

Board of Directors	Dr. Karl Tragl - Chairman Mr. H. Ott Dr. Johannes Thomas Grobe - Managing Director Mr. Franz Hauber Mr. Deepak S. Chellani - Wholetime Director Mr. R. S. Pradeep - Wholetime Director
Company Secretary	Mr. Vanraj Rathod
Audit Committee	Dr. Karl Tragl - Chairman Mr. H. Ott - Member Dr. Johannes Thomas Grobe - Member Mr. Franz Hauber - Member
Remuneration Committee	Dr. Karl Tragl - Chairman Mr. H. Ott - Member Mr. Franz Hauber - Member
Bankers	Deutsche Bank HDFC Bank Ltd.
Auditors	M/s. Price Waterhouse Chartered Accountants
Works, Registered & Corporate Head Office	Sanand Viramgam Highway, Iyava Village, Taluka Sanand, Dist. Ahmedabad - 382 170
Works	Municipal no.31, Sy. No.37/1 Nadekerappa Industrial Estate, Andrahalli, Bangalore - 560 091

39th Annual General Meeting

Date : 30th June, 2014
Day : Monday
Time : 11.00 A.M.
Place : Bosch Rexroth (India) Limited
Sanand Viramgam Highway,
Iyava Village, Taluka Sanand,
Dist. Ahmedabad - 382 170

CONTENTS

PAGE NO.

Bosch Rexroth (India) Limited

Board of Directors etc.	1
Notice	3
Directors' Report	9
Auditors' Report	15
Balance Sheet	20
Profit and Loss Account	22
Cash Flow Statement	24
Notes to the Financial Statements	26
Statement relating to Subsidiary Company	50

MIVIN Engg. Technologies Private Limited

Directors' Report	51
Auditors' Report	55
Financial Statements	60

Bosch Rexroth (India) Limited

Registered Office : Sanand Viramgam Highway, Iyava Village, Taluka: Sanand, Ahmedabad-382170
Tel. : +91 2717 678000, Website : www.boschrexroth.co.in, E-mail : info@boschrexroth.co.in
CIN : U29120GJ1974PLC002468

NOTICE TO MEMBERS

NOTICE IS HEREBY GIVEN THAT THE THIRTY NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF BOSCH REXROTH (INDIA) LIMITED WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT SANAND VIRAMGAM HIGHWAY, MOUJE IYAVA, TALUKA SANAND, DIST. AHMEDABAD 382 170 ON MONDAY, THE 30TH JUNE, 2014 AT 11.00 A.M. TO TRANSACT THE FOLLOWING BUSINESSES :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited statement of Profit & Loss for the year ended on 31st December, 2013, and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. H. Ott, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof), the retiring auditors, M/s. Price Waterhouse, Chartered Accountants, (Firm Registration No.301112E), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or

without modification(s), the following resolution as Special Resolution :

"RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof), the Company hereby accords its consent and approval to the increase in the remuneration and perquisites of Dr. Johannes Thomas Grobe, Managing Director of the Company, for the period from 1st August 2014 to 31st July, 2017, (including the remuneration to be paid in the event of loss or inadequacy of profits in any accounting year during the aforesaid period), the particulars of which are enumerated in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT any one of the Director or Company Secretary of the Company be and is hereby authorized to do all such acts, things and deeds as may be required to give effect to the above Resolution."

Notes :

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE 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. A BLANK PROXY FORM IS ENCLOSED. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.**
- b) The instrument appointing the proxy (duly completed, stamped and signed) must be deposited at the registered office of the Company

not less than 48 hours before the commencement of the meeting. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.

