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DIRECTORS

MAHESH B. KOTHARI	EXECUTIVE CHAIRMAN
HOMI C. H. BHABHA	
SHREEKANT V. MEHTA	
BHARAT H. PATEL	
SUDHIR SATHE	
PRADEEP B. CHINAI	MANAGING DIRECTOR
AKIRA HIRAI	MANAGING DIRECTOR
HIDESHI SHIBA	WHOLE TIME DIRECTOR

COMPANY SECRETARY

HETAY VORA

AUDITORS

D. L. SHAH & CO.
CHARTERED ACCOUNTANTS, MUMBAI

BANKERS

BANK OF MAHARASHTRA
IDBI BANK LTD.
KOTAK MAHINDRA BANK LTD.
ICICI BANK LTD.

REGISTERED OFFICE

PLOT NO. L - 4, M. I. D. C. INDUSTRIAL AREA,
CHIKALTHANA, AURANGABAD - 431 210, MAHARASHTRA.

HEAD OFFICE

NKM INTERNATIONAL HOUSE, 4TH FLOOR,
178, BABUBHAI M. CHINAI MARG, MUMBAI - 400 020.

MANUFACTURING FACILITIES

- | | |
|---------------|---|
| UNIT 1 | : PLOT NO. L - 4, M. I. D. C. INDUSTRIAL AREA,
CHIKALTHANA, AURANGABAD - 431 210, MAHARASHTRA. |
| UNIT 2 | : PLOT NO.9, UDYOG KENDRA INDUSTRIAL AREA,
GREATER NOIDA - 201 304 (U.P.) |

REGISTRAR & TRANSFER AGENTS

LINK INTIME SPECTRUM REGISTRY PVT. LTD.
C-13, PANNALAL SILK MILLS COMPOUND, L.B.S. MARG,
BHANDUP (WEST), MUMBAI - 400 078.

EXEDY INDIA LIMITED



NOTICE

NOTICE is hereby given that the Thirty Seventh Annual General Meeting of the members of Exedy India Limited will be held on 7th day of September, 2011 at 11.30 a.m. at the Registered Office at Plot L-4, MIDC Industrial Area, Chikalthana, P. O. CIDCO, Aurangabad - 431 210, Maharashtra, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, Auditor's Report and the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2011.
2. To appoint a Director in place of Mr. Homi C. H. Bhabha who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Shreekant V. Mehta who retires by rotation and being eligible offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution relating to the Appointment of Auditors of the Company:

"RESOLVED THAT M/s D. L. Shah & Co., Chartered Accountants, having Membership No. 3784, 401, Avanti Apartment, 'A' Wing, King Circle, Mumbai- 400 022, be and hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company at such remuneration plus service tax and out-of-pocket expenses as may be determined by the Board of Directors on the recommendation of the Audit Committee of the Board."

SPECIAL BUSINESS

5. To consider, and if thought fit, to pass with or without modification, the following resolutions as special resolution for appointment of Twisha Chinai Mulchandani as Manager- Projects & Business Developments.

RESOLVED THAT pursuant to the provisions of Sections 314(1), 314(1B) and other applicable provisions, if any, of the Companies Act, 1956 and to the approval of the Central Government if applicable, consent of the Company be and is hereby accorded to Twisha Chinai Mulchandani, a relative of Mr. Pradeep B Chinai, Managing Director of the Company, to hold an office or place of profit as Manager- Projects & Business Development of the Company.

"RESOLVED FURTHER THAT Mr. Hetay Vora, Company Secretary, be and is hereby authorised to submit the resolution to The Ministry of Corporate Affairs and to do all such acts, and things necessary to make application to the Central Government for giving effect of this resolution."

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6. To consider, and if thought fit, to pass with or without modification, the following resolutions as Special Resolutions :

“RESOLVED THAT the accounts for the year ending 31st March, 2012, of the Company’s branch at Greater Noida be audited otherwise than by the Company’s Auditors and that for the audit of the accounts of that branch, the Company hereby authorise its Board of Directors to appoint, M/s ASA & Associates, of New Delhi, in consultation with Company’s Auditors, under Section 226 of the Companies Act, 1956, and to fix the terms and conditions of appointment and remuneration of such branch auditor(s).”

