

BPL LIMITED



Happier Living Everyday

Annual Report 2014-15

Corporate Information

BOARD OF DIRECTORS

Mr. Ajit G Nambiar, *Chairman & Managing Director*
Mrs. Anju Chandrasekhar
Capt. S Prabhala
Mr. Suraj L Mehta

COMPANY SECRETARY

Mr.D Krishnan

CHIEF FINANCIAL OFFICER

Mr.S V Ganesh

AUDITORS

M/s. T Velu Pillai & Co.,
Chartered Accountants, Bangalore

BOARD COMMITTEES

Audit Committee

Mr. Suraj L Mehta, *Chairman*
Capt. S. Prabhala, *Vice-Chairman*
Mrs. Anju Chandrasekhar

Nomination & Remuneration Committee

Capt. S Prabhala, *Chairman*
Mrs. Anju Chandrasekhar
Mr. Suraj L Mehta

Stakeholders Relationship Committee

Capt. S Prabhala, *Chairman*
Mr. Ajit G Nambiar
Mrs. Anju Chandrasekhar

REGISTERED OFFICE

BPL Works, Palakkad 678007, Kerala

CORPORATE OFFICE

No. 64, Church Street, Bangalore 560 001

MANUFACTURING FACILITIES

BPL Works, Palakkad 678 007, Kerala
Doddaballapur 561 203, Bangalore District

REGISTRAR AND SHARE TRANSFER AGENT

Karvy Computershare Private Limited,
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad- 500 032, Telengana, India,
Tel: +914067161700

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Notice of Annual General Meeting

NOTICE is hereby given that the 51st Annual General Meeting of BPL Limited, will be held on Wednesday, the 30th September, 2015 at 10.00 A.M. at Sri Chackra International, Krishna Gardens, Chandranagar P.O., Palakkad - 678 007, Kerala, to transact the following business:

ORDINARY BUSINESS

- 1) To consider and adopt the Profit and Loss Account (Statement of Profit & Loss) for the year ended 31st March, 2015 and the Balance Sheet as at that date together with Report of the Board and the Auditors thereon.
- 2) To declare Dividend on Preference Shares
- 3) To appoint a Director in place of Mrs. Anju Chandrasekhar, who retires by rotation, and being eligible, offers herself for re-election.
- 4) To ratify the appointment of the existing Statutory Auditors of the Company - M/s T. Velu Pillai & Co., Chartered Accountants, Bangalore, Firm Registration No. 004592S, to hold office from the conclusion of this Meeting until the conclusion of the 52nd Annual General Meeting, as required under Section 139 of the Companies Act, 2013.

By order of the Board

Bangalore
14th August, 2015

D Krishnan
Company Secretary

Registered Office: BPL Works, Palakkad-678 007, Kerala.

CIN: L28997KL1963PLC002015, e-mail: investor@bpl.in

Phone : + 91-80-25589109 URL : www.bpl.in

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED/LODGED AT THE REGISTERED / CORPORATE OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORISED REPRESENTATIVES TO ATTEND THE MEETING ARE REQUESTED TO SEND TO THE COMPANY A CERTIFIED COPY OF THE BOARD RESOLUTION AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE ON THEIR BEHALF AT THE MEETING. PROXIES ONCE ISSUED WILL HOLD GOOD FOR ANY ADJOURNMENT OF THIS AGM.
2. Members/Proxies should bring the Attendance Slip sent herewith duly filled in, for attending the Meeting.

3. The Register of Members and Share Transfer Books of the Company will be closed from 23rd September, 2015 to 30th September, 2015 (both days inclusive).
4. Shareholders intending to require information about accounts, to be explained at the Meeting, are requested to inform the Company at least a week in advance of their intention, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.
5. Members are requested to bring their copy of the Annual Report and the Attendance Slip to the Annual General Meeting. ONLY MEMBERS/ PROXIES WILL BE ADMITTED INTO THE HALL FOR THE MEETING.
6. Dividend of Rs. 0.001 per share has been recommended on the Preference Shares as per the terms of the issue covered by the approved Scheme of Arrangement.
7. In support of the green initiative of the government, electronic copy of the Annual Report for the financial year 2014-15 and Notice convening 51st Annual General Meeting of the Company, inter alia indicating the process and manner of e-voting, attendance slip and proxy form are being sent to all the members whose email IDs are registered with the Company/Depository Participant for communication purpose unless any member has requested for a hard copy of the same.

