LIC (1994-95)			

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

The Liability for Earned Leave, for Temporary Employees (short term) has been provided on actual basis, amounting to ₹ 16,18,157 (₹ 6,23,220).

34. RELATED PARTY DISCLOSURES (As identified by the Management) :**(A) Name of the related parties and nature of related party relationship where control exists are as under :**

- (a) Key Management : Mr. Abhaykumar Firodia, Chairman.
 Personnel : Mr. Prasan Firodia, Managing Director
- (b) Relatives of Key Management Personnel
 (i) Mr. Abhaykumar Firodia : Mr. Prasan Firodia : Son
 (ii) Mr. Prasan Firodia : Mr. Abhaykumar Firodia : Father
- (c) Other related parties : Jaya Hind Industries Ltd.
 : Jaya Hind Investments Pvt. Ltd.
 : Jaya Hind Montupet Pvt. Ltd.

(B) Disclosure of Transactions with these parties are mentioned below :

Type of Related party	Nature of Transaction	Volume of Transactions during 2014-15	Amount outstanding as on 31st March, 2015	
			Receivables	Payables
		₹	₹	₹
(a) Key Management Personnel :	: Managerial Remuneration / Sitting fees	78,89,007 (33,78,078)	-- (--)	1,20,000 (24,000)
(b) Other Related Parties				
(i) Jaya Hind Industries Ltd.	: Purchase of Capital Goods	7,00,088 (5,72,61,618)		
	: Sale of Capital Goods	2,40,939 (--)		
	: Purchase of Raw Materials, Components & Others	74,33,85,665 (62,19,71,771)		
	: Sundry Sales	3,67,63,364 (1,73,16,413)		
	: Charges towards I. T. Support Services (Net)	33,32,504 (--)		
	: Processing Charges recovered	26,92,637 (9,83,473)	51,13,71,631 (46,76,65,407)	10,44,56,364 (3,62,88,063)
	: Material Given on Loan	1,32,411 (2,28,005)		
	: Machinery given on Loan	4,12,231 (2,62,22,440)		
	: Expenses recovered	3,39,68,117 (3,15,26,893)		
	: Expenses reimbursed	23,58,660 (17,91,554)		
(ii) Jaya Hind Montupet Pvt. Ltd.	: Sale of Capital Goods	7,21,359 (--)	5,92,308 (--)	-- (--)
	: Expenses recovered	5,31,176 (--)	-- (--)	-- (--)

35. PROVISIONS MADE FOR PRESENT OBLIGATIONS, BASED ON RELIABLE ESTIMATES, EXPECTED TO RESULT INTO OUTFLOW OF RESOURCES, ARE AS UNDER :

Class of Provisions and brief description.	Carrying Amount of provisions as at 1st April, 2014	Additional provisions made during the year	Paid during the year against provisions	Amount reversed and written back	Carrying Amount of provisions as at 31st March, 2015
	₹	₹	₹	₹	₹
Warranty	2,92,16,598 (2,86,73,774)	7,84,69,162 (2,92,16,598)	2,92,16,598 (2,86,73,774)	-- (--)	7,84,69,162 (2,92,16,598)
Free Service Coupons	4,65,86,302 (2,54,36,411)	5,02,08,056 (4,65,86,302)	4,65,86,302 (2,54,36,411)	-- (--)	5,02,08,056 (4,65,86,302)

36. DETAILS OF DEFERRED TAX ASSETS / (LIABILITIES)

	As at 31st March, 2015	As at 31st March, 2014
	₹	₹
Nature of Timing difference		
(a) Difference between accounting and tax depreciation (cumulative)	(69,39,45,916)	(66,09,30,262)
(b) Other Timing differences	42,78,12,343	59,47,42,826
Total	<u>(26,61,33,573)</u>	<u>(6,61,87,436)</u>

37. The Subsidiary Company considered in the consolidated financial statements is :

Name of the Company	Registered Office	% of voting power held by holding Company as at 31st March, 2015
Tempo Finance (West) Pvt. Ltd.	Mumbai Pune Road, Akurdi, Pune - 411 035.	66.43 (66.43)

38. The consortium of Banks has sanctioned working capital limits - both fund based and non-fund based - to the Group. These limits are secured by hypothecation of Group's stock of raw materials, work-in-progress, finished goods, consumable stores, spares, bills receivable and book debts, both present and future, situated at Group's factories or at any other place.

The fund based limits, if utilised, are payable on demand to the Banks. During the year 2014-15, the Group has not utilised any fund based limits.

39. All amounts which became due, for transfer to the credit of Investor Education and Protection Fund, as of 31st March, 2015, have been transferred to that fund, except a sum of ₹ 60,000. Being amount of 5 (Five) fixed deposits and interest thereon amounting to ₹ 25,051. In view of the directives received from the Government Authorities, these amounts are not transferred to the Fund, being involved in an investigation.