“RESOLVED FURTHER THAT the power to determine the remuneration to the Branch Auditors be and is hereby delegated to the Audit Committee & Board of Directors.”

By Order of the Board of Directors

HETAY VORA
COMPANY SECRETARY

Registered Office :
Plot L-4, MIDC Industrial Area,
Chikalthana, Aurangabad - 431 210.
Maharashtra.

Mumbai, 25th July, 2011.

EXEDY INDIA LIMITED



NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER.
2. An Explanatory Statement, as required by Section 173(2) of the Companies Act, 1956 in respect of Special Business as set out above is annexed hereto.
3. The instrument appointing proxy should be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
4. Register of Members and Share Transfer Books of the Company will remain closed from 1st September 2011 to 7th September 2011 (both days inclusive).
5. A Copy each of the Directors' Report, Auditors Report and Audited Profit & Loss Account of the Company for the financial year ended 31st, March 2011 and Balance Sheet as on that date are annexed.
6. Shareholders are requested to inform the Company immediately of any change in their address.
7. The documents relating to any of the items referred to in the Notice are available for inspection at the Registered Office of the Company between 11.00 a.m. to 3.00 p.m. on any working day.
8. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed Dividends upto the financial year ended 31st March, 2003 have been transferred to the Investor Education and Protection Fund.
9. Consequent upon amendment in Section 205A of the Companies Act, 1956 and introduction of Section 205C, by The Companies (Amendment) Ordinance, 1999, now the amount of dividend remaining unclaimed for the period of seven years shall be transferred to the Investor Education and Protection Fund.
10. Member attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled and signed and handover the same at the entrance of the hall.

By Order of the Board of Directors

HETAY VORA
COMPANY SECRETARY

Registered Office :
Plot L-4, MIDC Industrial Area,
Chikalthana, Aurangabad - 431 210.
Maharashtra.

Mumbai, 25th July, 2011.

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ANNEXURE TO THE NOTICE - EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM No. 5

The following additional information as required by Schedule XIII to the Companies Act, 1956 is given below:

Twisha Chinai Mulchandani is a Bachelor of Business Administration, Finance and Management Information Systems from **The University of Texas at Austin.**

The Board of Directors, at their meeting held on 26th April, 2011 has appointed Twisha Chinai Mulchandani as Manager- Projects & Business Development.

The Board recommends the resolution to the Members of the Company for approval.

None of the Directors of the company except Mr. Pradeep B. Chinai, is interested in this item of business, who is deemed to be interested as individual as well as related parties.

ITEM NO. 6

The Resolution is proposed in order to comply with the provision of Section 228(3) of the Companies Act, 1956. This Section makes it obligatory for the Company to have all its branches audited by persons qualified to be appointed as auditors of the Company under section 226 of the said Act. The Company has a branch, inter alia, at Greater Noida and it being considered desirable, it is proposed, in accordance with the provision of the said Section, to authorise the Board of Directors to appoint, in consultation with the Company's Auditors, M/s ASA & Associates for appointment as Branch Auditors under Section 226 of the Companies Act, 1956 to audit the accounts of the Greater Noida branch of the Company on such remuneration and upon such terms and condition as the Board of Directors & Audit Committee may deem fit.

By Order of the Board of Directors

HETAY VORA
COMPANY SECRETARY

Registered Office :
Plot L-4, MIDC Industrial Area,
Chikalthana, Aurangabad - 431 210.
Maharashtra.

Mumbai, 25th July, 2011.

EXEDY INDIA LIMITED**DIRECTORS' REPORT****TO****THE MEMBERS**

Your Directors have pleasure in presenting the Thirty Seventh Annual Report together with the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2011.