For those who have not registered their email address physical copies of the Annual Report for the financial year 2014-15 and Notice convening 51st Annual General Meeting of the Company, inter alia indicating the process and manner of e-voting, attendance slip and proxy form are being sent in the permitted mode.

8. 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 the PAN to their Depository Participants with whom demat accounts are maintained. Members holding shares in physical form can submit their PAN details either to the company or to company's Registrar & Share Transfer Agent Viz. Karvy Computershare Private Limited, Hyderabad.
9. Shareholders are requested to address all their correspondence including on matters related to Share Transfers, Annual Report etc., to the Investors' Service Cell, at Dynamic House, No.64, Church Street, Bangalore 560 001, E-mail- investor@bpl.in
10. Brief resume of the Director proposed to be re-appointed, nature of expertise, names of Companies in which she holds

Notice of Annual General Meeting

Directorship and relation between the Directors, inter-se as stipulated under Clause 49 of the Listing Agreement executed with the Stock Exchanges is stated elsewhere in this Notice. The Company is in receipt of relevant disclosures, consent pertaining to such re-appointment as Director.

11. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to members to exercise their right to vote by electronic means. The members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 28th August, 2015, are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at 9.00 a.m. on Sunday, 27th September, 2015 and will end at 5.00 p.m. on Tuesday, 29th September, 2015. The Company has appointed Mr. P Sivarajan, Practising Chartered Accountant, to act as the Scrutinizer, to scrutinize the remote e-voting process in a fair and transparent manner. The members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter.

Procedure for remote e-voting

- I. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:

- (a) In case of Members receiving an e-mail from Karvy :
- Launch an internet browser and open <https://evoting.karvy.com>
 - Enter the login credentials (i.e. User ID and password). The Event No.+Folio No. or DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - After entering the above details Click on - Login.
 - Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that

you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.

- On successful login, the system will prompt you to select the E-Voting Event
- Select the EVENT of BPL Limited and click on - Submit.
- Now you are ready for e-voting as 'Cast Vote' page opens
- Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- Upon confirmation, the message 'Vote cast successfully' will be displayed.
- Once you have voted on the resolution, you will not be allowed to modify your vote.
- Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at casivarajan@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

- (b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip

- (i) INITIAL PASSWORD IS PROVIDED, AS FOLLOWS, AT THE BOTTOM OF THE ATTENDANCE SLIP

EVEN (E-Voting Event Number)	USER ID	PASSWORD
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- (ii) Please follow all steps from Sl. No. (i) to Sl. No. (xi) above, to cast vote.

- II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website : <https://evoting.karvy.com>.
- III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.

