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28th

Annual Report 2015 - 2016

BOARD OF DIRECTORS	Kishore Chand Talwar Nainy K. Tanna Ram Sanehi Ayyaswami Sundaram Ganapathy Dharmarajan	Chairman & Managing Director Wholetime Director Director Director Director
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AUDITORS	R. S. Agarwal & Associates Chartered Accountants Mumbai
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COMPANY SECRETARY	Krunal S. Wala
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BANKERS	HDFC Bank Limited Bank of Baroda
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REGISTERED OFFICE	92-D, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai - 400 067
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WORKS	Plot Survey No. 62, 74 & 75 Village - Devadal, Kaman Taluka - Vasai, Dist - Palghar Unit No. 12-15, Sarswati Building, Tungareshwar Industrial Estate, Sativali, Vasai (East), Palghar
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REGISTRAR & SHARE TRANSFER AGENTS	Bigshare Services Pvt. Ltd., E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East) Mumbai - 400 072
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CONTENTS	PAGE NO.
Notice to the Members	2
Directors' Report	6
Corporate Governance Report	19
Independent Auditors' Report	27
Balance Sheet	30
Statement of Profit and Loss	31
Cash Flow Statement	32
Notes - 1 - 42	33-46

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 28th Annual General Meeting (AGM) of the Members of REXNORD ELECTRONICS AND CONTROLS LIMITED will be held on Thursday, the 11th August, 2016 at 10.30 a. m. at Sangam Banquets, Plot No. 366-386, RSC 37, Mangalmurti Road, Opposite Mangal Murti Hospital, Gorai-II, Borivali (W), Mumbai – 400 092 to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2016, including the Audited Balance Sheet as at March 31, 2016, the Statement of Profit and Loss & Cash Flow Statement for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Nainy Kunal Tanna (DIN 00351762) who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of Statutory Auditors, M/s. R. S. Agrawal & Associates, Chartered Accountants and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, appointment of M/s. R. S. Agrawal & Associates, Chartered Accountants, Mumbai (Firm Registration Number 100156W with the Institute of Chartered Accountants of India), as Statutory Auditors of the Company, by resolution passed at the 26th AGM until the conclusion of the 29th AGM, be and is hereby ratified to hold office from the conclusion of 28th AGM till the conclusion of the 29th AGM on such remuneration as may be agreed upon by the Board of Directors in consultation with the Statutory Auditors.”

SPECIAL BUSINESS:

4. Regularisation of Additional Director, Mr. Ganapathy Dharmarajan in Independent Capacity

To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ganapathy Dharmarajan (holding DIN: 02707898), Additional Director of the Company, who vacates office at the conclusion of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for one term of five consecutive years upto the conclusion of the Annual General Meeting of the Company to be held in the year 2021.”

5. **Approval of Related Party Transactions:**

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 188 and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded for the Company to enter into Material Related Party transaction(s)

with M/s. Excelum Enterprises for Sale & Purchase, payment of Commission on Sales (including Overseas Sales) and reimbursement of expenses for an aggregate value of ₹ 6 Crores, on annual basis, on such terms and conditions as may be agreed by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or anyone or more Directors of the Company.”

For and on behalf of the Board
REXNORD ELECTRONICS AND CONTROLS LIMITED

KISHORECHAND TALWAR
(DIN: 00351751)
CHAIRMAN & MANAGING DIRECTOR

Registered Office:
92-D Govt. Ind. Estate,
Charkop, Kandivli (W),
Mumbai- 400 067
Dated: May 30, 2016

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 18. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. A statement giving the details of the Directors seeking reappointment, nature of their expertise in specific functional areas, names of the companies in which they hold Directorships, memberships / chairmanships for Board / Committees, shareholding and relationship between Directors inter-se as stipulated in Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements), 2015, are provided in the Annexure.

7. The Register of Members and the Share Transfer Books of the Company will remain closed from 5th August, 2016 to 10th August, 2016 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Annual General Meeting.
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 their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
9. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
10. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting.
11. The Company's shares are listed on BSE Limited, Mumbai.
12. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

M/S. BIG SHARE SERVICES PRIVATE LIMITED

Unit: [Rexnord Electronics and Controls Limited]

E/2, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri [East], Mumbai - 400 072

Tel: 022-40430200

Email: info@bigshareonline.com

13. Relevant documents referred to in the Notice and in the Explanatory Statements are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
14. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
15. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
16. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.
17. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. Voting through electronic means:
 - (i) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by

Central Depository Securities Limited (CDSL). The detailed procedure to be followed in this regard has been given below. The members are requested to go through them carefully.

