

MOHINDRA FASTENERS LIMITED

BOARD OF DIRECTORS

(As on 30th July, 2016)

Mr. Deepak Arneja

Chairman Cum
Managing Director & CEO

Mr. Ravinder Mohan Juneja
Managing Director

Mr. Vinod Kumar
Non - Executive Independent Director

Mrs. Anjali Malik
Non - Executive Independent Director

Mr. Gagandeep Singh Narang
Additional Director (Non - Executive)

Mr. Ved Prakash Chaudhry
Additional Director (Non - Executive)

SENIOR EXECUTIVES

Mr. Sudhir Arneja
(Director-Operations)

Mr. Anurag Arneja
(Director-Marketing)

Mr. Dheeraj Juneja
(General Manager-SCM)

Mr. Prateek Arneja
(General Manager-S & M)

CHIEF FINANCIAL OFFICER COMPANY SECRETARY

Mr. Sunil Mishra
Ms. Asha Mittal

BANKERS

The Karnataka Bank Limited
11/14, West Patel Nagar, New Delhi - 110 008

STATUTORY AUDITORS

M/s. GSK & Associates LLP,
Chartered Accountants
8,1st Floor, Rani Jhansi Road,
Motia Khan, Industrial Area, New Delhi -110055

SECRETARIAL AUDITORS

M/s Anand Nimesh & Associates,
Company Secretaries
183B,Second Floor, Gurudwara Road,
West Guru Angad Nagar, Laxmi Nagar,
New Delhi-110092

COST AUDITOR

Sanjay Kumar Garg & Associates
Cost Accountants
Shop No. 2, First Floor, Pocket - H-34
Plot No. 35, Sector -3, Rohini, New Delhi - 110085

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services (P) Ltd.
D-153 / A, 1st Floor, Okhla Industrial
Area,Phase-1, New Delhi-110020

REGISTERED OFFICE

304, Gupta Arcade,Inder Enclave,
Delhi - Rohtak Road, New Delhi - 110 087

MARKETING OFFICE

303-304, Vardhman Plaza, Inder Enclave,
Paschim Vihar, Delhi - Rohtak Road,
New Delhi - 110 087

WORKS (IN INDIA)

60th K. M. Stone, Delhi - Rohtak Road
N. H. No. 10, V & P.O. Kharawar,
District Rohtak (Haryana)-124001

60th K. M. Stone, Delhi - Rohtak Road
N. H. No. 10, V & P.O. Gandhra,
District Rohtak (Haryana)-124001

70th K. M. Stone, Delhi - Rohtak Road
N. H. No. 10, V & P.O. Kharawar,
District Rohtak, Haryana-124001

CORPORATE IDENTITY NO.:

L74899DL1995PLC064215

CONTENTS

Chairman Message	3
Notice of 22nd AGM along with Route Map	4-19
Board of Directors' Report	20-33
Corporate Governance Report	34-59
Extract of Annual Return: MGT-9 (Annexure I To The Board Report)	60-69
Particulars of Employees (Annexure II To The Board Report)	70-72
Declaration of Independence by Independent Directors (Annexure III To The Board Report)	73-76
Secretarial Audit Report (Annexure IV To The Board Report)	77-80
FORM No.- AOC 2 (Annexure V To The Board Report)	81
Independent Auditor's Compliance Certificate (Annexure VI To The Board Report)	82
Management Discussion and Analysis Report (Annexure VII To The Board Report)	83-87
Report on Conservation of Energy (Annexure VIII To The Board Report)	88-90
Annual Report on CSR Activities (Annexure IX To The Board Report)	91-92
CEO and CFO Certification (Annexure X To The Corporate Governance Report)	93
Declaration on 'The Code of Conduct' (Annexure XI To The Corporate Governance Report)	93
Independent Auditor's Report	94-99
Balance Sheet	100
Profit and Loss Account	101
Cash Flow Statement	102-103
Notes forming Part of the Balance Sheet and Profit and Loss Account	104-127

22nd ANNUAL GENERAL MEETING:

Date & Day: 30th day of September, 2016 (Friday)
Time : 11.30 A.M
Venue : Apsara Grand Banquet Halls, A-1/20 B,
Paschim Vihar, Rohtak Road, Near
Paschim Vihar West Metro Station,
Pillar No. 255, New-Delhi-110063

INSTRUCTION TO THE MEMBERS

Members are requested to bring their copy of Annual Report at the meeting as the copies of the same will not be circulated at the AGM as a measure of economy and green initiative.

BOOK CLOSURE DATES
24th September, 2016 TO 30TH
September, 2016

CHAIRMAN'S MESSAGE

Dear Members,

It's my privilege to present the 22nd Annual Report of the Company for the year ended on 31st March, 2016. During the period ended 31st March, 2016, the company has earned a profit of Rs. 691.88 Lakhs on a Total Sales Revenue of Rs. 9408.33 Lakhs. The Corresponding Figures for previous year were a profit of Rs. 657.56 Lakhs on a Total Sales Revenue of Rs. 9261.71 Lakhs.

I place on record my appreciation to the efforts of our employees, customers, partners, bankers and other business associates. Our Board of Directors, as always, has been very supportive and has provided the requisite guidance in operating your company throughout the year.

The happy times for the Industry seem to be on its way; although it has taken a bit longer. We have seen The Automobile Industry to be reviving and volumes are picking up. This does translate into better opportunities for Component manufacturers and Fastener manufacturers like ourselves. The Interest rates have fallen down and the government seems to be pushing for a lower rate regime which in turn will benefit the Industry. However the labour costs (Minimum Wages) have gone up considerably by over 30% in the just concluded financial year.

The Rain Gods seem to be kind this year. The Metal prices have remained stable. The Government seems determined to end the policy paralysis and we remain one of the sought after Economies contributing to the World's growth. We hope that the steps taken by Government to provide uninterrupted Energy supply to Industries become a reality. We are geared up to accept new challenges.

Exports still contribute over 50% of our revenues. We expect this trend to continue despite some developments in European Union. Britain falling apart from EU, will probably contribute to some negative sentiments and your Company is looking to have a more diversified customer portfolio.

I am delighted to inform you, your Company is taking adequate steps to list the scrip of the Company on Recognized Stock Exchange under the Direct Listing Scheme.

Your company has undergone a small expansion activity and we are currently operating from 3 manufacturing locations - all in Rohtak. The work on land purchased from HSIIDC in IMT Rohtak has still not started.

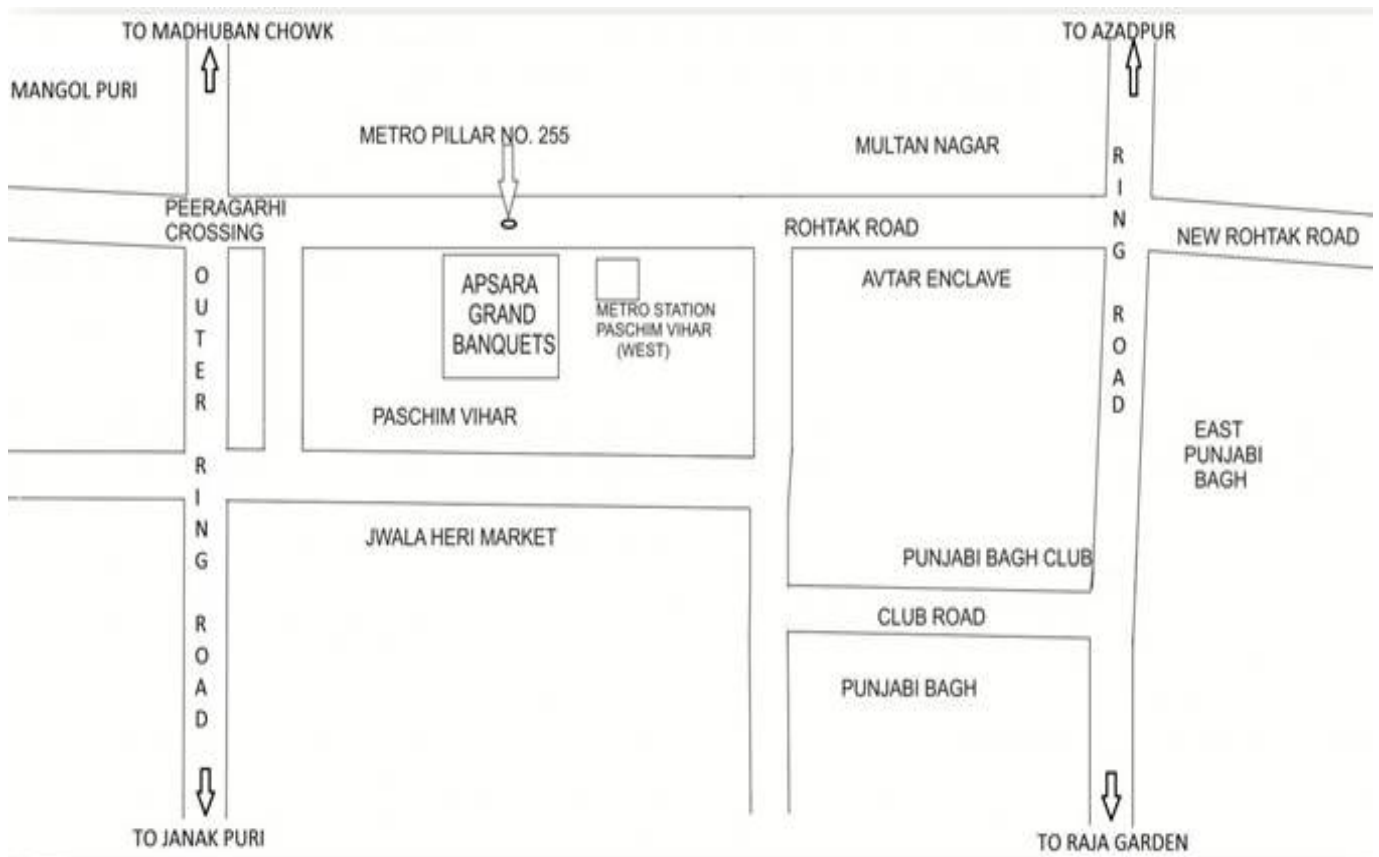
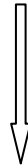
Acknowledgement

I would like to end by expressing my sincere appreciation and thanks to all shareholders, and well-wishers for their continued support and trust in the management of the Company. I would also like to thank my colleagues on the Board for their support and guidance to the Company's management in encouraging the management in meeting the challenges in the growth path.

ROUTE MAP TO THE VENUE OF THE AGM

VENUE:

Apsara Grand Banquet Halls, A-1/20 B, Paschim Vihar, Rohtak Road, Near Paschim Vihar West Metro Station, Pillar No. 255, New-Delhi-110063, India



NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of MOHINDRA FASTENERS LIMITED will be held on Friday, the 30th September, 2016 at 11.30 A.M. at Apsara Grand Banquet Halls, A-1/20 B, Paschim Vihar, Rohtak Road, Near Paschim Vihar West Metro Station, Pillar No. 255, New-Delhi-110063 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016, the Reports of the Board of Directors and Auditors thereon.
2. To declare the dividend on Equity Shares for the financial year ended on 31st March, 2016.
3. To appoint a Director in place of Mr. Ravinder Mohan Juneja (DIN No. 00006496) who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of auditors of the Company and to fix their remuneration. 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 & 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, pursuant to the recommendations of the audit committee of the board of directors and pursuant to the resolution passed by the members at the Annual General Meeting held on 25th September, 2014, the appointment of M/s GSK & Associates LLP (Firm Registration No.: 013838N/N500003), Chartered Accountants, New Delhi, as the Statutory Auditors of the Company to hold office till the conclusion of Twenty Third Annual General Meeting (AGM), be and is hereby ratified and that the board of directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2017 as may be determined by the audit committee in consultation with the auditors as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

5. To approve the remuneration of Cost Auditor for the financial year ending 31st March, 2017. Consider and if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactments thereof, for the time being in force, the cost auditors, M/s Sanjay Kumar Garg & Associates (Firm Registration No. 100292), Cost Accountants, appointed by the Board of Directors of the Company, to conduct the audit of Cost records of the Company for financial year ending 31st March, 2017, be paid and ratifies the remuneration as set out in the statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

6. To regularize appointment of the Additional Director, Mr. Gagandeep Singh Narang as a Director. 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 152, 160 & 161 of the Companies Act, 2013 and rules made there under and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013 and as per Article of Association of the Company, Mr. Gagandeep Singh Narang (holding DIN: 00179636) who was appointed as an Additional Director in the meeting of the Board of Directors held on 13th February, 2016 w.e.f 15th February, 2016 and whose term expires at the ensuing 22nd Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing from a member of the company under section 160 of the Companies Act, 2013 along with requisite deposit, proposing candidature of Mr. Gagandeep Singh Narang for the office of Director, be and is hereby appointed as a director of the Company and whose period of office shall be liable to determine by retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

7. To Re-appoint Mr. Ravinder Mohan Juneja (DIN 00006496) as a Managing Director of the Company. Consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and as per Articles of Association of the Company and subject to such other approval(s) as may be required, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Ravinder Mohan Juneja, as Managing Director of the Company in the category of Key Managerial Personnel for a period of 5 consecutive years effective from 01st January, 2017 upto the period till he attains the age of 70 years upon the terms and conditions as detailed in the explanatory statement attached hereto including payment of salary, perquisites etc. (hereinafter referred to as "remuneration") which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed between the Board of Directors and Mr. Ravinder Mohan Juneja and whose period of office will be liable to determine by retire by rotation.

RESOLVED FURTHER THAT the remuneration payable to Mr. Ravinder Mohan Juneja, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT subject to necessary permissions / approvals, the Board of Directors of the Company be and is hereby authorised to fix, vary, reduce or amend the remuneration and other terms of his re-appointment from time to time, as it may deem expedient or necessary during the tenure of his appointment or as may be prescribed by the authorities giving such sanction or approval and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

8. To regularize appointment of the Additional Director, Mr. Ved Prakash Chaudhry (DIN 07572208) as an Independent Director of the Company. 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 Sections 149, 152, 160 & 161 and rules made there under and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification, variation or re-enactment thereof for the time being in force), as per Article of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Ved Prakash Chaudhry (holding DIN 07572208) who was appointed as an Additional Director (In Independent Capacity) of the Company in the meeting of the Board of Directors held on 30th July, 2016 and whose term of office expires at this ensuing 22nd Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing from a Member under section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years, commencing from the date of this 22nd AGM, 30th September, 2016 to 29th September, 2021 and he shall not be liable to retire by rotation."