- c) The Share Transfer Books and the Register of Members of the Company will remain closed from Friday, the 20th June, 2014 to Monday, the 30th June, 2014 (both days inclusive) for the purpose of 39th Annual General Meeting to be held on 30th June, 2014.
- d) Members are requested to notify immediately any change in their address/ bank mandate to their respective Depository Participants (DPs) for shares held in the electronic mode or to the Company at its Registered Office, if shares are held in physical form.
- e) The identity/signature of the Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL.
- f) The Registrar and Transfer Agent of the Company M/s. Link Intime India Private Limited, 303, Shopper's Plaza-V, Opp. Municipal Market, Off C G Road, Navrangpura, Ahmedabad - 380009, is handling registry work in respect of shares held in electronic/demat form.
- g) In terms of Sections 205A and 205C of the Companies Act, 1956, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the Investor Education & Protection Fund. Accordingly, unclaimed/unpaid dividend for the accounting year ended on 31st December, 2005 has been transferred

to this fund. Members who have not encashed their dividend warrants for the year 2006 and 2007 are requested to send the same to the Company for payment. It may be noted that once the unclaimed dividend is transferred to the Investor Education & Protection Fund, no claim shall lie with the Company or with the Fund in respect of such amount.

- h) Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
- i) Members/Proxies/Representatives should bring the attendance slip and hand over the same at the entrance of the meeting hall, failing which admission to the meeting may be refused.
- j) As a measure of economy, the Company does not distribute copies of the Annual Report at the meeting. Members, therefore, are requested to bring their copies with them.
- k) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least seven days before the date of the meeting, so that the information required by the members may be made available at the meeting.
- l) **Voting through electronic means**
Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services

Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/its discretion, subject to compliance with the instructions prescribed below :

Procedure / Instructions for e-voting are as under :

1. Initial password as below is given in the attendance slip for the AGM :

EVSN (Electronic Voting Sequence Number)	USER ID	PASSWORD
XXXXXXXX	XXXXXXXX	XXXXXXXX

2. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
3. Now click on "Shareholders" to cast your votes.
4. Now, select the Electronic Voting Sequence Number - "EVSN" alongwith "Bosch Rexroth (India) Limited" from the drop down menu and click on "SUBMIT".
5. Now, fill up the following details in the appropriate boxes :

USER ID	For members holding shares in Demat Form :
	a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID; b) For CDSL :- 16 digits beneficiary ID; For Members holding shares in Physical Form :- - Folio Number registered with the Company
PASSWORD	Your unique password is printed on the Attendance Slip.
PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department

- * Members who have not updated their PAN with the Company / Depository Participant are requested to use default number 'BOSCHREX74' in the PAN field.

6. After entering these details appropriately, click on "SUBMIT" tab.
7. Members holding shares in Physical form will then reach directly to the voting screen.
8. Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is to be also used by the Demat holders for voting for resolution 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.
9. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
10. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.
11. For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Attendance Slip.
12. On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.
13. Click on the Resolution File Link if you wish to view the entire AGM Notice.

14. 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.
 15. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 16. Institutional members (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc., to the Scrutinizer through e-mail at umesh@umeshvedcs.com with a copy marked to helpdesk.evoting@cdslindia.com. File naming convention should be 'Corporate Name EVSN.' The documents should reach the Scrutinizer on or before the close of working hours on June 26, 2014.
 17. In case you have any queries or issues regarding e-voting, please contact : helpdesk.evoting@cdslindia.com.
- cut-off date (record date) of June 19, 2014, may cast their votes electronically. Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
4. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of June 19, 2014.
 5. Mr. Umesh Ved, Practising Company Secretary, Ahmedabad, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 6. The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock 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.

General

1. In case of any queries regarding e-voting you may refer to the 'user manual for shareholders to cast their votes' available at www.evotingindia.com under 'HELP'.
 2. If you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote.
 3. The e-voting period commences on Tuesday, June 24, 2014 (9.00 a.m.) and ends on Thursday, June 26, 2014 (6.00 p.m.). During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the
- m) The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website www.boschrexroth.co.in and on the website of CDSL within two days of passing of the resolution at the AGM of the Company.
 - n) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
 - o) In case of joint shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

By Order of the Board of Directors

Place : Ahmedabad

Vanraj Rathod

Dated : 27th May, 2014

Company Secretary

Annexure to the Notice

Explanatory statement as required under Section 102 of the Companies Act, 2013.