- (ii) The Board of Directors of the Company has appointed Shri Mahesh Soni, Partner, GMJ & Associates, Company Secretaries, Mumbai as Scrutinizer to scrutinise the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (iii) 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.
- (iv) The Company has engaged the services of Central Depository Services Limited (CDSL) as the Agency to provide e-voting facility.
- (v) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 4th August, 2016.
- (vi) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 4th August, 2016, only shall be entitled to avail the facility of e-voting / remote e-voting.
- (vii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 4th August, 2016, may obtain the User ID and password from BIG SHARE SERVICES PRIVATE LIMITED (Registrar & Transfer Agents of the Company).
- (viii) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company (www.rexnordindia.in) and on the website of CDSL www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchange.
- (ix) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 11th August, 2016.
- (x) The instructions for shareholders voting electronically are as under:
 - i. The voting period begins at 9.00 a.m. (IST) on 8th August, 2016 and ends at 5.00 p.m. (IST) on 10th August, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 4th August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The shareholders should log on to the e-voting website www.evotingindia.com.
 - iii. Click on Shareholders.
 - iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - v. Next enter the Image Verification as displayed and Click on Login.
 - vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN for "REXNORD ELECTRONICS AND CONTROLS LIMITED" on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv. 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.

xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4:

The Board of Directors based on the recommendation of Nomination and Remuneration Committee has appointed Mr. Ganapathy Dharmarajan as an Additional Director of the Company, who vacates office at the conclusion of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member along with requisite deposit u/s 160 of the Companies Act 2013 proposing his candidature for the office of a Director.

Mr. Ganapathy Dharmarajan an eminent Professional brings in rich and varied experience to the Board and is independent of the management. The Board proposes to appoint Mr. Ganapathy Dharmarajan as an Independent Director of the Company to hold office for one term of five consecutive year's upto the conclusion of the Annual General Meeting of the Company to be held in the year 2021.

Mr. Ganapathy Dharmarajan is not disqualified from being appointed as a Director in terms of section 164 of the Act and has given his consent to act as a Director. The Company has also received declaration from Mr. Ganapathy Dharmarajan that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act and under Regulation 25 of the Listing Regulations.

None of the Directors of the Company, except Mr. Ganapathy Dharmarajan, are in any way concerned or interested in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

ITEM No. 5:

In compliance with the SEBI (LODR) Regulations, 2015 (effective from December 1, 2015), Section 188 of the Companies Act, 2013 & Rules made thereunder and for the purpose of good corporate governance, the Company seeks the approval of the members for entering into transactions with M/s. Excelum Enterprises, a 'Related Party' as defined under Section 2 (76) of Companies Act, 2013 and Regulation 2 (zb) of the Listing Regulations as per the limits specified at Resolution No.5 of the accompanying Notice.

The particulars of the contracts / arrangements / transactions are as under:

Particulars	Information
Name of the Related Party	M/s. Excelum Enterprises
Nature of Relationship	Proprietary Firm of Mr. Kunal Tanna (Close relative of Mr. Kishorechand Talwar and Mrs. Nainy K. Tanna)
Name of Director(s) or Key Managerial Personnel who is related, if any	None except Mr. Kishorechand Talwar, Mrs. Nainy K. Tanna and Mr. Kundan Talwar
Nature and Particulars of transactions	Purchase of raw materials, Sale of goods, payment of Commission on Sales (including Overseas Sales) and reimbursement of expenses
Material terms of the Contracts/ Arrangement/ Transactions	The transactions are in ordinary course of business and on arm's length basis
Duration of these Related Party Transactions	These transactions are ongoing and depending upon the needs of the business
Value of Related Party Transactions for the financial year 2016-17	₹ 6 Crores
Any other information relevant or important for the Members to make a decision	None

In the light of above, you are requested to accord your approval to the Ordinary Resolution as set out at Item No.5 of the accompanying Notice. Mr. Kishorechand Talwar, Chairman & Managing Director, Mrs. Nainy K. Tanna, Whole-time Director, and Mr. Kundan Talwar, CFO and their relatives may be deemed to be concerned or interested in the said resolution. Except the above, none of the Directors and Key Managerial Personnel of the Company and their relatives has any concern or interest, financial or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

LISTING REQUIREMENTS

Brief profile of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting of the Company pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India read with disclosures made in the Notice of 28th AGM.