Notice of Annual General Meeting

- IV. The voting rights shall be as per the number of equity shares held by the Member(s) as on Wednesday, 23rd September, 2015. Members are eligible to cast vote electronically only if they are holding shares as on that date.
- V. The Companies (Management and Administration) Amendment Rules, 2015 provides that the electronic voting period shall close at 5.00 p.m. on the date preceding the date of AGM. Accordingly, the voting period shall commence at 9.00 a.m. on Sunday, 27th September, 2015 and will end at 5.00 p.m. on Tuesday, 29th September, 2015. The e-voting module shall be disabled by Karvy at 5.00 p.m. on the same day.
- VI. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- VII. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
- VIII. Members who have acquired shares after the despatch of the Annual Report and before the book closure may obtain the user ID by approaching the Company or its RTA for issuance of the User ID and Password for exercising their right to vote by electronic means.
- a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> Event number+Folio No. or DP ID Client ID to 9212993399
- Example for NSDL : MYEPWD<SPACE>
IN12345612345678
- Example for CDSL : MYEPWD <SPACE>
1402345612345678
- Example for Physical : MYEPWD <SPACE>
XXX1234567
- b. If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click “forgot password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call Karvy's toll free number 1-800-345-001
- d. Member may send an e-mail requests to. evoting@karvy.com
12. The results shall be declared after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.
13. Shareholders can download e-voting Form from the link www.evoting@karvy.com or seek duplicate e-voting Form from M/s Karvy Computershare Private Limited, Registrar & Transfer Agents, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032, Telangana, India, Tel: +914067161700, Fax:+914023114087, E-mail: einward.ris@karvy.com or BPL Limited, No. 64, Church Street, Bangalore 560 001.
14. Shareholders who may not be able to attend the Annual General Meeting have an option on voting i.e e-voting or physical form. Duly completed physical forms have to reach the scrutinizer on or before 29.09.2015. The forms received after this date will not be considered for counting.
15. Shareholders are requested to carefully read the instructions printed in the e-voting Form and act accordingly to cast their vote electronically.
16. The voting rights of Shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on Wednesday, 23rd September, 2015.
17. The Company has appointed Mr. P Sivarajan, Practicing Chartered Accountant, who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The scrutinizer shall within a stipulated period of time from the conclusion of the e-voting period unlock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
18. The Scrutinizer shall submit his report on the votes cast in favour or against, if any, to the Chairman of the Company within a stipulated period of time from the date of conclusion of e-voting period.
19. The results of the e-voting along with the scrutinizer's report shall be placed on the Company's website www.bpl.in within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
20. In case of joint members attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
21. Members may also note that the Notice of the 51st Annual General Meeting and Annual Report for the financial year 2014-15 will also be available on the company's website i.e. www.bpl.in for their download.
22. Members who hold shares in physical form in multiple folios in identical names are requested to send the share certificates to the Registrar and Share Transfer Agent for consolidation into single folio.

Notice of Annual General Meeting

23. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11.00 a.m. to 1.00 p.m. up to the date of declaration of the result of e-voting.

By order of the Board

Bangalore
14th August, 2015

D Krishnan
Company Secretary

Registered Office:
BPL Works, Palakkad-678 007, Kerala.
CIN: L28997KL1963PLC002015 e-mail:investor@bpl.in
Phone : + 91-80-25589109
URL : www.bpl.in

Brief resume of a Director seeking re-appointment

Mrs. ANJU CHANDRASEKHAR

Mrs. Anju Chandrasekhar, 48, is a Graduate in Commerce and holds an MBA from Boston University, USA. Mrs. Chandrasekhar has been associated with BPL for over two decades.

Currently, she is the Non-Executive Director Corporate Affairs of BPL Limited heading the HR, Legal, Administration and Secretarial functions. Mrs. Chandrasekhar has spearheaded the company's thrust in latest concepts and methods in Human Resources Development at all levels. Additionally, she is a Director on the boards of many companies in the group.

Name of the companies in which Mrs. Anju Chandrasekhar is Director is furnished below:

(1) Electro Investment Pvt. Ltd. (2) Nambiar International Investment Company Private Limited (3) PanIndia Telecommunications Network Pvt Ltd. (4) E R Computers Private Limited (5) Virtual Properties & Estates Private Limited (6) Electronic Research Private Limited (7) Dynamic Electronics

Private Limited (8) Anan Properties & Finance Company Private Limited (9) Technocity Digital Electronic Private Limited (10) Niraamaya Retreats Kovalam Private Limited (11) Asian Age (India) Private Limited (12) BPL Medical Technologies Private Limited (13) Bharat Energy Ventures Limited

Mrs. Anju Chandrasekhar is a member of the Audit, Stakeholders Relationship and Nomination & Remuneration Committees of BPL Limited.

Except Mrs. Anju Chandrasekhar, being an appointee and Mr. Ajit G Nambiar being a relative and a Key Managerial Personnel of the Company, none of the other directors and Key Managerial Personnel is concerned or interested, financial or otherwise, in the ordinary business set out as Item No. 3.

The re-appointment of Mrs. Anju Chandrasekhar, being a Woman Director on the board of the company complies with the requirements of provisions of Section 149 (1) of the Companies Act, 2013 with regard to appointment of a woman director by a listed company.