40. As per Accounting Standard AS 26 - Intangible Assets, the Group has recognised Intangible Assets arising out of in-house Research and Development activities of the Group amounting to ₹ **6,07,27,190** (₹ 11,73,96,866), in the development phase of a new model Multipurpose Vehicles, Monocoque Bus (Project T2) and TD-2650 CRDI BS-IV version of the SUV. As the development activity is continued, the said asset is considered as Capital Work-in-progress, and will be amortized over the period of its life, after completion of the development phase.

41. During the year under report the eligibility and method of availing, various incentives, granted by the Government of Madhya Pradesh, as per the Industrial Promotion Policy, being clarified, the Group recognised a sum of ₹ **20,73,01,099** (₹ 29,15,86,018) in the Statement of Profit and Loss as "Industrial Investment Promotion Assistance". These incentives are now accounted on accrual basis. These incentives are available as per the Industrial Promotion Policy of the Government of Madhya Pradesh, based on the investment made by the Group, in eligible assets, for eligible products, in the State of Madhya Pradesh. These incentives are monetary incentives.

42. The Group has spent ₹ 88,00,000 towards Corporate Social Responsibility (CSR) activities, which is included in "Miscellaneous Expenses" [Note No 26 (n)] to the Notes to Account.

43. Previous year/period's figures are re-arranged wherever necessary and shown in brackets.

As per our separate report of even date

For **M/s. P. G. Bhagwat**
[FRN : 101118W]
Chartered Accountants

S. S. Athavale
Partner
Membership No. 83374

Place : Pune
Date : 6th May, 2015

Aparna G. Lambore
Company Secretary

Prasan Firodia

Sudhir Mehta

Sanjay Bohra

Place : Pune
Date : 6th May, 2015

Managing Director

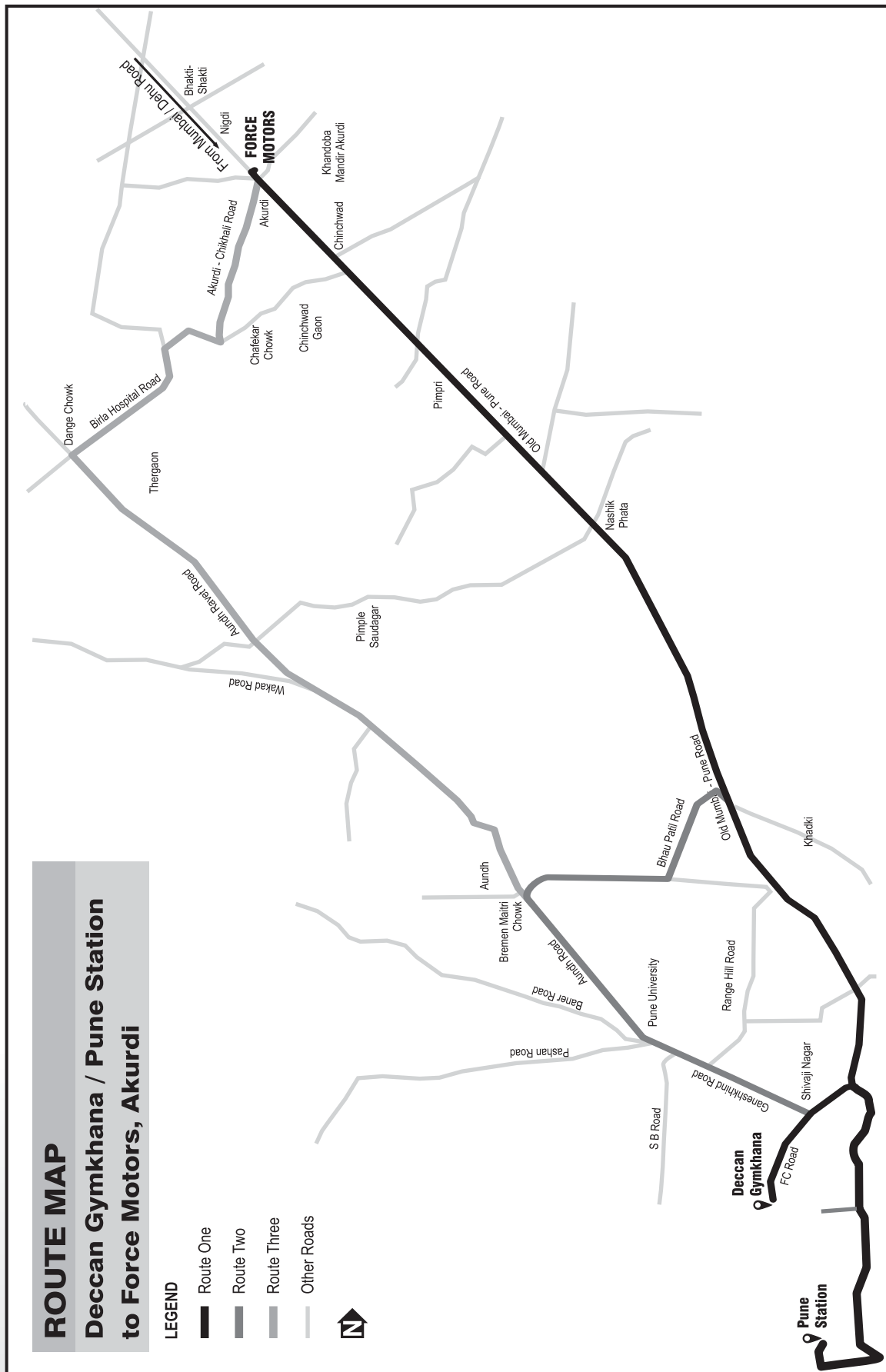
Director

Chief Financial Officer



Disclosure as per Schedule III

Name of the entity	Net Assets		Share in Profit or Loss	
	As a % of consolidated net assets	Amount (in ₹)	As a % of consolidated Profit or loss	Amount (in ₹)
Force Motors Limited	99.76	1316,88,02,436	99.74	101,36,27,237
Indian Subsidiary : "Tempo Finance (West) Pvt. Ltd."	0.24	3,22,42,040	0.26	26,04,945
Minority Interest (Indian Minority)	0.10	1,37,80,465	0.09	8,74,606



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FORCE MOTORS LIMITED

CIN L34102PN1958PLC011172

Mumbai-Pune Road, Akurdi, Pune - 411 035. INDIA

www.forcemotors.com

Toll Free No. : 1800 2335 000

FORCE MOTORS LIMITED
(CIN L34102PN1958PLC011172)

Registered office:
Mumbai - Pune Road, Akurdi,
Pune 411 035 Maharashtra, INDIA

BALLOT FORM

(In lieu of remote e-voting)



56th Annual General Meeting to be
held on 26th September 2015.
Notice dated 31st July 2015.

E-mail : compliance-officer@forcemotors.com
Website : www.forcemotors.com

Tel. : +91 20 2747 6381

1.	Name of the First Named Shareholder (In block letters)	
2.	Name(s) of the Joint Named Shareholder (If any)	
3.	Postal address	
4.	Registered Folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
5.	Class of Share	Equity
6.	No. of shares	

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of the 56th Annual General Meeting of the Company dated 31st July 2015, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below.

Item no.	Description	No. of equity shares held	I/ We assent to the resolution (For)	I/ We dissent to the resolution (Against)
1)	Adoption of Financial Statements for the year ended 31st March 2015 and the Board's and Auditors' Report thereon.			