Name of Director	Mrs. Nainy Tanna	Mr. Ganapathy Dharmarajan
Date of Birth	September 24, 1981	January 28, 1939
Date of Appointment	August 1, 2001	November 4, 2015
Brief resume of the Director	Mrs. Nainy K. Tanna is associated with the Company since August 01, 2001 as Director of the Company and has an experience of over 14 years to her credit. She looks after Finance, Import and Export related activities of the Company.	Mr. Ganapathy Dharmarajan is Working as Human Resource Consultant and Advising Corporates on Human Resource Matters.
Qualification	M.Com., MBA in Marketing from NMIMS and Diploma in Export & Import	M.A.(Industrial Economics-Special Subject), LL.B. Postgraduate Diploma In Industrial Relations And Personnel Management – Recognised by Govt. for Senior Positions In Govt.
Nature of his expertise in specific functional areas	Business Management & Marketing	Personnel Management
Disclosure of relationships between Directors inter-se;	Mr. Kishore chand Talwar & Mr. Kundan Talwar are close relatives of Mrs. Nainy K Tanna	None
Names of listed / other entities in which the person also holds the Directorship and the membership of Committees of the Board	NIL	1. D C W Limited 2. Doubledot Finance Limited 3. Mira India Hydraulic Cylinders Private Limited 4. Crescent Finstock Limited
Shareholding in the Company	362200 shares	NIL

For and on behalf of the Board
REXNORD ELECTRONICS AND CONTROLS LIMITED

KISHORECHAND TALWAR
(DIN: 00351751)
CHAIRMAN & MANAGING DIRECTOR

Registered Office:
92-D Govt. Ind. Estate,
Charkop, Kandivli (W),
Mumbai- 400 067.
Dated: May 30, 2016

DIRECTORS' REPORT TO THE SHAREHOLDERS

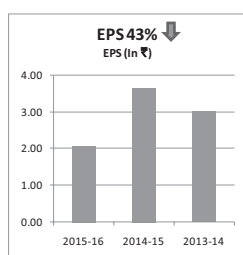
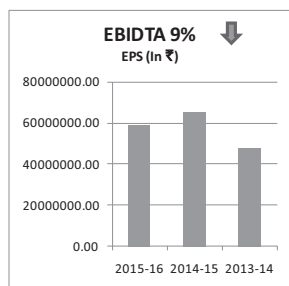
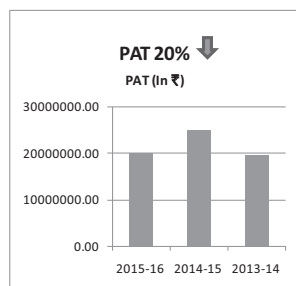
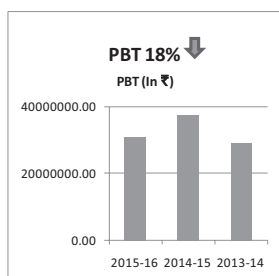
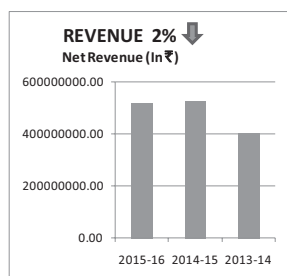
Your Directors have great pleasure in presenting the 28th Annual Report together with the Audited Accounts for the year ended March 31, 2016.

1. FINANCIAL PERFORMANCE / HIGHLIGHTS :

(Amount in ₹)

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Total revenue	518077093.40	528193369.30
Profit before depreciation and amortization	43774919.42	50136082.29
Depreciation and amortization	12941473.52	12692753.53
Profit before exceptional items & tax	30833445.90	37443328.76
Exceptional items	0.00	0.00
Profit before tax	30833445.90	37443328.76
Tax expense	10814718.01	12446257.49
Net profit after tax	20018727.89	24997071.27
Balance brought forward	83097099.97	59355978.49
Balance carried forward	103115827.86	83097099.97

GRAPH OF THE FINANCIAL HIGHLIGHTS FOR THE LAST FEW YEARS



2. COMPANY OVERVIEW:

Rexnord Electronics and Controls Ltd is one of the leading manufacturers of Fans and Motors in India, having its corporate headquarters in Mumbai.

Your Company prepares its financial statements in compliance with the requirements of the Companies Act 2013 and the Generally Accepted Accounting Principles (GAAP) in India.

3. FINANCIAL REVIEW:

The Year 2015-2016 was tough but despite the global slowdown of economy your Company managed to achieve total revenue of ₹ 518077093.40 as against the total revenue of ₹ 528193369.30 in the previous year.

Despite the drop in the demand of the refrigeration industry your Company has been able to earn net profit after tax of ₹ 20018727.89 for the year 2015-2016 as against the net profit after tax of ₹ 24997071.27 in the previous year.