ATTENDANCE RECORD OF DIRECTOR WHO SEEKS RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Name of the Director	No. of Board Meetings held during 2014-2015	No. of Board Meeting attended	Last AGM attendance (Yes/No.)	No. of Shares held
Mrs. Anju Chandrasekhar	7	5	No	74,600

By order of the Board

Bangalore
14th August, 2015

D Krishnan
Company Secretary

Registered Office: BPL Works, Palakkad-678 007, Kerala.
CIN: L28997KL1963PLC002015, e-mail : investor@bpl.in
Phone : + 91-80-25589109, URL : www.bpl.in.

Board's Report and Management Discussion & Analysis

To the Members,

Your Directors have pleasure in presenting the Fifty First Annual Report on the business and operations of the Company, together with the Audited Statement of Accounts for the year ended March 31, 2015. The Management Discussion and Analysis have also been incorporated into this report.

♦ FINANCIAL HIGHLIGHTS

The Company's financial performance for the year under review along with the previous year's figures is given hereunder:

(₹ in crores)

Particulars	Year ended	
	31.03.2015	31.03.2014
Net Sales and other income	30.55	59.69
Profit before Interest, Depreciation and Tax	7.27	5.53
Less: Interest	0.05	0.14
Depreciation	1.66	1.09
Extra-ordinary Income (net)	-	-
Profit /(Loss) before Tax	5.56	4.30
Deferred Tax Asset	-	(131.61)
Profit /(Loss) after Tax (including Profit from Discontinuing operations)	7.79	(127.31)
Balance Reserve at the beginning of the period	21.37	148.68
Balance of Reserve at the end of the period	29.16	21.37

■ OPERATIONS AND BUSINESS OVERVIEW

Despite weak consumer demand and a sluggish economy, your Company ended with a total income of Rs.30.55 Crores for the year 2014-15 compared to Rs.59.69 Crores for the previous year. The reduction in income is also due to hiving off Health care Business to BPL Medical Technologies Private Limited during August 2013. The increased focus on cost reduction measures at its Printed Circuit Board (PCB) manufacturing unit and other offices, with a special emphasis on reducing input costs, overall expenses and reduction in interest cost helped the company to improve its financial performance in spite of decrease in total income of the company when compared to previous year.

The gross profit earned for the year is Rs. 7.27 Crores. After providing Rs. 1.66 Crores and Rs. 0.05 Crores towards depreciation and finance charges respectively, your Company has earned a profit (before provisions & taxation) of Rs. 5.56 Crores for the year 2014-15. The operations of the Company continued to be affected due to working capital constraints and lack of bank funding.

□ Dividend

Your Directors regret their inability to recommend any dividend on equity shares of the Company since your Company has accumulated losses on the Balance Sheet and need to fund the new business initiatives.

However, your Board has recommended payment of dividend on Preference Shares at Rs. 0.001 per share of face value of Rs. 100/- each, for the year under review, amounting to a total sum of Rs. 16,959/- as per the terms of the issue covered by the approved Scheme of Arrangement subject to the approval of the members at the ensuing Annual General Meeting.

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

□ E-commerce Business in India

India is at an inflection point of commerce moving online at a rapid pace as digital transformation commences. This should see the country emerge as the second largest digital market in the world by 2020, based on connected smart phones. India will leapfrog traditional tech themes and embrace new disruptive technologies with greater ease facilitated by a currently underdeveloped landscape.

Over the next 15 years, it is estimated that India will have more than one billion digital users. This would be a unique global phenomenon, witnessing arguably the largest shift online in a country's population.

The Indian e-commerce market is expected to grow 1.5 to 2.5% of GDP, or US\$300bn, by 2030 driven by hyper growth in affordable smart phones, infrastructure, and ease of online transactions. Further, India's attractive demographics the youngest population in the world should lead to 300mn+ new online shoppers in the next 15 years, making e-tailing the largest online segment.