By Order of the Board

DEEPAK ARNEJA

DIN: 00006112

Chairman Cum

Managing Director & CEO

Place: New Delhi
Dated: 30th July, 2016

MOHINDRA FASTENERS LIMITED

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY IN FORM NO. MGT 11 TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBER(S) NOT EXCEEDING FIFTY(50) MEMEBERS AND HOLDING IN THE AGREEGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.

2. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
3. The Explanatory statements pursuant to section 102 of the Companies Act, 2013 in respect of special business(s) of the notice as set out above are annexed hereto. The additional and relevant details of the Director seeking re-appointment or appointment/regularization in Item No.3,6,7 and 8 under Ordinary or Special Business, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) are annexed hereto after the Notes to the Notice of AGM.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified true copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
8. M/s Skyline Financial Services Private Limited, D-153/A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 is the Registrar and Share Transfer Agent for physical shares of the Company. M/s Skyline Financial Services Private Limited is also the depository interface of the Company with both NSDL and CDSL.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 24th, 2016 to Friday, September 30th, 2016 (both days inclusive) for the purpose of payment of final dividend for the financial year ended on 31st March, 2016 and for this Annual General Meeting (AGM).
10. For the convenience of the members, attendance slip is enclosed with the Annual Report. Members/Proxy holders/Authorized representative should bring the attendance slips duly filled in and signed and surrender the same at the venue of the AGM for attending the meeting. Proxy/Authorized Representatives of a member should state on the attendance slip as "Proxy or Authorized Representative "as the case may be.
11. Members, who are holding shares in the identical order of names in more than one folio, are requested to write to the Company to enable it to consolidate their holding in one folio.
12. Members are requested to quote their folio number, DP ID/Client ID and the Company's name in all correspondence with M/s Skyline Financial Services Private Limited, who is acting as our Registrar and Share Transfer Agent.
13. 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 their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are required to submit their PAN details to the Company or M/s Skyline Financial Services Private Limited (RTA).

14. Members are requested to bring their copy of Annual Report to the Meeting.
15. The Company's shares are compulsorily traded in demat form, hence the member(s) who are holding Equity Shares in physical form are requested to get them dematerialized. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Share Registrars and Transfer Agents for assistance in this regard. The ISIN code of our securities with CDSL & NSDL is INE705H01011.
16. With a view to using natural resources responsibly and as permitted by the SEBI Listing Regulations and Companies Act, 2013, we humbly request shareholders to update their email address, with their Depository Participants or to Company's Registrar and Share Transfer Agent or may email at the designated email ID of the Company i.e. cs@mohindra.asia, to enable the Company to send communications electronically and to support Green Initiative.
17. Pursuant to the applicable provisions, SEBI Listing Regulations, the Annual Report 2015-16, Notice of the 22nd AGM and instructions for e-voting along with the attendance slip and Proxy form is being sent through electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the above said documents are being sent by the permitted mode.
18. Members may also note that the Notice of the 22nd AGM and the Mohindra Fasteners Limited's Annual Report 2015-16, instructions for e-voting along with the attendance slip and Proxy form will be available on the Company's website at www.mohindra.asia . The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: cs@mohindra.asia.
19. Members whose shareholding is in demat mode are requested to direct update their bank account particulars, change of address and other details with their respective Depository participants.
20. The Company has designated an exclusive e-mail id i.e cs@mohindra.asia for redressal of shareholders'/ Investors' Complaints/Grievances. In case you have any queries/ complaints or grievances, then please write to us at the above mentioned e-mail address.
21. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be credited/deposited in a separate bank account within a period of 5 days and will be dispatched/paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of members as on September 23rd, 2016. The final dividend is Rs. 2 per Equity Share.
22. Members are encouraged/ advised to utilize the Electronic Clearing System (ECS) for receiving dividends.
23. Pursuant to the provision of Section 124 and 125 of the Companies Act, 2013 and other applicable provisions and any further rules as may be notified by the central government in this regard, any dividend transferred by the company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred by the company to a fund called Investor Education & Protection Fund (the fund), set up by the Central Government.

MOHINDRA FASTENERS LIMITED

Accordingly, unpaid/ unclaimed dividend for the Financial Year 2008-09 shall become transferrable to the fund on 28th October, 2016. No claim shall lie thereafter against the company in respect of such amounts transferred for the Financial Year 2008-09. Shareholders are therefore requested to verify their records and send claims if any, for the relevant year(s) for FY 2008-09 or onwards, before the respective amounts become due for transfer to the fund. The following are the details of the dividend declared by the company and respective last due dates for claiming by the shareholders.

Dividend Year	Date of Declaration	Date for claim
2008-09	29/09/2009	28/09/2016*
2009-10	30/09/2010	29/09/2017*
2010-11	16/09/2011	15/09/2018*
2011-12	22/09/2012	21/09/2019*
2012-13	30/09/2013	29/09/2020*
2013-14	25/09/2014	29/10/2021
2014-15	30/09/2015	03/11/2022

*Last date of claim shall be in above cases is above mentioned date for claim + 30 days.

Those members who have not so far claimed their dividend for the financial year 2008-09, 2009-10, 2010-11 and 2011-12, 2012-13, 2013-14 & 2014-15 are requested to make their claims to the company for obtaining their respective Demand Draft(s).

Members wishing to claim dividend(s), which remain unclaimed, are requested to correspond with Ms. Asha Mittal, Company Secretary, at the Company's registered office.

24. Pursuant to the prohibition imposed vide Secretarial Standard of General Meeting (SS-2), no GIFTS/Coupons shall be distributed at the General Meeting.
25. All documents referred to in the accompanying Notice and the Explanatory Statements shall be open for inspection at the Registered Office of the Company between 11.00 am and 1.00 pm on all working days up to date of the Annual General Meeting of the Company.
26. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

27. CUT OFF DATE:

(i) This Notice is being sent to all the members whose name appears as on 26th August, 2016 in the register of members or beneficial owners as received from M/s Skyline Financial Services Private Limited, the Registrar and Transfer Agent of the Company.

(ii) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Friday, September 23rd, 2016 (the "Cut Off Date") only shall be entitled to vote through Remote E-voting and at the AGM and also entitled to final dividend. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.

28. VOTING BY MEMBERS

The voting for the agenda items as mentioned in the Notice shall be done in the following manner:

- (i) Members may cast their votes through electronic means by using an electronic voting system from a

place other than the venue of AGM ("**Remote E-voting**") in the manner provided below during the e-voting period.

(ii) At the venue of AGM, voting shall be done through ballot papers ("**Ballot Paper**") and the members attending AGM who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper.

(iii) A Member may participate in the AGM even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the AGM. If a Member casts votes through Remote E-voting and also at the AGM, then voting done through Remote E-voting shall prevail and voting done at the AGM shall be treated as invalid.

(I) VOTING THROUGH ELECTRONIC MEANS

In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment, Rules 2015 (including any statutory modification or re-enactment thereof) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility of Remote E-voting to all its Members, to enable them to cast their votes on all resolutions set forth in this Notice electronically and the business mentioned in the Notice may be transacted through Remote E-voting. Remote E-voting is optional and not mandatory. The Company has engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing Remote E-voting facility to all its Members. The process and manner of Remote E-voting are as under:

PROCESS AND MANNER FOR MEMBERS OPTING TO VOTE THROUGH ELECTRONIC MEANS:

(A) Instruction for e-voting by Members whose Email ID's are registered with the Company/Depository Participant(s)

1. Members whose email addresses are registered with the Company/Depository Participant(s) will receive an email from NSDL informing the "USER-ID" and "PASSWORD".
2. Open the e-mail and also open the attached PDF file with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password.
3. Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>.
4. Click on "Shareholder- Login".
5. Enter the User ID and password as initial password noted in step (2) above and Click Login.
6. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
7. Home page of "E-Voting" opens. Click on E-Voting: Active Voting Cycles.
8. Select "EVEN" of Mohindra Fasteners Limited. Members can cast their vote online from 25th September, 2016 (9:00 A.M.) till 29th September, 2016 (5:00 P.M.).

Note: Remote E-voting shall not be allowed beyond said time.

9. Now you are ready for "E-Voting" as "Cast Vote" page opens.
10. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
11. Upon confirmation, the message "vote cast successfully" will be displayed.

MOHINDRA FASTENERS LIMITED

12. Once the Vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
13. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of their duly authorized Signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at vdnext1711@gmail.com with a copy marked to evoting@nsdl.co.in.

(B) Instruction for e-voting by Members whose Email ID's are not registered with the Company/Depository Participant(s)

- (i) For Members whose Email IDs are not registered with the Company/Depository Participant(s), will be receiving Notice of AGM (Annual Report) by post. :
- (ii) Initial password is provided on the attendance slip for the AGM.
- (iii) Please follow all steps from Sr. No. 3. to Sr. No. 13 of (IA) above, to cast vote.

B. OTHER INSTRUCTIONS

1. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using **"Forgot User details / Password"** option available on www.evoting.nsdl.com
2. 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 future communication(s).
3. Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
4. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

(C) Remote E-voting Period

1. The Remote E-voting period commences from 25th September, 2016 (9:00 A.M.) and ends on 29th September, 2016 (5:00 P.M.). Members of the Company, holding shares either in physical form or in dematerialized form, as on 23rd September, 2016, may cast their vote electronically, during this Remote E-voting period. The e-voting module shall be disabled by NSDL for voting thereafter.

(D) User ID and Password for the members who became Members after dispatch of AGM notice:

Persons who have acquired shares and became members of the Company after the dispatch of the notice of AGM but before the cut-off date of September 23rd, 2016, may obtain their user ID and password for e-voting from the Company's Registrar and Share Transfer Agent or NSDL.

(E) Scrutinizer

Mr. Anand Kumar Singh, a Practicing Company Secretary, Associate of M/s Anand Nimesh & Associates, Practicing Company Secretaries, has been appointed as the scrutinizer to scrutinize the voting process (Ballot Paper as well as Remote E-voting) in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through Remote E-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall after the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against to the Chairman or a person authorized by him.

(F) DECLARATION OF RESULTS

The Results of voting (Remote E-voting and the voting at the AGM) on the resolutions will be declared on 30th September, 2016 by the Chairman or any person authorized by him for this purpose. The results declared along with the report of the Scrutinizer shall be placed on the website of the company i.e. www.mohindra.asia under Investors' section/link and on the website of NSDL i.e. www.evoting.nsdl.com, immediately after the result is declared and simultaneously it will be intimated or communicated by other means if prescribed to the concerned Stock Exchange or otherwise, if required.

(G) Queries in relation to E-voting:

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of www.evoting.nsdl.com. In case of any clarifications on e-voting may contact M/s. Skyline Financial Services Private Limited on number +91- 11- 64732681-88 or by email at admin@skylinerta.com or to NSDL at the following contact information:

Phone No.+91 22 24994600/24994738, Toll free no.1800222990

Email ID: evoting@nsdl.co.in

Place: New Delhi
Dated: 30th July, 2016

By Order of the Board
DEEPAK ARNEJA
DIN: 00006112
(Chairman cum
Managing Director & CEO)

MOHINDRA FASTENERS LIMITED

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

ITEM NO. 3

For the purpose of compliance with section 152 of the Companies Act, 2013 and for determining the director liable to retire by rotation, the Board at its meeting held on 30.07.2016, took note of the consent given by Mr. Ravinder Mohan Juneja (DIN: 00006496) to retire by rotation and being eligible, offers himself for re-appointment. As regards to re-appointment of retiring director, Mr. Ravinder Mohan Juneja (DIN: 00006496) referred to in item No. 3 of the Notice, brief resume of Mr. Ravinder Mohan Juneja, his nature of expertise in specific functional areas, names of Companies in which he hold directorships/chairmanship of Board Committees, if any, shareholding and relationships between directors is provided after this notice.

Moreover, the shareholders will recall that the appointment of Mr. Ravinder Mohan Juneja as Managing Director of the Company with effect from 01.01.2012 for a period of 5 years upto 31.12.2016 was approved at the 17th AGM held on 16.09.2011.

None of the Directors/ Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

The Board of Directors recommends his re-appointment.

ITEM NO. 5

The Company is directed, under Section 148 of the Act, read with The Companies (Cost Records and Audit) Rules, 2014 ('the Rules') including any amendment thereof, to have the audit of its cost records conducted by a cost accountant in practice. The Board of your Company on the recommendation of the Audit Committee has approved the appointment and remuneration of the M/s Sanjay Kumar Garg & Associates (Firm Registration No-100292), Cost Accountants, Shop No.2, First Floor, Pocket H-34, Plot No-35, Sector-3, Rohini, New Delhi-110085, as the Cost Auditors of the Company to conduct the audit of the cost records of the Company across concerned segment(s), for the financial year ending March 31, 2017 at a remuneration of Rupees Thirty Five Thousand per annum plus service tax and out-of-pocket expenses.

M/s Sanjay Kumar Garg & Associates has furnished a certificate regarding their eligibility for being appointed as Cost Auditors of the Company.

M/s Sanjay Kumar Garg & Associates has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the past few years.

In accordance with the provisions of Section 148 of the Act read with the Rules, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of remuneration payable to M/s Sanjay Kumar Garg & Associates as the Cost Auditors of the Company.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution, set out at Item No. 5 of the Notice for approval by the shareholders. Your Directors recommend the resolution for your approval.

ITEM NO. 6

Mr. Gagandeep Singh Narang having DIN: 00179636 was appointed as an Additional Director w.e.f. February 15th, 2016 vide Board Meeting dated 13th February, 2016 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing candidature of Mr. Gagandeep Singh Narang for appointment as a Director of the Company

in accordance with the provisions of Section 160 read with rule made thereunder and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Mr. Gagandeep Singh Narang on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 6 for approval.

Brief profile of Mr. Gagandeep Singh Narang, in terms of SEBI Listing Regulations is provided after this Notice.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice except Mr. Gagandeep Singh Narang or their relatives may be deemed to be concerned or interested in the said Resolution at Item No. 6 to the extent of this resolution.

The Board commends the Ordinary Resolution, set out at Item No. 6 of the Notice for approval by the shareholders. Your Directors recommend the resolution for your approval.

ITEM NO. 7

Mr. Ravinder Mohan Juneja was appointed as Managing Director of the Company by the members to hold office for a period of Five years effective from 01st January, 2012 in 17th AGM of the Company and the said present appointment would expire on 31st December, 2016.

Mr. Ravinder Mohan Juneja has been instrumental in the continuous growth of the Company on all operating and financial parameters including turning the Company profitable. Hence, In view of Mr. Ravinder Mohan Juneja's rich experience and contribution towards the growth of the Company; the Board of Directors of the Company is of the view that the Company should continue to avail the services of Mr. Ravinder Mohan Juneja and accordingly the Board vide Board meeting dated July 30th, 2016 has approved the re-appointment of Mr. Ravinder Mohan Juneja as the Managing Director of the Company for a further period of five years with effect from 01st January, 2017 upto the period till he attains the age of 70 years, at a remuneration approved by the Nomination and Remuneration Committee at its meeting held on 30th July, 2016.