The Company aims at increasing its marketing strengths and its global identity in order to boost its export sales and thereby increase its sales volume. The Company also aims at developing strategies in making the product reach global requirements by setting up distribution channels and branding techniques.

The current year looks promising with the Company investing in new marketing strategies and has taken appropriate measures in order to achieve sale targets.

4. DIVIDEND & TRANSFER TO RESERVES:

To consolidate the financial position of the Company, the Board does not propose any dividend for the year ended March 31, 2016. The Board does not propose to transfer any amount to General Reserves for the aforesaid Financial Year.

5. SHARE CAPITAL OF THE COMPANY:

The Paid up Equity Share Capital, as at 31st March, 2016 was ₹ 9,95,91,000/- divided into 99,59,100 Equity shares, having face value of ₹ 10/- each fully paid up. During the year 2015-16, your Company has converted 23,80,500 warrants into equal number of Equity Shares each at a price of ₹ 13.40 to Promoters & Non-Promoters. A detailed table containing the same is mentioned below:

Sr. No.	Name of the Applicant	Nos. of Warrants issued during FY 2014-15	Warrants O/s as on 31.03.2015	Date of Conversion of Warrants into Equity during the year	Nos. of Equity Shares allotted on 12.06.2015	Balance Warrants as on 31.03.2016
1.	Mr. Kishore Chand Talwar	25,00,000	19,00,500	12.06.2015	12,00,500	7,00,000
2.	Mrs. Sharda Talwar	13,08,800	10,20,000	12.06.2015	5,20,000	5,00,000
3.	Mr. Nandkishore Soni	2,20,000	2,20,000	12.06.2015	2,20,000	-
4.	Mr. Purushottam R. Soni	2,20,000	2,20,000	12.06.2015	2,20,000	-
5.	Pawan Kumar Soni HUF	2,20,000	2,20,000	12.06.2015	2,20,000	-
6.	Nandkishore Soni HUF	2,10,000	Nil	-	-	-
	TOTAL	46,78,800	35,80,500		23,80,500	12,00,000

6. SUBSIDIARIES & ASSOCIATE COMPANIES:

The Company does not have any subsidiary or associate companies.

7. CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business activities during the Financial Year 2015-16.

8. BOARD OF DIRECTORS:

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Mrs. Nainy K. Tanna, Whole-time Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

The Board has appointed Mr. Ganapathy Dharmarajan as an Additional Director of the Company in independent capacity w.e.f. 4th November, 2015. The Board proposes to appoint Mr. Ganapathy Dharmarajan as a Regular Independent Director of the Company in accordance with Section 149 of the Companies Act, 2013 and under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for one term of Five (5) years.

9. DECLARATION OF INDEPENDENT DIRECTORS:

The Company has received Declarations from all the Independent Directors stating that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

10. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3)(c) of the Companies Act, 2013 the Directors confirm that:

- that in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- 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;
- 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;
- the Directors had prepared the annual accounts on a going concern basis;
- 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.
- 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.

11. KEY MANAGERIAL PERSONNEL:

The details of the Key Managerial Personnel of the Company, including the appointments / resignations during the year are as under:

Sr. No.	Name of the Key Managerial Personnel as on 31.03.2016	Designation
1.	Mr. Kishore Chand Talwar	Managing Director
2.	Mr. Kundan Talwar	Chief Financial Officer
3.	Mr. Debabrata Guha Chaudhury*	Company Secretary
4.	Ms. Swati Sureka**	Company Secretary
5.	Mr. Krunal S. Wala***	Company Secretary

*Mr. Debabrata Guha Chaudhury resigned w.e.f. June 1, 2015.

**Ms. Swati Sureka was appointed w.e.f. August 13, 2015 and resigned w.e.f. February 29, 2016.

***Mr. Krunal S. Wala appointed w.e.f. March 1, 2016.

12. COMMITTEES OF THE BOARD:

12.1 AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee comprising of Independent & Executive Directors in compliance with the Regulation 18 of Listing Regulations and Companies Act, 2013. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board. During the year under review, the Company has reconstituted the Audit Committee. The details of the terms of reference of Audit Committee and other details are explained in the Corporate Governance Report.

12.2 NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to Regulation 19 of Listing Regulations and Companies Act, 2013 and provisions of Section 178 of the Companies Act 2013, the Company has reconstituted the Nomination & Remuneration Committee comprising of 3 Independent Directors. The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy lays down the criteria for selection and appointment of Board Members. The details of the policy are explained in the Corporate Governance Report.