India is fast in becoming one of the most important markets for global internet and telecom giants as they look beyond China for opportunities. US giants are targeting ad revenues (such as Google, Facebook) and the e-tailing pie (Amazon); Asian majors such as Samsung, Xiaomi are eyeing significant smart phone shipments, while Alibaba /Softbank look for strategic stakes in the India internet opportunity, helped by low entry barriers compared with some of the other markets.

Some unique facts about India are enumerated below:

- India has one of the youngest populations in the world with 68% below 35 years, and median age of 27 years vs. 37/38 for China/US
- India has a very diverse population, speaking 22 different languages and the second-largest English speaking population in the world at around 125mn

Board's Report and Management Discussion & Analysis

- Only 30% of the population have bank accounts and only 3% file their income tax returns
- Just 9% is covered by digital fiber and only 20mn people own a credit card. All this, along with suboptimal infrastructure are key triggers for the online economy to develop

□ Exclusive partnership with Flipkart

Flipkart started operations in October 2007 selling books via internet. It is now India's leading e-commerce marketplace with over 20 million products across 70+ categories including electronics, apparels, baby care products, home & kitchen appliances, books & media, fitness equipment, auto accessories etc. Flipkart has about 60million registered users and gets nearly 8 million visits daily. It has 13 warehouses and over 25,000 employees.

Your company entered into an exclusive agreement with Flipkart India Pvt Ltd (Flipkart), a leading e-commerce company for sale of consumer durables and appliances under the "BPL" brand. This initiative of your company was launched on 15th July, 2015 initially with LED Colour Televisions, Washing Machines and Refrigerators with a new positioning for the brand "Experience it." Your company has also launched these products through print media and online advertisements. Members may visit the company's website www.bpl.in, for further information and updates on the same. Your company's objective is to supply products of great quality at a fair price, supported by excellent service.

The product range would gradually cover other home appliances products like Air Conditioners, Microwave Ovens, and LED / Solar Lamps. Presently, the Flipkart business covers 140 towns across India including the four large metros -Delhi, Mumbai, Kolkata and Chennai. Your company has formed a dedicated team of senior executives to oversee the entire activities of the e-commerce initiative.

In order to provide timely and efficient after sales service, your company has entered into an arrangement with Jeeves Customer Care Pvt Ltd who are specialist in undertaking customer care services of consumer electronic products. They have been in this business for the last decade or so.

Your directors are pleased to report that the products launched under the BPL brand were well received with an overwhelming response in the market. Your company is pleased to introduce the brand to the new consumers and bring back the same to our loyal customers who have always enjoyed an unparalleled experience. BPL has been loved and endorsed for many years and now the company's aim is to give new experiences through products, design, technology and style once again, that resonate with the new generation.

During the current financial year, your Company expects to achieve a turn over of approximately Rs.50 crores as a result of this new initiative.

□ Risks and Concerns

While the revival of BPL consumer electronics business through e-tailing seems promising, some risks are inherent: working capital constraint, exchange rate fluctuations, infrastructure limitations affecting the supply chain, uncertainty about broadband and 4G rollout, etc.

□ Printed Circuits Board (PCB) Business

The PCB industry in India, at present, consists of single sided, double sided & multi layer PCBs. BPL is engaged in manufacturing of single sided PCBs. The major market for this comes from the Lighting segment (both in CFL & LED), consumer electronics, basic telecom equipments, low-end power conversion and auto electronics industry. During the year 2014-15, the segment wise contributions to the total BPL PCB business is as under:

Segment	%
TV	16
Lighting	49
Power Conversion	11
Automotive	13
Others	11
Total	100

Your Company was able to cope with the competition & achieve a growth of 22% over the previous year with EBITDA of around 20%.

Further, PCB industry is witnessing sizeable growth in the un-organized sector, especially in consumer electronics segment like Color Televisions with Cathode Ray Tube (CRT), . The market in this segment is expected to grow around 20% this year. Your company intends to reap benefits from this growth and accordingly, the turnover of PCB business may increase by 18% during the current fiscal year.

□ Risks and Concerns

The Company's major competitors in this segment are depending on CRT TV business to the extent of 60% of their total business turn over and there is a threat from them in offering lower prices, better payment terms and other incentives to get business break through. Due to delay in upgrading our manufacturing facilities because of financial constraint, the Company's market share may be affected. The Company is trying to evolve strategies to maintain its market share and profitability through cost reduction and improvement of overall efficiency.