2)	To declare a dividend.			
3)	Re-appointment of Mr. Vinay Kothari, who retires by rotation.			
4)	Appointment of M/s. P. G. Bhagwat, Chartered Accountants, as Auditors and to fix their remuneration for the year 2015-16.			
5)	Resolution relating to permission to contribute to charitable and other funds.			
6)	To fix remuneration of M/s. Joshi Apte & Associates, the Cost Auditors, Pune.			
7)	Appointment of Mr. Prashant V. Inamdar to be designated as Executive Director (Operations) and to fix remuneration.			
8)	Resolution permitting acceptance of deposits.			

Place : _____

Date : _____

(Signature of the shareholder)

NOTE: Kindly read the instructions printed overleaf before filling the form. Only valid Ballot Forms received by the Scrutiniser by 5.00 p.m. on 25th September 2015 shall be considered.

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Sanjay Athavale, Practising Chartered Accountant, c/o. Force Motors Limited, Akurdi, Mumbai- Pune Road, Pune 411 035 so as to reach by 5.00 p.m. on 25th September 2015. Ballot Form received thereafter will strictly be treated as if not received. The envelope should be marked as confidential. The name of the Scrutinizer should be written in full.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event member casts his votes through both the processes i.e. remote e-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic demat form is verified with the specimen signatures furnished by NSDL / CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Link Intime India Private Limited). Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio/DP ID Client ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders, Ballot Form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the Ballot Form has been signed by an authorized representative of the Body Corporate / Trust / Society, etc. a certified copy of the relevant authorisation/ Board resolution to vote should accompany the Ballot Form.
10. Instructions for remote e-voting procedure are available in the Notice of Annual General Meeting and are also placed on the website of the Company.

PROXY FORM

Form No. MGT-11

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

CIN	: L34102PN1958PLC011172
Name of the Company	: FORCE MOTORS LIMITED
Registered Office	: Mumbai - Pune Road, Akurdi, Pune - 411 035.
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 the above named company, 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 56th Annual General Meeting of the Company, to be held on Saturday, the 26th day of September 2015 at 11.30 a.m. at the Registered Office of the Company at Mumbai - Pune Road, Akurdi, Pune - 411 035 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions :

Sr. no	Description
1)	Adoption of Financial Statements for the year ended 31st March 2015 and the Board's and Auditors' Report thereon.
2)	To declare a dividend.
3)	Re-appointment of Mr. Vinay Kothari, who retires by rotation.
4)	Appointment of M/s. P.G.Bhagwat, Chartered Accountants, as Auditors and to fix their remuneration for the year 2015-16.
5)	Resolution relating to permission to contribute to charitable and other funds.
6)	To fix remuneration of M/s. Joshi Apte & Associates, the Cost Auditors, Pune.
7)	Appointment of Mr. Prashant V. Inamdar to be designated as Executive Director (Operations) and to fix remuneration.
8)	Resolution permitting acceptance of deposits.

Signed this day of2015

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

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.