The information / statements pertaining to the terms and conditions of the re-appointment of Mr. Ravinder Mohan Juneja including remuneration thereof are given hereunder:

Validity of Appointment

The appointment will be valid for a period of 5 years effective from 01st January, 2017 upto the period till he attains the age of 70 years.

Remuneration

1) Basic Salary

Rs. 1,45,000/- per month. In the grade of Rs. 1,45,000-20,000-2,25,000.

2) Allowances & Perquisites

In addition to above basic salary, he shall be entitled to the following allowances & perquisites:

- (a) HRA: 40% of the Basic Salary.
- (b) Conveyance Allowance: As per the Rules of the Company.
- (c) Children Education Allowance: As per the Rules of the Company
- (d) Tiffin Allowance: As per the Rules of the Company.
- (e) Medical Reimbursement: As per the Rules of the Company.
- (f) Bonus/Ex-gratia - as per company rules.
- (g) Car with driver and telephone- free use of company's car(s) with driver and free telephone/internet facility at residence for official as well as personal use. The expenses on car used for official purpose shall be reimbursed on actual basis as per company rules and shall not be included in the computation of remuneration. However, the cost of driver and cost of maintenance of car excluding that incurred for official purpose will be considered as a perquisite.

MOHINDRA FASTENERS LIMITED

The overall amount of perquisites, in addition to salary and shall be restricted to Rs. 12,00,000/- per annum.

The following perquisites shall not be included in the computation of the ceiling on remuneration specified in Para (1) and (2) above:

- a. Super Annuation Fund or Annuity Fund, if applicable, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Encashment of leave as per company's rules.

The entire remuneration as mentioned above shall be paid subject to the provisions under Schedule V of the Companies Act, 2013.

Other Terms and Conditions

- i) Remuneration for a part of the month / year shall be computed on pro-rata basis.
- ii) The appointment as aforesaid may be terminated by either party giving to the other three months notice in writing.

Brief profile of Mr. Ravinder Mohan Juneja, in terms of SEBI Listing Regulations is provided after this Notice.

None of the Director/Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice except Mr. Ravinder Mohan Juneja or their relatives may be deemed to be concerned or interested in the said Resolution at Item No. 7 to the extent of this resolution.

The Board commends the Special Resolution, set out at Item No. 7 of the Notice for approval by the shareholders. Your Directors recommend the resolution for your approval.

ITEM NO. 8

Based on the recommendations of the Nomination and Remuneration Committee of the Board and after reviewing confirmation of independence received. The Board of Directors of the Company at their meeting held on 30th July, 2016, had appointed Mr. Ved Prakash Chaudhry (DIN- 07572208) as an Additional Director of the Company, in Independent Capacity. Pursuant to Section 161 (1) of the Companies Act, 2013, Mr. Ved Prakash Chaudhry holds office till the conclusion of this ensuing 22nd Annual General Meeting. Appropriate notice and deposit of One Lakh Rupees has been received from a member proposing candidature of Mr. Ved Prakash Chaudhry as a Director of the Company under Section 160 of the Companies Act, 2013. The Board received a declaration of Independence from Mr. Ved Prakash Chaudhry that he meets the criteria for independence as provided in Section 149(6) of the Act and the Regulation 16(1)(b) of the SEBI Listing Regulations.

Mr. Ved Prakash Chaudhry is proposed to be appointed as an Independent Director of the Company for a period of 5 (five) consecutive years with effect from the conclusion of this ensuing 22nd Annual General Meeting, 30th September, 2016 to 29th September, 2021, somewhere upto the conclusion of the 27th Annual General Meeting of the Company to be held in the calendar year 2021, whose appointment shall not be liable to retire by rotation.

Mr. Ved Prakash Chaudhry is a person of integrity, possess the relevant expertise and experience, fulfils the conditions specified under Section 149(6) and Schedule IV of the Companies Act, 2013 and is Independent of the management.

Upon the approval of the appointment of Mr. Ved Prakash Chaudhry as an Independent Director by the Members of the Company, the appointment shall be formalised by the issue of a letter of appointment by the Company to the said Independent Director.

Mr. Ved Prakash Chaudhry is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director/Independent Director of the Company.

Mr. Ved Prakash Chaudhry is a Law Graduate from DAV College, Muzaffar Nagar, U.P. He has also done his Masters in Physics. He worked as lecturer and Chemist. He was also joined as Probationary Officer and retired as Senior branch manager from Karnataka Bank Limited in 2008 after serving in the bank for 32 years.

Brief profile of Mr. Ved Prakash Chaudhry, in terms of SEBI Listing Regulations is provided after this Notice.

None of the Director / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 8 of the Notice.

The Board commends the Ordinary Resolution, set out at Item No. 8 of the Notice for approval by the shareholders. Your Directors recommend the resolution for your approval.

By Order of the Board

DEEPAK ARNEJA

DIN: 00006112

**(Chairman cum
Managing Director & CEO)**

**Place: New Delhi
Dated: 30th July, 2016**

MOHINDRA FASTENERS LIMITED

RELEVANT DETAILS FOR ITEM NO.3,6,7 & 8

Details of Director seeking re-appointment or appointment or regularization at the forthcoming Annual General Meeting

(Pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I) Brief Resume and other details for ITEM NO. 3 & 7

Name of Director	Mr. Ravinder Mohan Juneja
Date of Birth	11th September, 1951
Date of appointment (Original)	10th January, 1995 (Since Incorporation)
Nature of his expertise in specific functional areas	He has immense years of experience in Manufacturing Field.
List of companies in which Directorship held as on 31.03.2016	PUBLIC COMPANIES ■ Mohindra Fasteners Limited PRIVATE COMPANIES ■ Nil
List of Committees in which he is a Chairman/Member of the Committees of the Board of the companies as on 31.03.2016	Chairman ■ Nil Member ■ Stakeholders Relationship Committee ■ Corporate Social Responsibility Committee (Note : He is also a Member of Board of Governors of CMRA Government Polytechnic Education Society)
No. of shares held in the Company	4,84,650 Equity Shares
Shareholding in the company	09.05%

Additional Information on director recommended for re-appointment as required

Name	: Mr. Ravinder Mohan Juneja
Fathers Name	: Late Shri Krishan Lal Juneja
Qualification	: Under Graduate
Age	: 64 Years
Residential Address	: 1189 - B, DLF Colony, Rohtak, 124001, Haryana, India
Business Experience	: Has more than 20 years of experience in holding responsible positions including directorship in the Company "Mohindra Fasteners Limited". He has more than 35 years of Experience in Manufacturing of Fasteners. His business acumen, leadership quality, financial and management expertise/techniques have benefited the organization significantly.
Relation with Directors	: None

II. Brief Resume and other details for ITEM No. 6

Name of Director	Mr. Gagandeep Singh Narang
Date of Birth	26th November, 1981
Date of appointment (Original)	15th February, 2016
Nature of his expertise in specific functional areas	He has good years of experience in Real Estate, Transport and Hospitality Industry.
List of companies in which Directorship held as on 31.03.2016	<p>PUBLIC COMPANIES</p> <ul style="list-style-type: none"> ■ Mohindra Fasteners Limited <p>PRIVATE COMPANIES</p> <ul style="list-style-type: none"> ■ Nipman Impex Private Limited ■ Gagan Software Private Limited ■ Nikunj Netweb Solutions Private Limited
List of Committees in which he is a Chairman/Member of the Committees of the Board of the companies as on 31.03.2016	<p>Chairman</p> <ul style="list-style-type: none"> ■ Nil <p>Member</p> <ul style="list-style-type: none"> ■ Nomination & Remuneration Committee
No. of shares held in the Company	65300 Equity Shares
Shareholding in the company.	1.22%

Additional Information on director recommended for regularization as required

- Name** : Mr. Gagandeep Singh Narang
- Fathers Name** : Shri Jatinder Pal Singh Narang
- Qualification** : He had completed his graduation (B.Com) from Delhi University and done his BBA from University of Bradford U.K. Has Diploma in Financial Management in the year 2003.
- Age** : 34 Years
- Residential Address** : A- 135, New Friends Colony, New Delhi 110065, India
- Business Experience** : Has more than 10 years of experience in holding responsible positions including directorship in various Companies. He has more than 10 years of Experience in Real Estate Industry. He is also having good experience in Transport and Hospitality Industry. He is specialized in leasing built to suit spaces to IT/ITES companies. His business acumen, leadership quality, financial and management expertise/techniques have benefited the organizations significantly wherever he served.
- Relation with Directors** : None

MOHINDRA FASTENERS LIMITED

III. Brief Resume and other details for ITEM No. 8

Name of Director	Mr. Ved Prakash Chaudhry
Date of Birth	1ST June, 1948
Date of appointment (Original)	30th July, 2016
Nature of his expertise in specific functional areas	He has immense years of experience in Banking Industry.
List of companies in which Directorship held as on 31.03.2016	PUBLIC COMPANIES ■ NIL PRIVATE COMPANIES ■ NIL
List of Committees in which he is a Chairman/Member of the Committees of the Board of the companies as on 31.03.2016	Chairman ■ Nil Member ■ NIL
No. of shares held in the Company	NIL
Shareholding in the company.	NIL

Additional Information on director recommended for regularization as required

Name : Mr. Ved Prakash Chaudhry
Fathers Name : Late Shri Nitya Nand Chaudhry
Qualification : Post Graduate (MSC and LLB)
Age : 68 Years
Residential Address : B-3 Poojari Appartment, Shiv Vihar, Paschim Vihar, Delhi 110087, India
Business Experience : He has 32 year of experience with Banking Industry and has served as Manager in Karnataka Bank Limited. He retired from the Bank as a Senior Branch Manager in 2008. Being a Law Graduate, he is well versed with business laws.
Relation with Directors : None

The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21st, 2011 and April 29, 2011 respectively) has undertaken a Green Initiative in Corporate Governance by allowing paperless compliances by the Companies and has issued circulars stating that service of notice /documents including Annual Report can be sent by e-mail to its members. SEBI Listing Regulations also permits Companies to send soft copies of the Annual Report to all shareholders who have registered their email address for the said purpose. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to give their consent by providing their **E -MAIL ID** to the Company or to the Registrar and Share Transfer Agent of the Company.

By Order of the Board

DEEPAK ARNEJA
DIN: 00006112
(Chairman cum

Managing Director & CEO)

Place: New Delhi
Dated: 30th July, 2016

DIRECTORS' REPORT

To

The Members of Mohindra Fasteners Limited

Your Directors have pleasure in presenting the Twenty Second Annual Report of the Company together with the Audited Financial Statements of the Company for the year ended March 31st, 2016.

FINANCIAL RESULTS

The highlights of the Financial Results are as under:

(Rupees in Lakhs)

PARTICULARS	Year ended 2015-16	Year ended 2014-15
Revenue From Operations	9408.33	9261.71
Other Income	47.31	230.92
Total Income/Revenue	9455.64	9492.63
Profit before Interest & Depreciation	1045.36	1088.81
Finance Charges	(128.64)	(152.12)
Depreciation and Amortization expenses	(224.84)	(279.12)
Profit/(Loss) for the Year	691.88	657.57
Add/(Less): Extraordinary Items	NIL	NIL
Profit before Taxation	691.88	657.57
Add/(Less): Provision for Income Tax(Current Tax)	(231.00)	(217.00)
Add/(Less): Deferred Tax Assets/ (Liability)	(08.26)	4.88
Net Profit/(Loss) for the Year after Tax	452.62	445.45
Add/Less: Adjustment for previous year	(4.26)	(3.18)
Add: Balance brought forward from previous year	2299.98	2021.65
Less: Balance available for appropriation:	(128.95)	(163.95)
Proposed Dividend	(107.14)	(107.14)
Dividend Tax on proposed dividend	(21.81)	(21.81)
Transfer to General Reserve	0	(35.00)
Balance carried forward	2619.39	2299.98

1. COMPANY'S VISION

Our Company philosophy has always focused on customer satisfaction with uncompromising integrity and quality. We strive to carry products and new developments with the finest value and quality in the market. We envisage ourselves to be a solution provider to our customers.

MOHINDRA FASTENERS LIMITED

2. COMPANY'S MISSION

The Company will strive to achieve the following:

- To maintain the quality systems as per the International standards.
- To reduce the production cycle time and attain better operational efficiency.
- To provide prompt services to all customers.
- To reduce cost in all areas.
- To add value in the supply chain to the customers.
- To maximize the Shareholders' wealth

3. REVIEW OF OPERATIONS

Gross Sales:

During the year under review, the total Gross sales of the Company marginally increased to Rs. 9408.33 Lakhs as compared to 9261.71 Lakhs in the previous year. The increase over last year is under 2%. The company was anticipating higher growth but due to external factors, which have been explained below, the desired rate of growth could not be achieved.

Domestic Sales:

The Domestic sales for the FY 2015-16 were Rs. 4101.51 Lakhs (previous year Rs. 3637.11 Lakhs in FY 2014-15) which shows a noticeable/evident increase of 12.77%. This is a healthy sign as we see a revival happening in the Automobile Industry. The growth is more significant considering that metal prices were soft in the just concluded Financial Year.

The broader parameters in terms of Economic growth, Interest rates, government related policy decisions were quite favourable in the whole year. However the Government increased the Minimum Wages by over 30% in the preceding Financial Year, which had a cascading effect on the emoluments being paid to the Blue Collared worker segment.

Export Sales:

The Export sales for the FY 2015-16 was Rs. 5306.82 Lakhs (previous year Rs. 5624.60 Lakhs in FY 2014-15) which decreased by 5.65%. Ironically, there was a marginal increase in the Dollar/Euro currency comparisons. This shows that Currencies remained depressed during the preceding Financial Year.

Another setback on the Export Front, came in the form of reversal of Anti Dumping Duties(ADD), which were levied by European Union(EU) on imports from China. EU, lost the case in WTO and had to withdraw the duties. This affected our performance especially in the last quarter of 2015-16 as China came back into the competition. Needless to mention that we do have some macro level inefficiencies whether in terms of Energy Cost/s, Interest Rates, Employee productivity, Port Congestion and so on, which contribute to higher Input costs. This makes our product more expensive than China. We are sure that the Government will address them soon.

Profits:

The Profit before tax (PBT) of the Company is Rs. 691.88 Lakhs as compared to previous year figure of Rs. 657.57 Lakhs. The increase in profit before tax as compared to previous year is around 5%.