1) FINANCIAL RESULTS:

	2010-11	2009-10
	Rs. in Lacs	Rs. in Lacs
i) INCOME		
Sale of products & other services (Net of Excise & Inter division sales)	20563.13	16152.17
ii) EXPENSES		
Manufacturing and other expenses	(19850.65)	(14882.85)
iii) OPERATING PROFIT (before interest & depreciation)	712.48	1269.32
iv) INTEREST	(552.32)	(643.65)
v) GROSS PROFIT (before depreciation)	160.18	625.67
vi) DEPRECIATION	(807.49)	(732.00)
vii) PROFIT / (LOSS) (after depreciation)	(647.33)	(106.33)
viii) PROVISION FOR DEFERRED TAX	—	—
ix) PROVISION FOR CURRENT TAX	—	—
x) PROVISION FOR FRINGE BENEFIT TAX	—	—
xi) TAX IN RESPECT OF EARLIER YEARS	(0.15)	(0.21)
xii) TRANSFER FROM GENERAL RESERVES	—	—
xiii) PROFIT / (LOSS) AFTER TAX	(647.48)	(106.54)
xiv) Balance of profit brought forward from previous year	290.82	397.36
xv) Amount available for appropriations	(356.66)	290.82
xvi) APPROPRIATIONS		
a) Dividend (Proposed)	—	—
b) Dividend Tax	—	—
c) Transfer to General Reserve	—	—
d) Balance carried to Balance Sheet	(356.66)	290.82

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2) DELISTING

The Board of Directors of the Company has received a letter from EXEDY Corporation on May 30th, 2011, proposing a voluntary delisting of the equity shares of the Company from the Bombay Stock Exchange Limited (the "BSE") under Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (the "Delisting Regulations") with a view to acquire all the outstanding shares of the Company held by public shareholders and delist shares of the Company from the BSE (the "Delisting Proposal"). At present EXEDY Corporation holds 69.14% of the paid-up equity capital in the Company and Indian Promoters ("Ceekay Group"), hold 24.80% stake in the Company. Combined Promoters (EXEDY Corporation and Ceekay Group) shareholding in the Company is at 93.94%.

EXEDY Corporation had requested the Board of Directors of the Company to convene a board meeting to pass a resolution approving the delisting of the equity shares of the Company and seek consent of the equity shareholders of the Company for delisting of the equity shares of the Company by way of postal ballot in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Board of directors of the Company has approved the delisting proposal and subsequently obtained approval from shareholders through postal ballot on 25th July, 2011.

3) CHANGE OF NAME

As a consequence of the acquisition of equity shares of the company by Exedy Corporation through preferential allotment and by way of an open offer from the company's public shareholders, Exedy Corporation's holding has increased to 69.14%.

Considering the above, Exedy Corporation holding a majority, as well as to align the company's operations with Exedy's global brand, the company has changed its name from "Ceekay Daikin Limited" to "Exedy India Limited".

The name change would enable the company to benefit considerably from the global recognition of

the brand name "EXEDY" and goodwill and reputation attached to its product/services around the world.

4) DIVIDEND

The revenue account of your Company for the year has shown a loss of Rs 647.48 lacs after providing for interest, depreciation and tax liability. In view of the loss incurred your directors do not recommend dividend this year.

5) OPERATIONS

Sales have increased by 30%, operating profit before interest and deprecation has decreased from Rs.1,269.32 lacs to Rs. 712.48 lacs. Interest costs are high on account of high debt levels. Raw material costs have seen a sharp increase throughout the financial year 2010-11. Further, the loss on account of exchange fluctuation has increased from a gain of Rs. 172.97 lacs in 2009-10 to a loss in 2010-11 of Rs. 298.82 lacs.

Your Company achieved production of 1.69 million Clutch Disc and 1.58 million Clutch Covers in 2010-11. Production of One Way Clutches was 1.61 million.

The passenger vehicle segment grew by 22% y-o-y, The Commercial vehicle segment had a 10% increase in sales. The LCV segment grew by 17%. Two wheelers grew by 20%. Overall, the automotive sector was stable and showed a steady growth.

