

ELECTREX
POWER TOOLS



EC 4
110 MM Cutter

COMPANY INFORMATION

Board of Directors

Mr. Mukesh M Choksi, Managing Director

Mr. Mahesh Thakur, Director & CFO

Mr. K R Hegde, Independent Director

Mr. Raj Thadani, Independent Director

Statutory Auditors

M/s. S M Bhat & Associates

Chartered Accountants

No.3, Ish Prasad, Old Police Lane

Andheri (E), Mumbai – 400 059

Bankers

Canara Bank

Kotak Mahindra Bank Ltd.

Registered Office

21-D1, 2nd Phase, Peenya Industrial Area

Bangalore 560058.

Website: www.electrexindia.com

Corporate Office

503, Raheja Chambers,

Free Press Journal Marg,

Nariman Point Mumbai-400021.

Email: info@electrexindia.com

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NOTICE

Notice is hereby given that 32nd Annual General Meeting of the Members of the Electrex (India) Limited will be held on 30th September, 2015 at 4 PM at Registered Office 21-D1, 2nd Phase, Peenya Industrial Area Bangalore – 560 058 to transact the following business:

Ordinary business:

- 1 To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March 2015, Balance Sheet as on that date, Auditors' Report, and the Director's report thereon.
- 2 To appoint Directors who are retiring and are eligible for re-appointment or fresh appointment.
- 3 To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration."

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him self and the proxy need not be a member of the Company. The instrument appointing proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorising their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
4. Members holding shares in physical form are requested to convert their holdings in to dematerialized mode to avoid loss of shares, for ease of portfolio management and for protection from fraudulent transactions.
5. Member who hold shares in dematerialised form are requested to write their client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
6. Members seeking any further information about the accounts are requested to send their queries to the Company at its registered office at least ten days in advance so as to enable the company to collect the relevant information.
7. Members are requested to notify immediately any change in their address/ bank mandate to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Company in respect of their physical share folios, if any.

8. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday the 28th September, 2015 to Wednesday, the 30th September 2015 (both days inclusive)

By Order of the Board of Directors

For **Electrex (India) Limited**

Sd/-

Mukesh Choksi

Managing Director

Date: 01.09.2015

Place: Bangalore

Illustrative product range



Cutter



Stone polisher



Wall chaser



Hammer drill



Drills



Grinders



Chain saw



Die grinder



Sander polisher



Router



Jig saw



Planer



Cut off machine



Orbital sander



Blover-blovac



DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the 32nd Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2015.

1. FINANCIAL RESULTS

| Particulars | For the year ended 31.03.2015 | For the year ended 31.3.2014 |
|----------------------------------------------|----------------------------------|---------------------------------|
| Sales | Nil | Nil |
| Other Income | Nil | Nil |
| Profit/(loss) before Interest & Depreciation | Nil | Nil |
| Finance Charges | Nil | Nil |
| Depreciation | Nil | Nil |
| Profit/(Loss) before Tax | (0.88) | (0.88) |
| Profit/(Loss) after Tax | (0.88) | (0.88) |
| Balance brought forward from previous year | (23248.06) | (23247.18) |
| Balance carried forward to Balance Sheet | (23248.94) | (23248.06) |

2. DIVIDEND

Your Board has not recommended any dividend for the year.

3. POWER TOOLS - INDUSTRY ANALYSIS

Power tools are used primarily in construction, metal working, wood working, DIY and gardening. The end users for power tools vary from large Government sector undertakings like Defense, Railways, to Private Sector undertakings, Construction Companies to small electricians for home maintenance & repairs. The range of products cater to the needs of a variety of industries.

4. OPERATIONS OF THE COMPANY

During the year under review Company's operations were closed and did not have any production or sales. Company's brand still enjoy very high re-call value and as your Company has been reducing the debt burden by negotiating One-Time Settlements (OTS) there is every possibility that Company will be able to overcome from the present difficult situation in the coming years. During the year under review, there were no changes in the nature of the business of the Company.

The operations of the company suffered in the past due to several factors beyond the control of the management such as depressed capital markets and high cost of debt. However the fundamentals of the Company continue to remain strong. Company's brand is well recognized in the domestic market. It has large distribution network. These strengths can collectively lead to revival of operations. Some of these strengths are as follows:

5. STATUS WITH BIFR & DRAFT REHABILITATION SCHEME (DRS)

As informed earlier the reference made by the company is registered with the BIFR and Canara Bank is the present Operating Agency (OA) u/s.16(2) of SICA.

During the hearing held on 10.02.2015 BIFR directed the company to negotiate with

secured creditors and submit a Draft Rehabilitation Scheme (DRS) to Canara Bank (OA). During the year under review Canara Bank has assigned its debt to Edelweiss ARC. The Company has been working on submitting a Rehabilitation Scheme for the approval of the OA and other lenders. A Techno Economic Viability Study (TEVS) is being carried out to formulate the DRS.

The Company is hopeful of working out a viable Rehabilitation Scheme soon.

6. SETTLEMENT WITH CREDITORS

The Company has been able to enter into one time settlement with some of the secured and unsecured creditors lenders and is in the process negotiating with other creditors.

7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125 (2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

8. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report except to the extent of settlements reached with creditors.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to your Company. There was no foreign exchange inflow or Out flow during the year under review.

10. EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT 9 as required under Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as **ANNEXURE - I** to this Report.

11. SECRETARIAL AUDIT REPORT

During the year under review, the Company has obtained the Secretarial Audit Report in Form MR-3 and the same is attached as **ANNEXURE – II** to this report.

12. QUALITY, SAFETY AND ENVIRONMENT

Your Company, in order to ensure highest standard of safety, has implemented and initiated various measures with respect to Quality, Safety and Environment Management Systems. These initiatives have ensured that in it's 32 years of existence your Company did not have any serious accidents

13. DIRECTOR'S APPOINTMENT AND TENURE

The Directors of your Company are appointed by members at the General Meetings in accordance with the Articles of Association of the Company. The appointment and tenure of independent Directors are consistent with the Companies Act, 2013, Mr. -----

14. EVALUATION OF THE BOARD AND OF THE DIRECTORS

During the year under review, the Board has initiated formal evaluation process for its own Performance and of its own committees and individual directors, pursuant to Section 134 (3) (p) of the Companies Act, 2013 and Rule 8 (4) of the Companies (Accounts) Rules, 2014.

15. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

16. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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) 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) The directors have prepared the annual accounts on a going concern basis; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) 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.

17. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Board of Directors duly met 6 (six) times on 15/04/2014, 16/06/2014, 05/09/2014, 12/11/2014, 05/01/2015 and 30/03/2015 in respect of which proper notices were given and the proceedings were properly recorded. The gap between any two meetings has not exceeded three months. The Audit Committee of the Board of Directors also met 3 (three) times on in respect of which proper notices were given and the proceedings were properly recorded.

The details of the Board Meetings and the Directors who attended the meetings are given below.

| Sl No | Dates of Meeting | Attended By |
|-------|------------------|--------------------------------------------------------------------------------|
| 1 | 15/04/2014 | Mr. Mukesh M Choksi Mr. K R Hegde Mr. Raj Thadhaney Mr. Mahesh Thakur |
| 2 | 16/06/2014 | Mr. Mukesh M Choksi Mr. K R Hegde Mr. Raj Thadhaney Mr. Mahesh Thakur |

| | | |
|---|------------|--------------------------------------------------------------------------------|
| 3 | 05/09/2014 | Mr. Mukesh M Choksi Mr. K R Hegde Mr. Raj Thadhaney Mr. Mahesh Thakur |
| 4 | 12/11/2014 | Mr. Mukesh M Choksi Mr. K R Hegde Mr. Raj Thadhaney Mr. Mahesh Thakur |
| 5 | 05/01/2015 | Mr. Mukesh M Choksi Mr. K R Hegde Mr. Raj Thadhaney Mr. Mahesh Thakur |
| 6 | 30/03/2015 | Mr. Mukesh M Choksi Mr. K R Hegde Mr. Raj Thadhaney Mr. Mahesh Thakur |

The details of the Audit Committee Meetings and the Directors who attended the meetings are given below.

| Sl No | Dates of Meeting | Attended By |
|-------|------------------|------------------------------------------------------------------------------------|
| 1 | 30/04/2014 | Mr. Raj Thadani (Chairman) Mr. K R Hegde (Member) Mr. Mahesh Thakur (Member) |
| 2 | 05/07/2014 | Mr. Raj Thadani (Chairman) Mr. K R Hegde (Member) Mr. Mahesh Thakur (Member) |
| 3 | 15/10/2014 | Mr. Raj Thadani (Chairman) Mr. K R Hegde (Member) Mr. Mahesh Thakur (Member) |

18. MANAGEMENT COMMITTEE

The Company has constituted a Management Committee. The Terms of Reference of the Management Committee includes to look into the day to day functioning and exercise of delegated power of the Board for matters relating to operations and granting of authority for various functional requirements such as issue of Power of Attorney, dealings with Central/State Governments and various Statutory/ Judicial/ Regulatory/ Local/ Commercial /Excise /Customs /Sales Tax/Income Tax/ Electricity Board/Opening/Closing of Bank Accounts/Change in signatory in various current accounts with various banks/matters related to settlement of loans with banks, financial institutes/ and other creditors/Appointment and engagement of Advisors/Consultants for Rehabilitation/Restructuring Company's business to deal, negotiate and attend on behalf of the Company regarding settlements, restructuring of the loan, hearing at various judicial forums etc.

During the financial year ended on March 31, 2015 five meetings of the Management Committee were held.

19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

20. DEPOSITS

The Company has not accepted any fixed deposits during the year under review.

21. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There was no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information as required under Section 134 (3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings is given below:

Conservation of energy:-

Improvisation and continuous monitoring of Power Factor and replacement of weak capacitors by conducting periodical checking of capacitors.

The Company has endeavored to optimize the use of energy resources and taken adequate steps to avoid wastage and use latest production technology and equipment.

Though the Company is making adequate use of energy resources it is looking forward to set up necessary energy conservation equipments in near future.

Technology Absorption:-

The Company continues to use the latest technologies for improving the productivity and quality of its services and products.

The Company's operations do not require significant import of technology.

Foreign exchange earnings and Outgo:-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange out go during the year in terms of actual outflows is NIL.

25. SHARES

The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

(a) BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

(b) SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

© BONUS SHARES