Your company has lower debt outgo and at competitive interest rates and this is reflected in lower finance costs. As explained above, higher manpower costs were the net result of Governments increasing the Minimum Wages. The Energy costs remained more or less at the similar levels.

4. CURRENT PERFORMANCE

The Indian Automobile Industry has got a major thrust by the Government's Automotive Mission Plan 2016-26 wherein the Industry is likely to grow by over 4 times in the next 10 years and is likely to be the third largest automotive industry of the World. We do recognize the immense opportunities and are trying in our own way and capacity to take advantage of this situation.

The exports are satisfactory in the current year. However there are major external factors which are likely to affect the performance:

- Withdrawl of GSP **Form - A** benefits for 3 years for Imports from India by EU. This means that Indian Exports will be taxed at the WTO agreed rates and there would be no preference. This shall be effective from 01st January, 2017.
- Withdrawl/Phase out of Export benefits by Government of India.
- Britain's exit from EU affecting the economies of Britain and EU.

To counter this, the company is focusing on newer product categories and newer markets. There is enough focus on adding specials and turned parts to our product portfolio which will bring better profits.

The company is likely to obtain a 2 Star Export house in the middle of this Financial Year. This will offer us some additional benefits/opportunities in terms of Governments EXIM Policy 2015-2020. Currently we have a 1 Star Export House Status.

I am elated to announce that your company has started to purchase power through Open access by bidding on IEX(Indian Energy Exchange). This will bring considerable cost benefits to us which shall be evident towards the end of the current Financial Year.

The Company has taken a site on long term lease and we are in the midst of re-arranging our machineries to obtain operational efficiencies. The land which was bought from HSIIDC in IMT Rohtak has still not been put to use.

5. QUALITY MANAGEMENT SYSTEM

The Company has been accredited with numerous certifications for adopting and implementing international quality systems in all its operations. Its streamline manufacturing process and ethical business practices have enabled it to earn international certifications like: ISO 9001:2008, ISO/TS 16949:2009 and ISO 14001:2004. Your company is also CQI-9 certified.

The Company envisages a vision of Zero Defect Policy. The Company has strengthened its efforts towards implementing 5S & Six Sigma to enhance the quality of work and products. Your Company is also having international certification under OHSAS: 18001:2007, which help us to implement safety policies.

6 CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there is no change in the nature of business of the Company.

7. DIVIDEND

Keeping in view the Company's tradition of giving high regard to the shareholders of the company, The Board is

MOHINDRA FASTENERS LIMITED

pleased to recommend the dividend @ 20% i.e. Rs. 2 per share of Rs. 10/- (Previous year Re. 2 per share i.e 20%) each fully paid up, for the financial year ended on 31st March, 2016. The dividend, if approved by the shareholders at the ensuing Annual General Meeting shall be payable to shareholders, whose names appear in the Register of Members, as on 23.09.2016. The total outgo on account of dividend, inclusive of Dividend Tax @ 20.3576% (inclusive of Surcharge & Educational Cess) stands at Rs. 128.95 Lakhs as compared to 128.95 Lakhs in previous year. The tax will not be deducted at source.

8. RESERVES

The Company does not propose to transfer/ carry any amount to the General Reserve. An amount of Rs. 3,19,41,865 (Three Crores Nineteen Lakhs Forty One Thousand Eight Hundred Sixty Five) is proposed to be retained in the surplus.

9. DEPOSIT

The Company has not received/accepted any fixed/public deposit and as such no amount of principal or interest was outstanding as on the Balance Sheet Date. Accordingly within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of deposits) rules, 2014, there is no deposit(s) subsists in the Company, the Company neither accepted/invited nor remain unpaid or unclaimed any amount of deposit(s).

10. CHANGE OF NAME

There is no change in name of Company and the Company's Name is same as before i.e "Mohindra Fasteners Limited"

11. PRESENT SHARE CAPITAL

The Present Authorized Share Capital of the Company consists of Equity Share Capital and Preference Share Capital stands at Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 65,00,000 (Sixty Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 55,00,000 (Fifty Five Lakhs) Preference Shares of Rs. 10/- (Rupees Ten Only) each.

(The Preference Share Capital created by increase of Authorized share capital from 6,50,00,000/- to 12,00,00,000/- w.e.f 25th July, 2015(Extraordinary General Meeting) by way of Postal Ballot).

The Present Issued and Subscribed Share Capital of the Company stands at Rs. 5,47,13,000/- (Rupees Five Crores Forty Seven Lakhs Thirteen Thousand Only) divided into 54,71,300 (Fifty Four Lakhs Seventy One Thousand Three Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

The Present Paid-Up Share Capital of the Company stands at Rs. 5,35,68,000/- (Rupees Five Crores Thirty Five Lakhs and Sixty Eight Thousand Only) divided into 53,56,800 (Fifty Three Lakhs Fifty Six Thousand Eight Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

Further, the "LETTER OF OFFER" was issued by your Company on 26th October, 2015 for private placement of 50,00,000 (Fifty Lakhs) Preference Shares having face value of Rs. 10/- (Rupees Ten Only) each of the Company on Private Placement basis at a fair price of Rs. 10/- (Rupees Ten Only) per share, payable in cash, on the basis of Valuation Certificate/Report, issued by Independent Valuer, to the selected existing members etc. However, the Company has not received any kind of application money till date.

During the year under review, the Company has neither issued any shares with differential voting rights nor had granted any stock options or sweat equity shares.

12. DIRECTORS

Re-appointment

In accordance with the requirements of the Companies Act, 2013 and other applicable provisions, Mr. Ravinder Mohan Juneja (DIN: 00006496), Director of the Company is determined to liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment.

In accordance with the Companies Act, 2013 and other applicable provisions, the reappointment of Mr. Ravinder Mohan Juneja (DIN:00006496) as a Managing Director of the Company is recommended to the members of the Company in ensuing Annual General Meeting for another term of five years.

Appointment

Mr. Gagandeep Singh Narang (DIN: 00179636) and Mr. Ved Prakash Chaudhry (DIN: 07572208) has been appointed as additional directors w.e.f 15th February, 2016 and 30th July, 2016 respectively.

Further, Mr. Gagandeep Singh Narang (DIN: 00179636) is also recommended to be regularized as Director of the Company in this 22nd AGM of the Company.

Additionally, Mr. Ved Prakash Chaudhry (DIN: 07572208) who was appointed on 30th July, 2016 is recommended to be regularized as an Independent Director of the Company in this 22nd AGM of the Company.

At the Twentieth Annual General Meeting of the Company held on 25th September, 2014, Members had approved the appointment of Mr. Vinod Kumar (DIN: 02303504) and Mrs. Anjali Malik (DIN: 06875087) as Independent Directors of the Company for a term of five years.

As per the provisions of Companies Act, 2013, none of the Independent Director(s) will retire at the ensuing Annual General Meeting and all the Independent Directors has given the declaration of Independence that meets the criteria of Independence.

Resignation

Mr. J P Singh Narang (DIN: 00007332), Non-Executive Director and Mr. Sudhir Arneja (DIN: 00007589), Whole Time Director of the Company has resigned due to personal reasons w.e.f 15th February, 2016 and 30th July, 2016 respectively from the directorship of Company.

13 KEY MANAGERIAL PERSON

Appointment and Resignation

During the year Mrs. Asha Mittal was appointed as Company Secretary with effect from 11th May, 2015 and Ms. Madhu Kaushik had resigned from the position of Company Secretary with effect from 11th May, 2015.

14. PARTICULARS OF EMPLOYEES

Pursuant to the Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Amendment Rules, 2016, statement of particulars of employees and the information required under Section 197 (12) of the Act is appended as Annexure-II.

There are no information required to mention under Rule 5 (2) except statement showing details pertaining to names of the top ten employees in terms of remuneration drawn and various details related to Rule 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in caption of statement referred to in Rule 5(2) is also given in Annexure-II. Further, the Company has no such employee who fall under Rule 5 (2)(i), (ii) and (iii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Amendment Rules, 2016.

MOHINDRA FASTENERS LIMITED

15. BOARD AND COMMITTEE MEETINGS

During the year 2015-16, Four Board Meetings (and three board meetings by circulation), Four Audit Committee Meetings, Two Nomination and Remuneration Committee Meetings, Thirty two Stakeholder Relationship Committee (Earlier named as Shareholders'/Investors' Grievance Committee) Meetings, One Corporate Social Responsibility Committee Meeting, Two Meetings of Prevention of Sexual Harassment (POSH) Committee (Earlier named as Internal Complaint Committee for Women) were convened and held.

There have not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board.

The details pertaining to Composition of the Board and its Committees and the Date of Meetings held and attendance of the Directors on Board, Members/Chairperson on the Committees at such Meetings and other relevant details are provided in the **Corporate Governance Report**. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013, SEBI Listing Regulations and other applicable provisions, if any.

16. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The current policy is to have appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As on March 31st, 2016, the Board consisted of Six Directors, three of whom were Executive Directors; whether Managing or Whole Time Director and rest were Non Executive Directors including two Independent Directors (including a woman director). The Board periodically evaluates the need for change in composition and size. Hence, pursuant to comply with the SEBI Listing Regulations, an Additional Director appointed on 30th July, 2016 and also his candidature is proposed to be regularised as an Independent Director for the approval of members in this ensuing AGM.

Consequently, presently, the Board consists of Six Directors, two of whom are Executive Directors who are also Managing Directors and the rest are Non Executive Directors; Among the rest, two are Independent Directors (one of whom is a woman director) and the other two are additional directors and one of them is proposed to be regularised as an Independent Director as mentioned above.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of section 178 of the Companies Act, 2013, adopted by the Board, is given in the **Corporate Governance Report**. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

17. DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE- APPOINTMENT, IF ANY

The Company has received necessary declarations from each of independent director under section 149(7) of Companies Act, 2013 that he/she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI Listing Regulations, is appended as **Annexure-III**.

None of the Independent Director is due for re-appointment.

18. TRAINING AND FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

Every new independent director of the Board attends an orientation program. These orientation programmes upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The Company familiarizes its new inductees with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, with the strategy, operations and functions of the company. The executive directors/senior managerial personnel make presentations to the inductees about the Company's

strategy, operations, business model of the company and its products, markets, organization structure, finance, quality, facilities and risk management.

The Familiarisation programme for Independent Directors is disclosed on the website of the Company at www.mohindra.asia under the Investors' Section/Link.

19. BOARD EVALUATION

Regulation 4 of the SEBI Listing Regulations mandates that the Board shall monitor and review the board evaluation framework as an important key function of the Board. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the board of its own performance and that of its committees and individual directors. Schedule IV of Companies Act, 2013, states that performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the director(s) being evaluated.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure for the Performance Evaluation for the Board, its Committees and Directors. The evaluation of all the directors and the board as a whole was conducted based on the criteria and framework adopted by the Board. The Evaluation process has been explained in the Corporate Governance Report's Section in this Annual Report. The Board approved the evaluation results as collated.

20. COMMITTEES OF THE BOARD

Presently the Board has four committees: The Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee. The details of composition, functions and other details regarding all the Committees are provided in the *Corporate Governance's Section*.

21. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

During the year, there are no Subsidiary, Joint Ventures and Associate Company(s) of the Company.

22. AUDITORS

I. Statutory Auditors

At the Twentieth Annual General Meeting held on 25th September, 2014, M/s. GSK & Associates LLP (Firm Registration No.: 013838N/N500003), Chartered Accountants, 8, 1st Floor, Rani Jhansi Road, Motia Khan, Industrial Area, New Delhi - 110055 was appointed as statutory auditor of the Company to hold office till the conclusion of the Twenty Third Annual General meeting to be held in the Financial year 2017-2018 subject to the ratification at every Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly the appointment of M/s. GSK & Associates LLP, Chartered Accountants, as statutory auditors of the Company is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013 and other applicable provisions, if any.

Auditors' Report

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments by the Board of Directors.

II. Secretarial Auditors

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, M/s Anand Nimesh & Associates, Practicing Company Secretaries, 183B, Second Floor, Gurudwara Road, West Guru Angad Nagar, Laxmi Nagar, New Delhi-110092, was appointed to conduct the Secretarial Audit of the Company for the financial year 2015-16.

MOHINDRA FASTENERS LIMITED

The Secretarial Audit Report for FY 2015-16 forms part of the Annual Report as **Annexure-IV** to the Board report. The Secretarial Auditor has following observations:

- As per explanation given by the management and the documentations/information produced by them, the Company made efforts to submit the details of unpaid and unclaimed dividend for the FY 2014-15 in Form 5INV to ROC. But due to technical issues in form and excel sheets, same could not be filed.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors except Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Further, the Secretarial Auditor has informed in his report the following:

- The shares of the company were listed at the Delhi Stock Exchange Limited, but recognition of DSE has been withdrawn by the SEBI, consequence of which the Company had filed an application to get its shares listed on NSE, but the NSE has refused to list its shares, hence shares of the Company are not listed at any stock exchange as on the date of issuing this report. However, as informed by the management, they are taking the necessary adequate steps.
- One of the promoter/shareholder of the company has filed a complaint against the company, with The Registrar of companies, NCT of Delhi and Haryana, and other competent authorities as may be applicable, under review in which he raised various points, against which company has filed a reply to the good office of Registrar of companies as well. This matter is under jurisdiction of the office of the Registrar of companies, NCT of Delhi and Haryana, so, we hereby, do not comment in the matter till the matter finally is settled out.

The report is self-explanatory and does not call for any further comments by the Board of Directors except your Board of Directors wish to clarify on above stated observations:

- Currently your Company is facing technical issue while getting pre-fill the said Form- 5INV. Earlier we could not pre-fill and validate the concerned excel file which need to be upload and other issues also that's why could not submitted the said form to ROC. In this regard, the complaint has also been raised through online Investor Complaint portal at the site of Ministry of Corporate Affairs. The Company is trying and will file the said form soon.
- Your Company could not found a suitable person to be a part of the Company's board who can hold the responsibilities of an Independent Director and the company was in process to find the well deserving candidate for the position of Independent Director who can play his/her role independently. But finally the Board of Directors as on date of this report has passed and recommended the resolution to regularize an additional director, Mr. Ved Prakash Chaudhry as an Independent Director subject to the approval in ensuing 22nd Annual General Meeting.