12.3 STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company has reconstituted the existing Stakeholders Relationship Committee in compliance with the Companies Act, 2013 & Listing Regulations. The Committee has been constituted to strengthen the investor relations and to specifically look into the mechanism of redressal of grievances of shareholders pertaining to transfer of shares, non-receipt of Annual Report, issues concerning de-materialization etc. The details regarding composition etc. are explained in the Corporate Governance Report.

13. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a Vigil Mechanism / Whistle Blower policy to report genuine concerns, grievances, frauds and mismanagements, if any. The Vigil Mechanism /Whistle Blower policy has been posted on the website of the Company (www.rexnordindia.in)

14. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of evaluation criteria suggested by the Nomination and Remuneration Committee. Accordingly, the board has carried out an evaluation of its performance after taking into consideration various performance related aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance. The performance evaluation of the Board as a whole and Chairperson and the Non-Independent Directors was also carried out by the Independent Directors at their meeting held on 25th January, 2016

Similarly, the performance of various committees, individual independent and Non independent Directors was evaluated by the entire Board of Directors (excluding the Director being evaluated) on various parameters like engagement, analysis, decision making, communication and interest of stakeholders.

The Board of Directors expressed its satisfaction with the performance of the Board, its committees and individual Directors.

15. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the Financial Year ended March 31, 2016, 12 (Twelve) meetings of the Board of Directors were held. The details of the attendance of Directors at the Board Meeting are mentioned in the Corporate Governance Report annexed hereto.

16. CODE OF CONDUCT:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. The Code with revision made in accordance with the requirements of Listing Regulations has been posted on the Company's website www.rexnordindia.in

All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

17. FIXED DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given loans, or guarantees or made any investments, during the Financial Year 2015-16, therefore the provisions of Section 186 of the Companies Act, 2013 was not attracted.

19. ISO CERTIFICATION:

The Company's products were awarded as ISO 9001:2008 Certification.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators or Courts that would impact the going concern status of the Company and its future operations.

21. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as **Annexure 'A'** and forms an integral part of this Report.

22. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the Financial Year were on arm's length basis and were in the ordinary course of the business and as per the provisions of Section 188 of the Companies Act, 2013 and Listing Regulations. Thus the disclosure in AOC-2 is not required. Further, there are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

All related party transactions are placed before the Audit Committee and also before the Board for their approval in accordance with the Policy on Related Party Transactions formulated by the Board of Directors of the Company and has been posted on the website of the Company (www.rexnordindia.in).

23. STATUTORY AUDITORS:

M/s. R. S. Agrawal & Associates, Chartered Accountants, (Firm Registration No 100156W) were appointed as the Statutory Auditors of the Company at the 26th Annual General Meeting held on August 30, 2014 to hold office until the conclusion of the 29th Annual General Meeting, are recommended for ratification of appointment for the Financial Year 2016-17. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. R. S. Agrawal & Associates that their appointment, if made, would be in conformity with the limits specified in the said Section and they are not disqualified.

The members are requested to ratify the appointment of M/s. R. S. Agrawal & Associates as Statutory Auditors of the Company from the conclusion of 28th Annual General Meeting to 29th Annual General Meeting of the Company.

24. SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Rules made there under, the Company has appointed M/s. GMJ & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure 'B'** and forms an integral part to this Report.

25. COST AUDIT:

Pursuant to the provisions of Section 148 of the Companies Act 2013 read with Rules made thereunder, Cost Audit is not applicable to the Company for the Financial Year 2015-2016 and 2016-2017.

26. AUDITORS' REPORT/ SECRETARIAL AUDIT REPORT:

The Auditors Report and the Secretarial Audit Report for the Financial Year 2015-16 do not contain any qualifications, reservations or adverse remarks.

27. PREVENTION OF SEXUAL HARASSMENT:

The Company has complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

During the year under review, no complaints were reported.

28. RISK MANAGEMENT:

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner; your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in the strategy, business and operational plans.

The Company has a Risk Management policy (a) to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management (b) to establish a framework for the Company's risk management process and to ensure its implementation (c) to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices (d) to assure business growth with financial stability.

There are no risks which threaten the existence of the Company.

29. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal audit functions of the Company are carried out by a firm of Chartered Accountants. The scope and authority of the Internal Audit function is defined by the Audit Committee. The Internal Auditors reports to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal auditors, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

The Company has in place adequate policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

30. DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialized form in either of the two Depositories. The Company has been allotted ISIN No. INE687C01012.

Shareholders' therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

31. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

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