Item No.1

The Board of Directors at its meeting held on 27th July, 2012, pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 approved the appointment and remuneration & perquisites payable to Dr. Johannes Thomas Grobe, Managing Director for the period from 01-08-2012 to 31-07-2017.

The shareholders at the Annual General Meeting held on 25-06-2013 approved the appointment and remuneration of Dr. Johannes Thomas Grobe, Managing Director with effect from 01-07-2012 to 31-07-2017.

The Board of Directors, as recommended by the Remuneration Committee, at its meeting held on 27-05-2014, pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the shareholders at the ensuing General Meeting and subject to such other approvals/sanctions as may be necessary, approved the payment of revised remuneration and perquisites payable to Dr. Johannes Thomas Grobe, Managing Director for the period from 01-08-2014 to 31-07-2017.

The terms of the remuneration payable and of perquisites allowable to Dr. Johannes Thomas Grobe, Managing Director are as follows:

REMUNERATION :

Basic Salary of Rs.4,21,601/- per month and various allowances of Rs.9,83,738/- per month.

In addition, target related bonus up to 55% of the total Salary.

The annual increment will be merit based and take into account the Company's performance. The total Salary will

not exceed Rs.25,29,609/- per month during the tenure of this agreement.

PERQUISITES:

- i) **HOUSING :**
As the Managing Director of the Company, the Company will provide him with Company owned furnished housing accommodation.
- ii) **Leave Travel Allowance, Medical Reimbursement and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed by the Board of Directors.**
- iii) **MOTOR CAR :**
Free use of a Car with driver for the Company's business purposes. All the expenditures in connection therewith will be borne by the Company.
- iv) **LEAVE:**
Annual Leave will be 30 days.
- v) **BUSINESS TRIPS :**
Travel costs for business trips will be reimbursed within the framework of the Company guidelines applicable for the time being.
- vi) **Actual expenses incurred on travel and on packing, forwarding, loading, unloading as well as freight, insurance, local transportation and installation expenses in connection with the moving of personal effects for employee and family for joining duty will be paid by the Company.**
- vii) **SITTING FEES :**
He is not entitled to sitting fees for attending meetings of the Board of Directors or of a Committee thereof.
- viii) **OTHER FACILITIES :**
He will be eligible for such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed by the Board of Directors.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules wherever applicable and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

MINIMUM REMUNERATION :

In the event of loss, absence or inadequacy of profits in any accounting year during his tenure as Managing Director, the remuneration aforesaid shall be paid as the “Minimum Remuneration” for that accounting year.

VARIATION OF REMUNERATION :

The Board of Directors of the Company shall have the liberty to alter, vary the terms and conditions of his

appointment (including the payment of remuneration) provided that such alteration/s or variation/s are in accordance with the recommendations made by the Remuneration Committee and are as per the provisions of the Companies Act, 1956 and are acceptable to Dr. Johannes Thomas Grobe.

MEMORANDUM OF INTEREST :

Dr. Johannes Thomas Grobe is interested in his aforesaid appointment as the Managing Director. No other Director of the Company is in any way concerned or interested.”

The Explanatory statement together with the accompanying notice should be treated as an abstract under Section 302 of the Companies Act, 1956.

By Order of the Board of Directors

Place : Ahmedabad

Dated : 27th May, 2014

Vanraj Rathod
Company Secretary

Report of the Directors

To the Members of Bosch Rexroth (India) Limited

Your Directors have pleasure in presenting the Thirty Ninth Annual Report together with the Audited Statement of Accounts for the year ended 31st December, 2013.