Further, The Board of Directors wish to comment on above stated information as provided in the report:

- Your Company is taking adequate steps to list its securities on recognized stock exchange. In this regard, the Company has applied on National Stock Exchange of India Limited and the application got rejected. We wish to state that the Company satisfies all the eligibility criteria of NSE in totality and has disclosed all the facts to NSE beforehand, but NSE has refused the listing on NSE on the ground that Company has been compulsorily delisted from BSE in the past in 2004. According to Regulation 24 of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 the Company become eligible to get list its securities as said regulation itself prescribed the time limit of 10 years which have already elapsed as the Company was delisted in 2004. In view of this, the company has also written to the Hon'ble SEBI along with facts of case to show directions in this matter. Further, the Company is planning to apply on Metropolitan Stock Exchange of India Limited .

- There is one of promoter in the company, who has filed a complaint against the company with 'The Registrar of companies, NCT of Delhi and Haryana' (ROC), in which he has raised various points; for which the company has filed a suitable reply accordingly.

On the recommendation of Audit Committee, the Board has re-appointed M/s Anand Nimesh & Associates, Practicing Company Secretaries, as a Secretarial Auditor of the Company for FY 16- 17.

III. Internal Auditors

Pursuant to Section 138 of the Companies Act, 2013, the Company continues to engage M/s VPTP & Co. (Firm Registration No.: 15048N), Chartered Accountants, 3208, IInd Floor, Mahindra Park, Pitampura, Delhi-110034 as its Internal Auditor. Further, The Board of Directors of the Company has re-appointed, M/s VPTP & Co. as Internal Auditor of the Company for the FY 2016-17 on recommendation of Audit Committee.

Internal Audit & Controls

During the year, the Company continued to implement their suggestions and recommendations to improve and control the environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

IV. Cost Auditor

As per the Companies (Auditor's Report) order, 2015, Cost Audit is applicable to the Company, therefore in terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and other rules & regulations, if any including any amendment thereof. Your Board of Directors on the recommendation of Audit Committee has appointed, M/s Sanjay Kumar Garg & Associates (Firm Registration No-100292), Cost Accountants, Shop No. 2, First Floor, Pocket - H-34, Plot No. 35, Sector -3, Rohini, New Delhi - 110085 as Cost Auditor of the Company, to conduct the audit of cost records of your company for the financial year 2015-16.

Further, The Board of Directors of the Company has re-appointed, M/s Sanjay Kumar Garg & Associates as Cost Auditor of the Company for the FY 2016-17 and the remuneration proposed to be paid to them requires ratification of the shareholders of the Company. In view of this, member's ratification for payment of remuneration to Cost Auditors is being sought at the ensuing AGM.

Your Company will submit its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period for the financial year 2015-16.

23. ISSUE OF EMPLOYEE STOCK OPTIONS

During the year, there was no issue of any kind of security under Employee Stock Option Scheme by the Company.

24. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Vigil Mechanism/ Whistle Blower Policy have been uploaded on the website of the Company at www.mohindra.asia under the **Investors' section/link**.

MOHINDRA FASTENERS LIMITED

25. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial positions of the Company have occurred between the end of the financial year of the Company to which financial statements relates and date of the this report, like in settlement of tax liabilities, operation of patent rights, depression in market value of investments etc. except that the Company has started to purchase power through Open access by bidding on IEX(Indian Energy Exchange). This will bring considerable cost benefits to the Company which shall be evident towards the end of the current Financial Year.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no such significant and material orders passed by the regulators or courts or tribunals, impacting the going concern status and company's operations in future. But SEBI has withdrawn recognition granted to Delhi Stock Exchange (DSE) thereby Stock Exchange become Non-Operational. Therefore, your Company is now on Dissemination Board of Bombay Stock Exchange vide DSE letter dated 18th of May, 2015 as the Company is listed on Delhi Stock Exchange Limited.

27. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has an Internal Control Systems commensurate with the size, scale and complexity of its operations which examines and ensures adequate internal checks and control procedures. The Company's internal audit systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

To maintain its objectivity and independence, the Internal Audit Function Reports to the Chairman of the Audit Committee of the Board. It also ensures proper accounting, records authorization, control of operations and compliance with law. The Company has a reporting system which evaluates and forewarns the management on issues related to compliance. Further the Company is continuously working to improve and strengthen internal check and control system to align with the expected growth in operations.

Details of the internal controls system are given in the *Management Discussion and Analysis Report*, which forms part of this Report.

28. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans:-

During the year, the Company has not directly or indirectly, given any loan to any person(s) or other body corporate.

Details of Investments:-

During the year, the Company has not directly or indirectly acquire, by way of subscription, purchase, invest or otherwise, the securities of any other body corporate. Further former investments made and stand in the financial statements are mentioned in the *Financial Statements* annexed to this report.

Details of Guarantee / Security Provided:-

During the year, the Company has not directly or indirectly, given any guarantee or provided any security in connection with a loan to any other body corporate or person(s).

29. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and the SEBI Listing Regulations. There were no materially significant Related Party Transactions, i.e. transactions exceeding ten percent of the annual turnover as per the last audited financial statements, were entered during the year by your Company that would have required Shareholder approval under the SEBI Listing Regulations.

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including arm's length transactions under third proviso thereto in the prescribed Form No. AOC-2 is appended as **Annexure-V** to the Board's Report as required under Section 134 (3)(h), though it is not applicable.

All Related Party Transactions are placed before the Audit Committee for their prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, has been uploaded on the Company's website at www.mohindra.asia under the Investor's section/Link.

Details of the transactions with Related Parties are provided in the accompanying financial statements. The company has complied with the applicable Accounting Standard on "Related Party Disclosures".

30. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, notified on 9th December, 2013. The Policy aims to provide protection to Women employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Women employees feel secure.

The said Act makes it mandatory for every Company to constitute an internal complaints committee ("ICC") which entertains the complaints made by any aggrieved women, to look into complaints relating to sexual harassment of any women employee at work place. In order to comply with, the Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee (Earlier named as Internal Complaint Committee for Women) to implement the policy for prevention of Sexual Harassment of Women at workplace and to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2015-16.

The Composition, date of meetings, attendance and other detailed information is provided in the **Corporate Governance's Section** as annexed to this report.

31. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

MOHINDRA FASTENERS LIMITED

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirms that:

- (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 of the company for 31st March, 2016;
- (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 had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) 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.

32. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is appended as **Annexure-VIII** to the **Board's Report**.

33. HUMAN RESOURCES

Mohindra Fasteners Limited (MFL), your Company, treats its "human resources" as one of its most important asset. Human Resources are key to success of MFL. Your Company continuously invests in retention and development of talent on a continuous basis. Your Company thrust is on the promotion of talent internally through Job rotation and job enlargement.

Your Company holds pride in its systems for providing a good quality of work-life to its employees. It encourages a culture of mutual respect and trust amongst peers, superiors and subordinates. We also maintain good harmonious industrial relations amongst the employees in our organization. The Company has also elaborated processes in place to prevent discrimination and harassment including sexual harassment, in caption of this Prevention of Sexual Harassment (POSH) Committee has been constituted. Whistle blower policy is also in place.

Our HR Department ensures competent and committed team engaged in building a culture of learning to achieve excellence in performance and employee satisfaction by enhancing their skills through Training & Development Programs for innovation & continual improvement of the employees.

The Company encourages its team members to participate in external /internal trainings in Techno/Commercial to enhance their skills.

34. SAFTY, HEALTH AND ENVIRONMENT MEASURES

No business objective can be deemed more important than the physical safety of all of our employees and associates. Each one of us should try and make it our personal mission to translate this belief into reality. Only if ensuring the safety of our people becomes a mission will it be possible for us to raise the bar on safety and reach standards.

Your Company firmly believes in the ethos of the above message and our safety and health standards are continuously improved, so we say that "Safety is a condition of Employment" and not a choice. We believe that a safety culture is core to taking safety to higher levels and our leadership continuously works towards establishing, sustaining and improving the safety culture. Alongside it is our endeavor to adopt best practices to raise the bar on safety.

Your Company shares the issues related to Environment and Occupational Health & Safety (EHS) and is committed to protect in and around its own establishment and to provide Safe & Healthy Environment to all its employees for fulfilling these obligations.

A Health, Safety & Environment Policy has been formulated and implemented through Management System. In recognition of this Mohindra Fasteners Limited has been awarded **ISO 14001:2004 & OHSAS 18001:2007**.

Protection of environment is the prime concern of your company. Your Company complies with the relevant laws and regulations as well as taken additional measures, considered necessary to prevent pollution, maximize recycle, reduce waste, discharges and emissions. Company conserves natural resources by their responsible and efficient use in all the operations and plant trees.

35. CASH FLOW STATEMENT

In compliance with the provision of Clause 34 of the SEBI Listing Regulations, the Cash Flow Statement for the year ended 31st March, 2016 is annexed along with the financial statements in this report. The Cash Flow Statement is prepared in accordance with the applicable Accounting Standard on Cash Flow Statement (AS-3) issued by the Institute of Chartered Accountants of India, and the Cash Flow Statement is presented under the Indirect Method as given in AS-3.

36. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board has constituted a Corporate Social Responsibility Committee headed by Mr. Deepak Arneja as Chairman, with Mr. Vinod Kumar and Mr. Ravinder Mohan Juneja as Members. The Company has adopted a Corporate Social Responsibility (CSR) Policy in compliance with the provisions of the Act. As part of its CSR initiatives, the Company has utilized its contribution towards CSR in promoting education including special education and employment enhancing skills especially among children, women and elderly and differently abled and livelihood enhancement projects.

The above project is in accordance with Schedule VII of the Act. The Company has spent 12,60,000 (Twelve Lakhs and Sixty thousand Rupees Only) towards the CSR projects during the Financial Year 2015-16.

The average net profit of the Company, computed as per Section 198 of the Act, on the basis of three immediately preceding financial years was Rs. 12,55,482/-being 2% of the average net profits of the three immediately preceding financial years. There is no unspent amount indeed the Company has contributed extra amount.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014(including any modification or re-enactment thereof, for the time being in force), the Annual Report on CSR activities is appended as **Annexure-IX** to the *Board's Report*.

37. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a), an extract of annual return in the prescribed format i.e MGT 9 as per section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014 is appended as **Annexure-I** to the Board Report.

38. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Auditors' Certificate on Corporate Governance regarding compliance of conditions of corporate governance

MOHINDRA FASTENERS LIMITED

as stipulated in Clause 49 of the Listing Agreement and Regulation 17 to 27, 46 read with Schedule V of SEBI Listing Regulations, accordingly as applicable periodically is appended as **Annexure-VI** to the *Board's Report*.

The Company is committed to build a long term shareholder value with full emphasis on corporate governance. In achieving this objective, the Company has always endeavored to operate as a responsible and law abiding, corporate entity. The corporate governance practices followed by your Company along with a compliance certificate from the Auditor, M/s GSK & Associates LLP, confirming compliance with all of conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement and Regulation 17 to 27, 46 of SEBI Listing Regulations read with Schedule V, as applicable periodically have been given separately & form part of this *Annual Report*.

39. MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Schedule V SEBI Listing Regulations, The Management Discussion and Analysis Report provides an overview of the affairs of the Company, its business outlook, opportunities and threats, internal control systems and their adequacy, operational performance, risks & concerns, strategies, prospects, Material developments in Human Resources / Industrial Relations etc. The Management Discussion and Analysis Report is appended as **Annexure-VII** and forms part of this *Annual Report* for the year ended 31st March, 2016.

40. ACKNOWLEDGEMENT

Your Directors wish to thank all the employees of the Company for their dedicated service, their commitment and contribution towards the growth of the company during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from bankers, financial institutions and other stakeholders.

Your directors would like to record their sincere appreciation for the support and co-operation that your Company received from all government authorities, distributors, suppliers and business associates, clients whom your Company regards as partners in progress.

Your directors thank the shareholders for their confidence in the Company.

Place: New Delhi
Dated: 30th July, 2016

DEEPAK ARNEJA
DIN: 00006112
(Chairman cum Managing)
Director & CEO)

For and on behalf of the Board
RAVINDER MOHAN JUNEJA
DIN: 00006496
(Managing Director)

REPORT ON CORPORATE GOVERNANCE

Corporate Governance refers to a combination of regulations, procedures and voluntary good practices that enable an organization to perform efficiently and ethically, generate long term wealth and to create and maximize values for the organization as well as for its stakeholders by attracting financial and human capital. Good Corporate Governance contemplates corporate actions, balance the interest of all shareholders and satisfy the test of accountability and transparency.

1. Our Corporate Governance Philosophy

Your Company firmly believes that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. It is essentially a system by which Companies are directed and controlled by the management in the best interest of all stakeholders.

Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to ethical principles in all its dealings to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. ***Above all, it is a way of life, rather than merely a legal compulsion.*** Your Company recognizes that strong Corporate Governance is indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection.

We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. For us, corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. Our corporate governance framework is a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values. Accordingly, we always seek to ensure that our performance is driven by integrity. This is vital to gain and retain the trust of our stakeholders.

The Securities and Exchange Board of India (SEBI) amended the Listing Agreement to New Listing Regulations effective from 1st December, 2015 to bring additional corporate governance norms for listed entities. These norms provide for fair and transparent disclosures and protection of investor rights including equitable treatment for all shareholders.

The amended regulations have increased/lengthen the time frame required to intimate the Stock Exchange(s) and add various disclosures and policies to foster transparency and to strengthen the governance regime. The amended norms are aligned with the provisions of the Companies Act, 2013, and are aimed to encourage companies to adopt best practices on corporate governance. Our corporate governance framework has helped us to align with the new guidelines of the Companies Act, 2013. We believe that an active, well-informed and independent board is necessary to ensure the highest standards of Corporate Governance. At Mohindra Fasteners Limited ('The Company'), the Board of Directors ('The Board') is at the core of our corporate governance practice. The Board thus oversees the Company's Management function and protects the long-term interests of our stakeholders.

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

OUR CORPORATE GOVERNANCE PHILOSOPHY IS BASED ON THE FOLLOWING PRINCIPLES:

- Corporate governance standards should satisfy both the spirit of the law and the letter of the law.
- Ensure transparency and maintain a level of disclosure.
- Clearly distinguish between personal conveniences and corporate resources.

MOHINDRA FASTENERS LIMITED

- Communicate externally and truthfully about how the Company is run internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- The attainment of the highest level of accountability, commitment, value for stakeholders, customer's satisfaction and sustainable developments.

We firmly believe that board independence is essential to bring objectivity and transparency in the management and in the dealings of the Company. The Company has a strong legacy of fair, transparent and ethical governance practices thereby your Company appointed a regular Executive Chairman and an Additional Director who also proposed to be regularized as an Independent director vide board meeting dated as on 30th July, 2016. Hence, currently as on date of this report, the Board consists of six directors, out of which two are Independent Directors and one more is an additional director who proposed to be regularized as an Independent Director in ensuing 22nd AGM of Company subject to the approval of members. The Chairperson of each of the audit, nomination and remuneration, stakeholders' relationship committee is an Independent director.