The Sale of products during the year is as follows:

	2010-11	2009-10
CLUTCH DISC	1707829 Nos.	1438978 Nos.
CLUTCH COVER	1582435 Nos.	1310770 Nos.
ONE WAY CLUTCHES	1618177 Nos.	1028746 Nos.
KITS & COMPONENTS	Rs. 159.30	Rs. 262.16

Your Company made an operating profit of Rs.712.48 lacs, during the current year as against an operating profit of Rs.1,269.32 lacs for the previous year. The Sales (net of excise and inter division sales) and other income for the financial year under review was Rs. 20,563.13 lacs as against Rs. 16,152.17 lacs for the previous financial year.

The loss is at Rs. 647.48 lacs as against loss of Rs.106.54 lacs in the previous year. Your company

EXEDY INDIA LIMITED



has been impacted by high debt on its books, exchange loss on account of imports from Japan, and high material costs.

The Sales from April to June 2011-12 as compared to the same period in 2010-11 is as follows:

	2011-12 (APRIL-JUNE)	2010-11 (APRIL-JUNE)
Clutch Disc Asslys.	4,52,314 Nos.	3,86,531 Nos.
Clutch Cover Asslys.	4,28,985 Nos.	3,44,799 Nos.
One Way Clutch	3,47,914 Nos.	3,88,665 Nos.
Net Turnover (net of excise and Inter division sales)	Rs. 6,219.62 lacs	Rs. 4,621.19 lacs

New Development

Various new vehicle developments took place for vehicles to be launched in 2011-12.

New Business

Your company is in continuous discussions with various manufacturers for development of clutches for two, three and four wheelers.

Finances

Your Company is considering various options to raise funds to finance additional manufacturing capabilities for existing products as well as new products.

6) BANKS AND INSTITUTIONS

The Banks have continued their assistance by giving adequate working capital facilities to the Company, which has been of immense help in the day to day cash flow. The long term lending banks have been giving their fullest support. Your Directors take this opportunity to express their appreciation for the excellent assistance and co-operation received from all the banks.

7) DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the directors hereby confirm that :

1. The applicable accounting standards have been followed by the Company in preparation of the annual accounts for the year ended 31st March, 2011, along with proper explanation relating to material departures;

2. They have selected accounting policies and applied them consistently and made judgements 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 ended 31st March, 2011 and of the loss of the Company for the year under review;
3. They have taken proper and sufficient care 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; and
4. They have prepared the annual accounts on a 'going concern' basis.

8) PERSONNEL

Industrial relations between Management, Labour and Staff in the establishments at Aurangabad and Greater Noida have continued to be generally pleasant and harmonious during the year under review. Your Directors wish to place on record their deep appreciation of the excellent work done and cooperation extended by the employees at all levels in achieving the assigned tasks and goals.

9) INSURANCE

All the properties including buildings, plant and machinery, stocks etc. have been adequately insured.

10) PARTICULARS OF EMPLOYEES

Information as per section 217(2A) of the Companies Act, 1956 ("The Act") read with the Companies (particular of Employees) Rules, 1975 forms part of this report. As per the provision of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the Shareholders of your company excluding the statement on particulars of employee under Section 217(2A) of the Act. Any shareholders interested in obtaining a copy of said statement may write to the Secretarial Department of your company.

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11) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT-GO.

The required details are furnished in Annexure to this report.

12) AUDITORS

The Company's Auditors, Messrs D. L. Shah & Company, Chartered Accountants, retire and being eligible, offer themselves for reappointment as Auditors. Specific notes forming part of the accounts referred to in the Auditors' Report are self explanatory and give the complete information.

13) DEMATERILISATION OF SHARES

Your Company entered into an agreement with National Depository Services Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL), Mumbai for dematerialization of the equity shares of the Company. The members now have an option of dematerializing the shares with NSDL and CDSL. 98.64 % of the total Equity capital is held in a dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd.

For and on behalf of the Board of Directors

MAHESH. B. KOTHARI
Executive Chairman

Registered Office :
Plot L-4, MIDC Industrial Area,
Chikalthana, Aurangabad - 431 210.
Maharashtra.

Mumbai,
Dated : 25th July, 2011