□ Details of Subsidiary/Joint Ventures/Associate Companies

The Company had two subsidiaries viz. Bharat Energy Ventures Limited and BPL Power Projects (AP) Private Limited (an indirect subsidiary). Consequent to disinvestment in the equity capital of Bharat Energy Ventures Limited, during September, 2014, these companies ceased to be subsidiaries with effect from 1st October, 2014.

BPL Medical Technologies Private Limited is an associate company since your company's investment is more than 20% in the equity capital of BPL Medical Technologies Private Limited.

Since the company has no subsidiaries and as the company does not have any significant influence or control in the associate company, the disclosures and consolidation of accounts as required under AS-23 are not applicable to the company.

□ Significant and material orders

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in the future.

□ Safety, Health and Environment

Safety committees at the manufacturing unit are functioning properly to ensure safe and healthy work environment.

Board's Report and Management Discussion & Analysis

Safety, Health and Environmental requirements as per rules have been adhered to at the unit. Shop in-charge personnel and all security staff have been given sufficient on job training in the use of safety equipments. Necessary consent(s) have been obtained from pollution control Board with respect to Water and Air. Fire Fighting equipments and water hydrant system are installed inside the factory for safety of all personnel and to meet any eventuality.

The Company had 69 employees as on March 31, 2015.

- Conservation of energy, technology absorption and foreign exchange earnings and outgo

a) Conservation of energy:

Though not a large-scale user of energy, your Company continues to explore several measures to conserve scarce resources and protect the environment.

These include Water Recycling, Waste Recycling, Solder Fumes Control and Power Factor Improvement. During the year under review, in view of working capital constraints, your company has not made any capital investment on energy conservation equipments.

b) Technology absorption:

Continuous efforts have been made for developing new technologies and to innovate products to keep your Company tuned to the market needs.

During the year, no major R & D was carried out in view of the financial and other constraints faced by the Company. However, the Company will be focusing on these areas in the current financial year.

c) Foreign exchange earnings and Outgo:

During the period under review, your Company utilized foreign exchange worth Rs. 10.40 Crores and foreign exchange earning was Nil.

- Corporate Governance

Your company reaffirms its commitment to corporate Governance and is fully compliant with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with Stock Exchanges. A separate section on compliance with the conditions of Corporate Governance and certificate from the Statutory Auditors of the Company - M/s T Velupillai & Co, Chartered Accountants, in this regard forms part of the Annual Report.

- Policy on Directors appointment and Remuneration policy

Policy on Directors appointment is to follow the criteria as laid down under the Companies Act, 2013 and the listing agreement with stock exchanges and good corporate practices. Emphasis is given to persons from diverse field or professions.

Guiding policy on remuneration of Directors, Key Managerial Personnel and Employees of the company is that:

- Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and workmen is industry-driven and takes into account their performance and factors such as to attract and retain quality talent.
- For Directors, it is based on the shareholders resolutions, provisions of Companies Act, 2013 and Rules framed there in, Circulars and Guidelines issued by the Central Government and other authorities from time to time.

- Annual Evaluation by the Board of its own performance, its committees and individual Directors

The Board of Directors of the company has initiated and put in place evaluation of its own performance, its committees and individual Directors. The result of the evaluation is satisfactory and adequate for the requirements of the company.

- Declaration of independence by the Independent Directors

Pursuant to Section 149(6) of the Companies Act, 2013, Mr. Suraj L Mehta and Capt. S Prabhala, the Independent Directors of the company have made a declaration confirming the compliance of the conditions stipulated in the aforesaid section.

- Directors' Responsibility Statement

Pursuant to the requirements of Section 134 (1) (c) of the Companies Act, 2013, and on the basis of explanations and compliance certificates given by the executives of the company and subject to disclosures in the annual accounts and also on the basis of discussions with the statutory auditors of the company, from time to time, we state as under :

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the directors had prepared the annual accounts on a going concern basis.
- e) that the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

- Directors

Mr. K Jayabharath Reddy and Mr. K S Prasad, independent directors of the company, resigned as Directors of the company during August, 2014.