The Company remains committed to laying strong emphasis on corporate governance and will continue its efforts towards raising the standards in Corporate Governance and will also review its systems and procedures constantly in order to keep pace with the changing environment.

Your Company has complied with the requirements of Corporate Governance stipulated in Clause 49 of the Listing Agreement and Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable periodically or to the extent its applicable on the Company.

2. Board of Directors

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected.

Composition

The current policy is to have an appropriate mix of Executive, Non Executive and Independent Directors to maintain the independence of Board and separate its functions of governance and management.

Presently, the Board consists of six Directors, out of which two are Executive Directors and four are Non-Executive Directors i.e majority of the board; amongst the Non-Executive Directors, two are Independent Directors including a Woman Director and other two are additional directors, among them one (appointed w.e.f 15th February, 2016) proposed to be regularized as Director and another one (appointed w.e.f the date of this Annual Report viz 30th July, 2016) proposed to be regularized as an Independent Director in ensuing 22nd AGM of Company subject to the approval of members, suffices with the requirement of Regulation 17 of SEBI Listing Regulations. The Board is primarily responsible for overall management of the Company's business. The directors on the board are from varied fields with suffice range of skills, possess relevant qualifications and experienced general corporate management, finance, banking and other allied fields which enable them to effectively contribute to the Company in their capacity as Director.

As on 31st March, 2016 the Board consists of six Directors, out of which three are Executive Directors and other three are Non Executive Directors i.e half of the board, and among the non executive directors, two are Independent Directors including a Woman Director and other one is an additional director.

The Non Executive and Independent Directors bring statutory and wider prospective in the board's deliberations and decisions.

All the Independent Directors of the Company at the time of their first appointment or induction to the Board and thereafter at the first meeting of the board of the each and every financial year or whenever there is any change which may affect status of independence, gives a declaration that they meet with the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Independent Directors are directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. All Independent Directors of the Company have been appointed as per applicable provisions as mentioned above and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment issued to the Independent Directors. The terms and conditions of their appointment has been disclosed on the Company's website.

As Per Regulation 26 of the SEBI Listing Regulations, None of the Director on the Board is a Member in more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee), across all Public Limited Companies (whether listed or not) in which he/she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors. None of the Directors holds office in more than 20 companies in which not more than 10 public companies.

Details of Board Meetings

The Company held Four Board Meetings during FY 2015-16 and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held is mentioned herein below:

S.No.	Date of Board Meeting	Board Strength	Total No. Directors Present
1	27.04.2015	Six	Four
2	31.07.2015	Six	Six
3	26.10.2015	Six	Four
4	13.02.2016	Six	Four

Further, it is to be mentioned that three Board Meetings by circulation were held on 25th September, 2015, 30th November, 2015 and 12th January, 2016 then further placed and adopted at the Board Meetings held on 26th October, 2015 and 13th February, 2016.

Category and Attendance of Directors

The names, categories, date of appointment of the Directors on the Board, the number of Directorships in other public companies (excluding MFL) and the number of Committee Chairpersonships / Memberships held by them in other public companies (including MFL) as on 31st March, 2016 are given herein below.

Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. Chairpersonships/Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee:

MOHINDRA FASTENERS LIMITED

S. No.	Name of Director	Category	Date of Appointment	No. of Other Directorships (As on 31.03.2016)			Total No. of committee positions in Mandatory Committees (As on 31.03.2016)		
				Chairman	Member	Total	Chairman	Member	Total
1	Mr. Deepak Arneja (Managing Director & CEO) DIN:00006112	Promoter, Non Independent, Executive	10.01.1995	-	-	-	-	2	2
2	Mr. Ravinder Mohan Juneja (Managing Director) DIN:00006496	Promoter, Non Independent, Executive	10.01.1995	-	-	-	-	1	1
3	Mr. Sudhir Arneja (Whole Time Director) DIN: 00007589	Promoter, Non Independent, Executive	25.07.2009	-	-	-	-	-	-
4	*Mr. J P Singh Narang DIN: 00007332	Promoter, Non Independent, Non-Executive	04.08.1995	-	1	1	-	-	-
5	Mr. Vinod Kumar DIN:02303504	Independent, Non-Executive	21.12.2013	-	1	1	2	-	2
6	Mrs. Anjali Malik DIN:06875087	Independent, Non-Executive	30.04.2014	-	-	-	-	1	1
7	**Mr. Gagandeep Singh Narang DIN:00179636	Promoter, Non Independent, Non-Executive	15.02.2016	-	-	-	-	-	-

*Resigned w.e.f 15th February, 2016 vide Board Meeting dated 13th February, 2016.

** Appointed w.e.f 15th February, 2016 vide Board Meeting dated 13th February, 2016.

The attendance of each Director at all meetings of Board of Directors and at the last Annual General Meeting held during the FY 2015-16:

Name of Director	Attendance at the Board Meetings held on				Attendance at AGM held on 30th September, 2015
	27.04.2015	31.07.2015	26.10.2015	13.02.2016	
Mr. Deepak Arneja	Yes	Yes	Yes	Yes	Yes
Mr. Ravinder Mohan Juneja	Yes	Yes	Yes	Yes	Yes
Mr. Sudhir Arneja	No	Yes	Yes	No	Yes
Mr. J P Singh Narang	Yes	Yes	No	Yes	No
Mr. Vinod Kumar	Yes	Yes	Yes	Yes	Yes
Mrs. Anjali Malik	No	Yes	No	No	No
Mr. Gagandeep Singh Narang	None, as he was appointed w.e.f. 15.02.2016				

Leave of absence was obtained by Directors and granted in all cases of absence and no one has abstained himself/herself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence from the Board. Hence, no one falls under the limit of section 167 (1) (b) of the Companies Act, 2013.

- The necessary quorum was present for all the meetings.
- During the year 2015-16, the minimum information as mentioned in Part A of Schedule II of the SEBI Listing Regulations has been placed before the Board for its consideration.
- The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.
- The Board periodically reviews the compliance reports of laws applicable to the Company as prepared.
- None of the Director(s) are inter-se related to each other except Mr. Deepak Arneja and Mr. Sudhir Arneja, who are real brothers. Though Mr. Sudhir Arneja has resigned from the directorship w.e.f 30th July, 2016.
- As on 31st March, 2016, among Non Executive Directors, Mr. Gagandeep Singh Narang was holding 65300 Equity Shares and Mr. Vinod Kumar holding 2000 Equity Shares.
- The details of the familiarisation programme of the Independent Directors are available on the website of the Company at *investors' section* at www.mohindra.asia

Board Procedure

The agenda is to be drafted for each meeting and to be sent and distribute to the Board members with in stipulated time along with the notice and also sent and distribute explanatory notes and comprehensive background information on the items in the agenda well in advance to enable the Board to arrive at appropriate decisions. The information as required under Annexure X to Clause 49 or Schedule II Part A of the SEBI Listing Regulations is made available to the Board. The Board also reviews the declarations made by the Managing Director and Chief Financial Officer regarding compliance with applicable laws.

Responsibilities of the Chairman/Chief Executive Officer/Managing Director

Currently Our Company has an Executive Chairman and two Managing Directors(MD), Mr. Deepak Arneja and Mr.

MOHINDRA FASTENERS LIMITED

Ravinder Mohan Juneja. Mr. Deepak Arneja is Chairman & CEO also.

The responsibility and authority of these officials are as follows:

- The Chairman will be responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long term benefit of the Company and its Stakeholders. The Chairman is primarily responsible for ensuring that the Board provides effective governance for the Company, in doing so, the Chairman will preside at meetings of the Board and at meetings of the shareholders of the Company.

The Chairman will take a lead role in managing the Board and facilitating effective communication among directors. The Chairman will be responsible for matters pertaining to governance including the organization and composition of the board and conduct of Board meetings, effectiveness of the Board, assist Board committees and individual directors in fulfilling the responsibilities. The Chairman will provide independent leadership to the Board, identify guidelines for the conduct and performance of directors, oversee tire management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation.

The Chairman will actively work with the nomination and remuneration committee to plan the Board and Board committees' composition, participate in the Board effectiveness evaluation process.

The CEO & MD is responsible for corporate strategy, Brand Equity, planning, external contacts and all managing matters and also responsible for achieving annual business targets.

Board membership criteria

The nomination and remuneration committee work with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the required knowledge, skills, integrity expertise and experience for the position. They should also possess deep expertise and insights in sectors / areas relevant to the Company and ability to contribute to the Company's growth. The Company shall not appoint or continue the employment of any person who has no knowledge/insights and does not possess ability to contribute to Company's growth. The Company shall not appoint or continue the employment of any person who has attained the age of 70 years as Managing Director / Executive Director. The term of that person, holding this position may be extended at the discretion of the committee beyond the age 70 years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed with the notice for such motion indicating the justification for extension of appointment beyond 70 years as the case may be. Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with their responsibilities with us.

Selection of new directors

The Board is responsible for the selection of new directors. The Board delegates the screening and selection process involved in selecting new directors to the nomination and remuneration committee, which consists sufficient independent directors. The nomination and remuneration committee in turn makes recommendations to the Board on the induction of any new director(s).

Membership term

The Board constantly evaluates the contribution of the members and accordingly share updates with the shareholders about re-appointments consistent with applicable statutes. The current law in India mandates two-third of the total strength of Board of directors excluding Independent Directors are liable to retire by rotation and among them one-third are mandatory to actually retire every year and then qualifies the retiring

members for re-appointment. Executive directors are appointed by the shareholders for the tenure of maximum period of five years, but are eligible for re-appointment upon completion of their term, subject to the applicable laws. An independent director shall hold office for a term up to five consecutive years on the Board of Company and will be eligible for re-appointment on passing of special resolution by the Company subject to maximum available consecutive terms and provisions thereon.

Code of Conduct

The Company has adopted the **Code of Conduct for all Board members and senior management** of the Company which also incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The Code of Conduct has posted on Company's website.

All Board members and senior management personnel (as per Regulation 26 of the SEBI Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect signed by Managing Director & CEO forms part of this Report and annexed as **Annexure-XI**.

None of the Non-Executive and Independent Director has any material pecuniary relationship or transaction with the Company, its promoters, its directors, its senior management except Mr. Gagandeep Singh Narang is a son of Mr. Jatinder Pal Singh Narang, who is a promoter.

The Directors and senior management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 28th March, 2016 as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 of SEBI Listing Regulations. At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Managing Directors of the Company, taking into account the views of other Executive Directors and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. Vinod Kumar and Mrs. Anjali Malik attended the Meeting of Independent Directors. Mr. Vinod Kumar chaired the Meeting.

AUDIT COMMITTEE

Role/ Terms of Reference

The Audit Committee functions accordingly as prescribed in provisions of Regulation 18 read with Part-C of Schedule-II of SEBI Listing Regulations and section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Power) Rules, 2014 including amendment thereof and other applicable provisions, if any, that defines its composition, authority, responsibilities and reporting functions. The role/terms of reference of the Audit Committee, inter alia, are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

MOHINDRA FASTENERS LIMITED

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing/Examining, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Review and monitor the statement of use and application of funds raised through public offers and related matters;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing and monitoring with the management, performance of statutory and internal auditors, adequacy of the internal control systems and effectiveness of audit process;
- Reviewing the adequacy of internal audit function, and the adequacy and efficacy of the internal control systems.
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Management Discussion and Analysis of financial condition and results of operations.
- To look into any other matter which may be referred to it by the Board.
- The audit committee shall review the information required as per SEBI Listing Regulations
- And, generally, all items listed in PART C of Schedule II of SEBI Listing Regulations and in Section 177 of the

Companies Act, 2013 and other applicable provisions, laws, rules and regulations, if any.

Composition

The Audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act. All members and Chairman of the Committee are financially literate and having the relevant accounting and financial management expertise.

The audit committee has three directors as members among whom two-third members of audit committee are independent directors. Presently, the Audit Committee of the Company comprises of two Non-Executive & Independent Directors and one Executive Director. The Chairman of the Committee is a Non-Executive & Independent Director. The CFO of the Company is a Permanent Invitee to the Audit Committee and the Company Secretary is the Secretary to the Committee. The members of Audit Committee as on financial year ended 31st March, 2016 were:

1. **Mr. Vinod Kumar**
2. **Mr. Deepak Arneja**
3. **Mrs. Anjali Malik**

Meetings and Attendance

The Audit Committee met 4 times during the year and the gap between two meetings did not exceed 120 days. During the financial year, the Audit Committee Meetings were held on 27th April, 2015, 31st July, 2015, 26th October, 2015 and 13 February, 2016.

Necessary quorum was present at the above Meetings. During the year, the Audit Committee reviewed key audit findings covering operational, financial and compliance areas. The Chairman of the Committee brief the Board members about the significant discussions at Audit Committee Meetings. The Composition and attendance during the financial year 2015 - 2016:

S. No.	Name of the Member	Position	Category	No. of Meetings attended
1	Mr. Vinod Kumar	Chairman	Independent, Non-Executive	4
2	Mr. Deepak Arneja	Member	Non Independent, Executive	4
3	Mrs. Anjali Malik	Member	Independent, Non-Executive	4

MOHINDRA FASTENERS LIMITED

Scope and Power

The Audit Committee of the Company provides an effective internal control that ensures:

- Efficiency & effectiveness of operations.
- Safeguarding of assets & adequacy of provisions for all liabilities.
- Correctness & credibility of all financial & other management information.
- Compliance with all relevant statutes.
- The Audit Committee review all the information, listed in Para B of Part C of Schedule II of the SEBI Listing Regulations and other applicable provisions, laws, rules and regulations, if any.

The powers of the Audit Committee include the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Chairman of the Audit Committee, Mr. Vinod Kumar was present at the Annual General Meeting of the Company held on 30th September, 2015.

NOMINATION AND REMUNERATION COMMITTEE

Role/Terms of reference

The role/terms of reference of the Nomination and Remuneration Committee inter alia, are as follows:

- Periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience and support the Board in matters related to the setup, review and refresh of the Committees.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees.
- Formulate criteria for evaluation of performance of Independent Directors and the Board.
- Devise a policy on Board Diversity.
- Evaluate whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Provide guidance and direction in developing and implementing the reward philosophy of the Company, if any.
- Evaluate and approve the appointment and remuneration of Directors and senior executives, including the key managerial personnel, the Company's remuneration plan, annual salary increase principles and budgets, annual and long term incentive plans of the Company, policies and programmes such as succession planning, employment agreements, severance agreements and any other benefits.
- Consider and approve matters relating to normal retirement plans, Voluntary Retirement and Early Separation Schemes for employees of the Company, if any.
- Measure the performance of the Managing Director, key managerial personnel and the executive team including the use of financial, non-financial and qualitative measures.
- Evaluate executive team performance to strengthen the cumulative annual assessment and to provide timely feed-back to the assessed individuals.
- Developing a view on the human resources capability in the business by periodically engaging with levels below the executive team.