Financial Results

The following are the financial results :

	(Rs./Million)	
	2013	2012
Profit before Interest, Depreciation and Income-Tax	579.00	515.29
Less: Interest	319.35	201.90
Profit after interest but before depreciation and Income-Tax	259.65	313.39
Less: Depreciation	129.74	101.62
Profit / (Loss) before Income-Tax	129.91	211.78
Less : Provision for Income-Tax	12.49	88.04
Less: Deferred Tax	76.84	(8.91)
Profit / (Loss) after Taxation	40.58	132.65
Balance brought forward from the previous year	1,391.53	1,173.20
Add : Adjustment on amalgamation of erstwhile Hugglunds Drives (India) Pvt. Ltd.	-	85.68
Available for appropriation	1,432.11	1,391.53
(1) Proposed dividend	-	-
(2) Tax thereon including surcharge	-	-
(3) Transferred to General Reserve	-	-
Surplus in Profit & Loss Account carried to Balance Sheet	1,432.11	1,391.53

Dividend

With a view to conserve financial resources, the Board of Directors do not recommend any dividend for the year ended 31st December 2013.

Review of Operations

For the year ended on 31st December, 2013, the Company

has achieved Turnover of Rs. 6,384.10 million as against the Turnover of Rs.5,969.68 million during the previous year, representing increase in Turnover of 6.94 %. Result before Tax for the year under review was a profit of Rs. 129.91 million compared to Rs. 211.78 million in the previous year, after considering exceptional and non-recurring items. Material costs as a percentage to sales decreased by 3.65 % to 66.84 %. Profit before interest, depreciation and taxes was 38.66 % lower compared to previous year.

Business Situation

For India's economy, the year 2013 was a mixed year. While capital equity markets saw growth over the period, disappointing economic output, the nation's battle with inflation and the rupee's depreciation continued. India's growth rate has remained below 5% for the preceding 12 months. Inflation rates and the weakening rupee continued to hamper India's growth in the second half of 2013. As at the end of the year, the rupee was down 11% against the dollar, a small recovery from its lower point in the year but the decline made the currency one of Asia's worst performers in 2013. The Reserve Bank of India have continued to increase interest rates to counteract rising inflation levels but poor economic output in conjunction with depreciating value of rupee are continuing to have a significant adverse effect on these counter measures. For the Company, the year 2013 was a very eventful year. Once again, the global economic environment failed to provide any tailwind. Nonetheless, we increased our sales by 6.94% on year. These figures lie within the range we had anticipated. And we achieved them despite the overall slowdown in the Indian economic growth. We expect sales growth to pick up – thanks as well to an economy that is stronger, if still subdued. Moreover, we believe we have a good chance of further improving profitability.

Subsidiary Company

As MIVIN Engg. Technologies Private Limited, Bangalore, is a subsidiary of our Company, the audited Financial Statements of MIVIN Engg. Technologies Private Limited for the financial year ended on 31st December, 2013 pursuant to section 212 of the Companies Act, 1956 is annexed to this Annual Report.

Directorate

Mr. H. Ott retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Reinhard Liebe – Managing Director – Production & Mfg. retired with effect from 31st March, 2013.

The Board wishes to place on record its appreciation for the good work done by Mr. Reinhard Liebe during his tenure as Managing Director of the Company.

Directors' Responsibility Statement

Pursuant to provisions of Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, the Directors confirm that :

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to any material departure;
- ii) the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at the end of the financial year ended on 31st December, 2013 and of the profit of the Company for that period;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts for the year ended on 31st December, 2013 have been prepared on a going concern basis.

Audit Committee

The Audit Committee, constituted by the Company in accordance with the provisions of Section 292A of the Companies Act, 1956 performs the functions as required under the provisions of the Companies Act, 1956 and such other matters as are specified by the Board of Directors of the Company from time to time.

The composition of the Audit Committee is as under :-

Dr. Karl Tragl – Chairman

Mr. H. Ott – Member

Dr. Johannes Thomas Grobe – Member

Mr. Franz Hauber – Member