Mrs. Anju Chandrasekhar, Director, retires by rotation, at the ensuing Annual General Meeting and is eligible for re-appointment.

- Number of meetings of Board of Directors

The Board of Directors have met seven times and independent directors once during the Financial Year 2014-15.

- Details of Committee of Directors

Composition of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, number of

Board's Report and Management Discussion & Analysis

meetings of each committee during the financial year 2014 -15 and meetings attended by each member of the committee as required under the Companies Act, 2013 are provided in the Corporate Governance Report and forming part of the Annual report.

The recommendations of the Audit Committee as and when made to the board have been accepted by it.

□ Key Managerial Personnel

Mr. Ajit G Nambiar, Chairman & Managing Director and Mr. D Krishnan, Company Secretary and Compliance Officer are the Key Managerial personnel who were appointed prior to the notification of Section 203 of the Companies Act, 2013.

Mr. S. V. Ganesh has been designated as the Chief Financial Officer of the company with effect from 29th September, 2014 and is also a Key Managerial personnel.

□ Particulars of contracts or arrangements with related parties:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto are disclosed in Form No. AOC - 2.

□ Particulars of Loans, Guarantees or Investments

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

□ Deposits

The Company has not accepted any deposits from the public and hence, the provisions of the Companies Act, 2013 and Rules framed there under are not applicable to the company.

□ Auditors Report

The explanations or comments of the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in their report has been furnished by way of an addendum.

□ Share Capital

The paid up Equity Share Capital of the Company as on 31st March, 2015 stood at Rs. 48.88 Crores comprising 4,88,84,818 Equity Shares of Rs 10/- each, fully paid up. The paid up Preference Share Capital of the Company as on 31st March, 2015 was Rs.169.59 Crores consisting of 1,69,58,682 Redeemable Preference Shares of Rs. 100/- each.

The Company has not issued any Sweat Equity Shares or granted any Employee Stock Option during the Financial Year 2014-15. The Company has not made any provision of money for the purchase of or subscription for shares in the Company under any Scheme.

The provisions of Rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not applicable to the company since no equity shares have been issued by the Company with differential rights during the Financial Year 2014-15.

□ Risk management

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

□ Whistle Blower Policy

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure whistle blowing system for directors and employees of the company to raise any concern. The policy broadly cover instances of unethical behaviour, actual or suspected fraud or violation of the company's code of conduct, alteration of documents, fraudulent financial reporting, misappropriation/ misuse of company's assets, manipulation of company's data, pilferage of proprietary information, abuse of authority etc. The policy provides safeguard against victimization of Director(s)/employee(s) who raise the concern and have access to the Chairman of Audit Committee who is entrusted to oversee the whistle blower mechanism. The policy is available on the website of the company.

■ MANAGEMENT DISCUSSION & ANALYSIS

Your Directors have covered the Management Discussion & Analysis as required under the Corporate Governance requirements, as a part of the Board's Report in appropriate places to avoid duplication and overlapping of the contents of the said two reports.

□ Internal Control and their adequacy

Your Company has adequate internal financial control systems and checks, which ensure that all assets are safeguarded and that all transactions are recorded and reported properly.

The Internal financial control systems are supplemented by extensive programme of internal audit conducted by external qualified Chartered Accountants. The Company has also put in place effective Budgetary Systems.

□ Corporate Social Responsibility (CSR)

The provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the company as its net worth or turnover or net profit are below the prescribed limits.

□ Analysis of Remuneration

Pursuant to Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014, a disclosure on remuneration related information of employees, Key Managerial Personnel and Directors is annexed herewith and forms part of the report (Annexure-I).

□ Statutory Auditors

M/s T Velu Pillai & Co., Chartered Accountants, Bangalore were appointed as Statutory Auditors for a period of three years at the Annual General Meeting held on 29th September, 2014. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the Auditors to the effect that their re-appointment would be in accordance with the provisions of Section 141 of the Companies Act, 2013.