- Review and recommend to the Board the remuneration and commission to the managing and Executive Directors.
- Oversee familiarisation programmes for directors
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee.

Composition

The Nomination and Remuneration Committee of the Company constituted in accordance with the provisions of Regulation 19 of the SEBI Listing Regulations and the provisions of Section 178 of the Companies Act, 2013 comprises of three directors, all of whom are Non-Executive Directors and majority of them are Independent Directors. Chairman of the committee is a Non Executive & Independent director. The members of Committee as on financial year ended 31st March, 2016 were:

- Mr. Vinod Kumar
- Mr. Gagandeep Singh Narang
- Mrs. Anjali Malik

Meetings and Attendance

The Nomination and Remuneration Committee met 2 times during the year. During the financial year, Committee Meetings were held on 27th April, 2015 and 13th February, 2016.

Necessary quorum was present at the above Meetings. The Composition and attendance during the financial year 2015 - 2016 are given below:

Name of the Member	Position	Category	No. of Meetings attended
Mr. Vinod Kumar	Chairman	Independent, Non-Executive	2
Mrs. Anjali Malik	Member	Independent, Non-Executive	2
*Mr. J P Singh Narang	Member	Non-Independent, Non-Executive	1
**Mr. Gagandeep Singh Narang	Member	Non-Independent, Non-Executive	-

*Resigned w.e.f 15th February, 2016 vide Board Meeting dated 13th February, 2016.

** Appointed w.e.f 15th February, 2016 vide Board Meeting dated 13th February, 2016.

The Chairman of the Nomination and Remuneration Committee, Mr. Vinod Kumar was present at the Annual General Meeting of the Company held on 30th September, 2015.

NOMINATION AND REMUNERATION POLICY

Our Policy on the appointment and remuneration of directors and Key Managerial Personnel, Senior Management provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The nomination and remuneration policy is provided herewith pursuant to section 178(4) of the Companies Act, 2013 and Regulation 19 read with the Part D of Schedule-II of SEBI Listing Regulations.

INTRODUCTION

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of directors, Senior Management, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and SEBI Listing Regulations to pay equitable remuneration to the directors, KMPs and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

OBJECTIVES AND PURPOSE OF POLICY :

To formulate the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and recommend to the Board, policies relating to

MOHINDRA FASTENERS LIMITED

the remuneration of the Directors, KMPs, Senior Management, any other employees.

Governance Guidelines:

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Managing Directors and Other Directors, Board diversity, definition of independence, Directors' term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Directors' remuneration, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

Procedure for Nomination and Appointment of Directors:

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial conditions and compliance requirements. The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the CVs of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board.

Criteria for Determining Qualifications, Positive Attributes and Independence of a Director:

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read with part D of schedule II of SEBI Listing Regulations.

Independence of Independent Directors:

In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/ she meet with the criteria for 'Independent Director' as laid down in the Section 149 of the Act and Regulation 16 of SEBI Listing Regulations.

Qualifications:

A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes:

In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, good interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

Board and Director Evaluation and criteria for evaluation

One of the key functions of the Board is to monitor and revise the board evaluation framework. The Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive / non-executive / independent directors through a peer-evaluation excluding the director being evaluated through a Board effectiveness survey. The questionnaire of the survey is a key part of the process of review of the functioning

and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate on the basis of the effectiveness of the Board dynamics and relationship, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy and the effectiveness of the whole board and its various committees.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, functioning.

The Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/support to the management outside Board/ Committee Meetings. In addition, the Managing Directors was also evaluated on key aspects of their role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the other directors.

Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The Managing Directors on the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board. Feedback on each director is encouraged to be provided as part of the survey. Independent directors have three key roles- governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated include:

1. Ability to contribute to and monitor our corporate governance practices.
2. Participation in long-term strategic planning.
3. Commitment to the fulfillment of a directors' obligations and fiduciary responsibilities, these include participation in Board and committee meetings.

POLICY:

The Company's philosophy for remuneration of Directors, Key Managerial Personnel, Senior Management and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

The Nomination and Remuneration Committee has considered the following factors while formulating the Policy:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel, Senior Management and all other employees is as per the Remuneration Policy of the Company.

The key principles governing the Company's Remuneration Policy are as follows:

Remuneration for Independent Directors and Non-Independent Non-Executive Directors

During the year 2015-16, the Company has not paid any fee, commission or any other amount in any form to any of its Independent Director(s) and Non-Independent Non-Executive Directors. Therefore they were not paid sitting fees for any meeting of the Board and for any other committee meeting attended by them based on their attendance at the Board and the committee meetings during FY 15-16. No significant/pecuniary material relationship or transactions have been made with Non-Executive Directors vis-à-vis your Company. Further, the Board has decided to pay sitting fee to all Non Executive Directors in accordance with the Companies Act, 2013

MOHINDRA FASTENERS LIMITED

and SEBI Listing Regulation w.e.f 30th July, 2016 and if any change be made then it shall be in compliance with the provisions.

Remuneration for Managing Directors ('MD')/ Executive Directors ('ED')/ Key Managerial Personnel ('KMP')/ rest of the Employees

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings. The Company provides retirement benefits as applicable.
- The Company provides MD/ EDs such remuneration with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Committee and approved by the Board.
- The Company provides to the employees a performance linked increment. The performance linked increment would be driven by the outcome of the performance appraisal process and the performance of the Company.

DETAILS OF REMUNERATION FOR 2015-16

- The aggregate value of salary, perquisites and commission paid to Mr. Deepak Arneja, Chairman(Managing Director & CEO), during the year 2015-16 is 24,11,016/- comprising:

Salary	23,96,016
Perquisites and allowances	15,000
Commission	NIL
Period of Agreement	Upto 30th June, 2020
Notice period	The Agreement may be terminated by either party, giving the other party three months' notice.
Severance fees	NIL
Stock Options	NIL

- The aggregate value of salary, perquisites and commission paid to Mr. Ravinder Mohan Juneja, Managing Director, during the year 2015-16 is 23,69,016/- comprising:

Salary	23,54,016
Perquisites and allowances	15,000
Commission	NIL
Period of Agreement	Upto 31st December, 2016
Notice period	The Agreement may be terminated by either party, giving the other party three months' notice.
Severance fees	NIL
Stock Options	NIL

- The aggregate value of salary, perquisites and commission paid to Mr. Sudhir Arneja, Whole Time Director, during the year 2015-16 is 15,86,616/- comprising:

Salary	15,71,616
Perquisites and allowances	15,000
Commission	NIL
Period of Agreement	*Upto 30th September, 2019
Notice period	The Agreement may be terminated by either party, giving the other party three months'
Severance fees	NIL
Stock Options	NIL

There are no variable components in the above said remuneration. During the year 2015-16, the Company was not paying any sitting fee as such to any of director on the Board of Company.

**The Term of appointment of Mr. Sudhir Arneja is of 5 years which will end on 30th September, 2019, but he resigned from the directorship of the Company w.e.f 30th July, 2016 and the Board has acknowledged and approved his resignation and appreciated his tenure with the Company as a Whole Time Director.*

Retirement Policy for Directors

The Governance Guidelines on Board Effectiveness adopted by the Company provides for the retirement age of Directors. As per the Guidelines, the Managing and Executive Directors retire at the age of 70 years. The term of the person holding this position may be extended at the discretion of the committee beyond the age 70 years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed with the notice for such motion indicating the justification for extension of appointment beyond 70 years as the case may be.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Role/Terms of reference

In terms of Section 178 (5) of the Companies Act, 2013 , the Shareholders'/Investors' Grievance Committee was renamed as Stakeholders Relationship Committee.

Following are the role/terms of reference of the Stakeholders Relationship Committee:

- Consider and resolve the grievances of the security holders of the Company.
- Approval of requests received for transfer/transmission of shares including dematerialization/rematerialization of securities.
- Approval of requests received for issue of duplicate certificates.
- Rejection of requests for share transfers, wherever applicable like if not in compliance.
- Redressal of serious complaints received from shareholders/investors on non-receipt of shares after transfer in the physical form, complaints on Non-receipt of annual report, Non receipt of declared dividends etc.
- Set forth the policies relating to and to oversee the implementation of policy for Prevention of Insider Trading and to review the concerns received under the MFL Code of Conduct.

Composition

The Nomination and Remuneration Committee of the Company constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations, read with Section 178 of the Act. The Stakeholders Relationship Committee consists of three directors including a chairperson, Mr. Vinod Kumar who is a Non Executive Director and heading the Committee. The members of Committee as on financial year ended 31st March, 2016 were:

MOHINDRA FASTENERS LIMITED

- a) Vinod Kumar
- b) Ravinder Mohan Juneja
- c) Deepak Arneja

Meeting and Attendance

The Stakeholders Relationship Committee met 32 times during the year. During the financial year, the Committee Meetings were held on 10th April, 2015, 20th April, 2015, 30th April, 2015, 09th May, 2015, 20th May, 2015, 30th May, 2015, 10th June, 2015, 19th June, 2015, 30th June, 2015, 10th July, 2015, 20 July, 2015, 30 July, 2015, 11th August, 2015, 20th August, 2015, 31st August, 2015, 10th September, 2015, 21st September, 2015, 30th September, 2015, 10th October, 2015, 20th October, 2015, 30th October, 2015, 09th November, 2015, 20th November, 2015, 27th November, 2015, 14th December, 2015, 31st December, 2015, 15th January, 2016, 30th January, 2016, 15th February, 2016, 27th February, 2016, 15th March, 2016, 29th March, 2016.

Necessary quorum was present at the above Meetings. The Composition and attendance during the financial year 2015 - 2016 are given below:

Name of the Director	Position	Category	No. of Meetings Attended
Vinod Kumar	Chairman	Independent, Non-Executive	32
Ravinder Mohan Juneja	Member	Non-Independent, Executive	32
Deepak Arneja	Member	Non-Independent, Executive	28

Earlier Ms. Madhu Kaushik, Company Secretary was appointed as Compliance Officer but with effect from 11th May, 2015, Ms. Asha Mittal, Company Secretary has been appointed and designated as the Compliance Officer. Shareholders may also correspond with the Company for any grievance on the email address: cs@mohindra.asia.

Name and Designation of Compliance Officer:

Ms. Asha Mittal, Company Secretary is the Compliance Officer of the Company. The Compliance Officer can be contacted at:

304, Gupta Arcade, Inder Enclave,
Delhi-Rohtak Road, New Delhi-110087
Tel: +91-11-46200400 Fax: +91-11 25282667
Direct: +91-11-46200410
Email: cs@mohindra.asia

Details of investor complaints received and redressed during the year 2015- 16 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	107	107	NIL

During the year whatever be the grievances or queries received, were resolved to the satisfaction of Shareholders and no complaints were pending.

OTHER COMMITTEES

I. Corporate Social Responsibility (CSR) Committee

Role/Terms of reference

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 including any amendment thereof. The Committee has been constituted with the following terms of reference:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR Policy periodically.
- Attend to such other matters and functions as may be prescribed from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same has displayed on the website of the Company. The Annual Report on CSR activities for the year 2015-16 forms a part of the **Directors' Report**.

Composition of the Committee

CSR Committee of the Company constituted in line with the provisions of Section 135 of the Act and rules made there under. The Corporate Social Responsibility Committee consists of three directors among whom one is an Independent Director and the Committee is chaired with an Executive Director. The Composition as on 31st March, 2016 as follows:

- a) **Deepak Arneja**
- b) **Ravinder Mohan Juneja**
- c) **Vinod Kumar**

Meeting and Attendance

The Corporate Social Responsibility Committee met one time during the year. During the financial year, Committee Meeting(s) were held on 12th February, 2016.

Name	Position	Category	No. of Meetings Attended
Deepak Arneja	Chairman	Non-Independent, Executive	1
Ravinder Mohan Juneja	Member	Non-Independent, Executive	1
Vinod Kumar	Member	Independent, Non-Executive	1

II. Prevention of Sexual Harassment (Posh) Committee

The Company had constituted Prevention of Sexual Harassment (Posh) Committee (Earlier named as internal complaints committee for women) which entertains the complaints made by any aggrieved women to look into complaints relating to sexual harassment of any women employee at work place.

Composition

The members of the Prevention of Sexual Harassment (Posh) Committee are nominated by the Company and consist of a Presiding Officer and three members, including a member from non-governmental organization. In order to ensure participation of women employees in the Committee's proceedings, the one-half of the members are women. The Composition as on 31st March, 2016 as follows:

1. **Asha Mittal**
2. **Dimpy Makar**
3. **Feroz Abbasi**
4. **Vinod Sharma**

Meeting and Attendance

The Prevention of Sexual Harassment (Posh) Committee met two times during the year. During the financial year, the Committee Meetings were held on 31st July, 2015 and 31st March, 2016. During the financial year 2015-16, the Composition as follows:-

Name	Position	Category	No. of Meetings Attended
*Asha Mittal	Chairman, Presiding Officer	Company Secretary	2
*Madhu Kaushik	Ex-Chairman	Ex-Company Secretary	Nil
Dimpy Makar	Member	Export Executive	2
*R.P Chaturvedi	Member	Deputy Manager (Materials)	1
*Feroze Abbasi	Member	Director at Abbasi Charitable & Educational Society(NGO for Women)	Nil
**Vinod Sharma	Member	Manager, Personnel & Administration Dept.	1

MOHINDRA FASTENERS LIMITED

Company has adopted this policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy with effect from 30th January, 2015.

*Further, the Composition of Committee has been reconstituted and Ms. Asha Mittal and Mr. Feroz Abbasi are appointed in place of Ms. Madhu Kaushik and Mr. R.P Chaturvedi respectively as on 31st July, 2015.

**Furthermore, Mr. Vinod Sharma has been appointed and joined the POSH Committee w.e.f 31st March, 2016. Till then Company has not received any complaint of harassment.

GENERAL BODY MEETINGS

a) Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed:

AGM	YEAR	VENUE	DATE/DAY	TIME	SPECIAL RESOLUTIONS
21st	2014-15	Apsara Grand Banquet Halls, A-1/20 B, Paschim Vihar, Rohtak Road, Near Paschim Vihar West Metro Station, Pillar No. 255, New-Delhi-11006	30.09.2015 (Wednesday)	11.30 A.M.	Issue & Offer of Cumulative, Non Convertible, Non-Participating, Redeemable Preference Shares "CNNRPS" on Private Placement basis.
20th	2013-14	Bansal Fam House, Hiranki Road, Bakhtawarpur, Delhi - 110036	25.09.2014 (Thursday)	11.30 A.M.	i) Appointment of Relative of a director to an Office of Profit. Increase in Borrowing Power in terms of Section 180(1)(c) of the Companies Act, 2013
19th	2012-13	Bansal Fam House, Hiranki Road, Bakhtawarpur, Delhi - 110036	30.09.2013 (Monday)	11.30 A.M.	None

All resolutions placed at the Last Annual General Meeting were passed by the requisite majority of shareholders. No Extra-ordinary General Meeting of the shareholders was held during the year 2015-16 except a postal ballot was held.

Postal Ballot

Special Resolution through Postal Ballot:

During the year 2015-16, the Company has approached the shareholders once through postal ballot and there were resolutions which were put through by Postal Ballot were passed by members by special resolution vide dated 25th July, 2015 through physical & e-voting mode are mentioned herein below as per resolution number:

1. Adoption of new set of articles of association of company inter-alia pursuant to the companies act, 2013 with some additional provisions.
2. Adoption of new set of Memorandum of Association of company inter-alia pursuant to the Companies Act, 2013.
3. Deletion of the other objects from object clause of the Memorandum of Association.
4. Amendment of the Liability Clause of the Memorandum of Association.
5. Amendment of the Main Object Clause of the Memorandum of Association.
6. Increase in the Authorized Share Capital of the Company.
7. Amendment to the Capital Clause of the Memorandum of Association consequent to the Increase in Authorized Share Capital and others.

Further, the snapshot of the voting results of the above mentioned postal ballot is as follows:

Date of Postal Ballot Notice: 27.04.2015	Voting Period: 23.06.2015 to 22.07.2015
Cut Off Date for reckoning Voting Rights: 15.06.2015	Date of declaration of result: 25.07.2015
Date of dispatched of Notice :22.06.2015	Date of Approval: 25.07.2015

Resolution Number	Type of Resolutions	Total Valid Votes (A)	Votes as Assent(B)	Votes as Dissent (C)	Percentage (Approx.) (B/A*100)	(Approx.) (C/A*100)
1	Special Resolution	3618700	3292600	326100	90.99	9.01
2	Special Resolution	3618700	3292600	326100	90.99	9.01
3	Special Resolution	3618700	3292600	326100	90.99	9.01
4	Special Resolution	3617700	3291600	326100	90.99	9.01
5	Special Resolution	3586700	3292600	294100	91.80	8.20
6	Special Resolution	3618700	3292600	326100	90.99	9.01
7	Special Resolution	3618700	3292600	326100	90.99	9.01

**** Number has been rounded off**

Further, this is pertinent to mention that no physical voting by way of Postal Ballot Paper has been received by the Scrutinizer, M/s Anand Nimesh & Associates, Practicing Company Secretaries. Hence, above mentioned valid votes didn't include any physical voting and the entire voting has been received by way of E-Voting only.

M/s Anand Nimesh & Associates, Practicing Company Secretaries, had carried out and conduct the postal ballot exercise and the scrutiny of all the postal ballot forms (Both Physical and by way of E-Voting) received upto the end of voting, 22nd July, 2015 by 5.00 P.M in fair and transparent manner and had submitted his Report on 25th July, 2015 which was placed before and taken on record by the chairman and thereafter on same day, the Chairman of the meeting has announced the result.

Brief of Procedure For Postal Ballot Opted

In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting (e-voting) facility to all its members. The Company engages the services of NSDL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or through e-voting.

The Company dispatches the postal ballot notices and forms, instructions for E-Voting along with postage prepaid business reply envelopes to its members whose names appear on the register of members/ list of beneficiaries as on a cut-off date. The postal ballot notice is also sent to members in electronic form at their email addresses registered with their depository participants (in case of electronic shareholding) / the Company's registrar and share transfer agents (in case of physical shareholding). The company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Members desiring to exercise their votes by electronic mode are requested to vote before 5.00 P.M on the last date of e-voting.

The scrutinizer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman / authorized officer. The results are also displayed on the Company website, www.mohindra.asia besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The resolutions deemed to have been passed/approved on declaration of result date viz 25th July, 2015.

MOHINDRA FASTENERS LIMITED

DISCLOSURES

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:

There have been no materially significant related party transactions that may have potential conflict with the interests of the Company at large during the year 2015-16. Further, all Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with applicable Accounting Standards.

These have been approved by the audit committee and prior omnibus approval is obtained for the transactions which are repetitive in nature. However, a detailed disclosure on Related Party Transactions has been made at Sr. No. 28 to the Notes to Accounts forming part of Balance Sheet.

During the year, there were no materially significant related party transactions, i.e. transactions of the Company of material nature with any of its promoters, directors or the management or relatives, etc. that may have potential conflict with the interests of the Company at large.

Further, Policy on dealing with Related Party Transactions is displayed at Investors' Section Link on the website of Company.

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchange(s) or SEBI or any Statutory Authority on any matters related to Capital Market during the last three years:

The Company has complied with the requirements of the Stock Exchanges/ SEBI and statutory authorities on all matters related to the capital markets during the last three years as applicable. No penalty or strictures were imposed on the Company by these authorities.

(c) Vigil Mechanism/Whistle Blower Policy:

The Company has formulated a policy known as 'Whistle Blower Policy' enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices and to allow and encourage to bring to the Management's Notice (Audit Committee) directly, without necessarily informing their superiors about suspected unethical behavior, malpractice, wrongful conduct, fraud, violation of the Company's policies including code of conduct, violation of law or questionable accounting or auditing matters by any employee/director in the Company without fear of reprisal.

The Company further undertakes that it has not denied any personnel access to the Audit Committee of the Company in respect of matters involving alleged misconduct/malpractice/unethical behaviour and that it has provided protection to 'Whistle Blowers' from unfair termination and other unfair or prejudicial employment practices. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

(d) Details of compliance with the mandatory requirements and adoption of non-mandatory requirements of SEBI Listing Regulations relating to Corporate Governance:

The Company has complied with the mandatory requirements and also complied with the Regulation 46 (2) as applicable relating to the dissemination of information on the website of the Company and is in process of adopting non-mandatory requirements of SEBI Listing Regulations, wherever feasible. However, the Company has adopted few non-mandatory requirements listed in Part E of Schedule II of the SEBI Listing Regulations and status of compliance with the same is as under:

- The financial statements of the Company are with unmodified audit opinion.
- The Internal Auditor reports to the Audit Committee.

(e) Accounting Treatment and Compliance with Accounting Standards

In the preparation of the financial statements, The Company has followed and prepared the Financial Statements in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and the Company has not adopted a treatment different from the prescribed in any accounting standard. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(f) Code of Conduct:

The members of the board and senior management personnel have affirmed the compliance with Code of Conduct applicable to them during the year ended March 31st, 2016. The Annual Report of the Company contains a certificate by the CEO and Managing Director in terms of Para D of Schedule V of SEBI Listing Regulations on the compliance declarations received from Board and Senior Management. The said certificate was annexed as **Annexure-XI**.

(g) CEO & MD / CFO Certification

The Managing Director & CEO and the Chief Financial Officer have certified to the Board in accordance with Part B of Schedule II of SEBI Listing Regulations pertaining to CEO/ CFO certification and have issued certificate, certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs for the Financial Year ended 31st March, 2016. The said certificate was enclosed with the Annual report and annexed as **Annexure-X**.

(h) AUDITORS' CERTIFICATE

The Auditors' Certificate/Compliance Certificate on Corporate Governance regarding compliance of conditions of corporate governance in accordance with Para E of Schedule V of SEBI Listing Regulations is appended as **Annexure-VI** to the **Annual Report**.

(i) Prevention of Insider Trading

The board has laid down Code of Conduct for insider trading in Compliance with SEBI (Prohibition of insider trading /regulations 1992). All the directors and Senior Management Personnel who are expected to have access to Unpublished Price Sensitive Information concerning the Company, is responsible for adherence to this code. The Code posted on the Company's website viz www.mohindra.asia .The Compliance Officer is responsible for the implementation of the Code to the extent its applicable as the equity shares of the Company is listed on Delhi Stock Exchange Limited for which SEBI has issued guidelines regarding compulsory exit of De-recognized/ Non-operational stock exchanges.

MEANS OF COMMUNICATION

- i) The quarterly, half yearly and the annually results, published as per the Listing Agreement or SEBI Listing Regulations as applicable, are approved and taken on record by the Board of Directors of the Company on the recommendation of Audit Committee within the stipulated time limit from the close of the relevant quarter. The results are also published within 48 hours in "Financial Express" or "Business Standard" (English Newspaper All India Edition) and "Jansatta" or "Business Standard" (Hindi Newspaper Local Edition). The results are displayed on the Company's website at www.mohindra.asia under the Investors' Section/Link. The approved results could not sent to the Stock Exchange where the Company's shares are listed as the Company is listed on Delhi Stock Exchange Limited (DSE) and SEBI has withdrawn recognition granted to DSE thereby DSE become Non-Operational. Therefore, your Company cannot intimate to concerned Stock Exchange vide issued letter by DSE dated 18th of May, 2015.
- ii) Comprehensive information about the Company, its business and operations and press releases can be viewed on the Company's website. The "Investor" section on the website gives information relating to financial results, annual reports, shareholding pattern, Corporate Governance Report, Codes, Policies,

MOHINDRA FASTENERS LIMITED

Programmes etc.

- iii) Material events or information, as detailed in Regulation 30 of the SEBI Listing Regulations, are disclosed are also displayed on the Company's website under the "**Investor**" section at website, if any.
- iv) Information about unclaimed dividends is also available in this **Investor section** at website.
- v) The Company sends an annual reminder to shareholders who have not claimed their dividends and also urging them to opt for ECS as the mode for receiving dividends.
- vi) Management Discussion and Analysis Report forms a part of the Annual Report.

GENERAL SHAREHOLDERS INFORMATION

The Company is registered with the Registrar of Companies, NCT Delhi & Haryana. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74899DL1995PLC064215.

a) Annual General Meeting:

Date and Day	:	30th September, 2016 (Friday)
Venue	:	Apsara Grand Banquet Halls A-1/20 B, Paschim Vihar, Rohtak Road, Near Paschim Vihar Metro Station, Pillar No. 255, New Delhi-110063
Time	:	11.30 A. M.
Book Closure Dates	:	24.09.2016 to 30.09.2016 (both days inclusive)

The Register of Members and Transfers remain closed from Saturday, 24.09.2016 to Friday, 30.09.2016 (both days inclusive)

The above Annual General Meeting is Twenty Second Annual General Meeting for Financial Year 2015-16 (April to March).

(b) Financial Calendar 2016-17 (April to March)

The Company expects to announce the Unaudited Quarterly Results for the year 2016-17, as per the following schedule:

Financial Reporting for the Quarter ending June 30th, 2016	Upto 13th August, 2016
Limited Review Report for the Quarter ended on June 30th, 2016	Upto 13th August, 2016
Financial Reporting for the Quarter ending September 30th, 2016 and Half-year results	Upto 14th November, 2016
Limited Review Report for the Quarter ended on September 30th, 2016	Upto 14th November, 2016
Financial Reporting for the Quarter ending December 31st, 2016	Upto 14th February, 2017
Limited Review Report for the Quarter ended on December 31st, 2016	Upto 14th February, 2017

The Audited Financial Results of the Company for the year 2016-2017 will be announced on or before 30th May, 2017 which will include the results of the fourth quarter of the year 2016-2017.

(c) Financial Year: April to March

(d) Dividend payment date: on or before 05th October, 2016.

(e) Listing on Stock Exchanges:

The Equity shares of the Company is listed on Delhi Stock Exchange Limited, but vide its notice dated 18th May, 2015 subject to the SEBI vide circular dated May 30, 2012, May 22, 2014 and April 17th, 2015 (Exit Circular) issued

guidelines regarding compulsory exit of De-recognized/Non-operational stock exchanges and other applicable circular(s), if any, sent on dissemination board of Bombay Stock Exchange Limited. Therefore, the Company is not liable to pay its Annual Listing Fees to the Delhi Stock Exchange Limited (DSE) for the year 2016-2017 as directed by DSE itself. Further, the Company is taking adequate steps to list its securities on recognized stock exchange. In this regard, the Company has applied on National Stock Exchange of India Limited and the application got rejected and further planning to apply on Metropolitan Stock Exchange of India Limited.

(f) Other Information:

• **The Company's Equity Shares are listed on the following Stock Exchange:**

Delhi Stock Exchange Limited

DSE House 3/1 Asaf Ali Road, New Delhi 110002 (India)

- The Company has paid the listing fees to the Stock Exchange for the year 2014-15, thereafter DSE itself directed to not to pay listing fee as said above .
- Scrip Code/Stock Code on DSE Limited: 013313.
- Demat International Security Identification Number (ISIN) in NSDL and CDSL for Equity Shares : INE705H01011

(g) Market Information:

No shares of the Company were reported to be traded on the Stock Exchange during the financial year 2015 - 2016. The Scrips/Stock or Equity Shares are not traded as the Company is listed on Delhi Stock Exchange Limited (DSE), on which generally the scrips are not to be traded as the trading on DSE is closed temporarily for all those Companies, who all are listed on DSE due to Exit Circular for DSE by SEBI. Therefore, the Company is not able to provide Market Price Data.

(h) Registrar and Share Transfer Agent

M/s Skyline Financial Services (P) Ltd. is the Registrar and Share Transfer Agent of the Company for carrying out share registration, transfer work and other related activities of the Company.

Address for Correspondence:

M/s. Skyline Financial Services (P) Ltd.

D, 153A, 1st Floor, Okhla Industrial Area, Phase - I,

New Delhi - 110020

E-mail: admin@skylinerta.com

Ph: +91-11-26812682-83, +91-1164732681-88

Fax: 011-30857562

(i) Share Transfer System

The Company's shares being in compulsory demat list are transferable through the depository system only. Majorly 87.67% of the paid up equity shares of the Company are in electronic form. In the case of dematerialized shares it is processed by the respective Client's Depository Participant as maintained account with depository of National Securities Depository Limited (NSDL) or Central Depository Services Limited (CDSL). Shares in physical form are processed by M/s Skyline Financial Services (P) Ltd., Registrar and Share Transfers Agent (RTA) of the Company.

The Company's Stakeholders' Relationship Committee now generally meets two times in a month for approving share transfers. The Share Certificates are returned to the transferee within prescribed time at the earliest possible (generally 10-15 days), provided the documents lodged with the Company are clear and complete in all respects. There are no pending transfers as on 31st March, 2016.

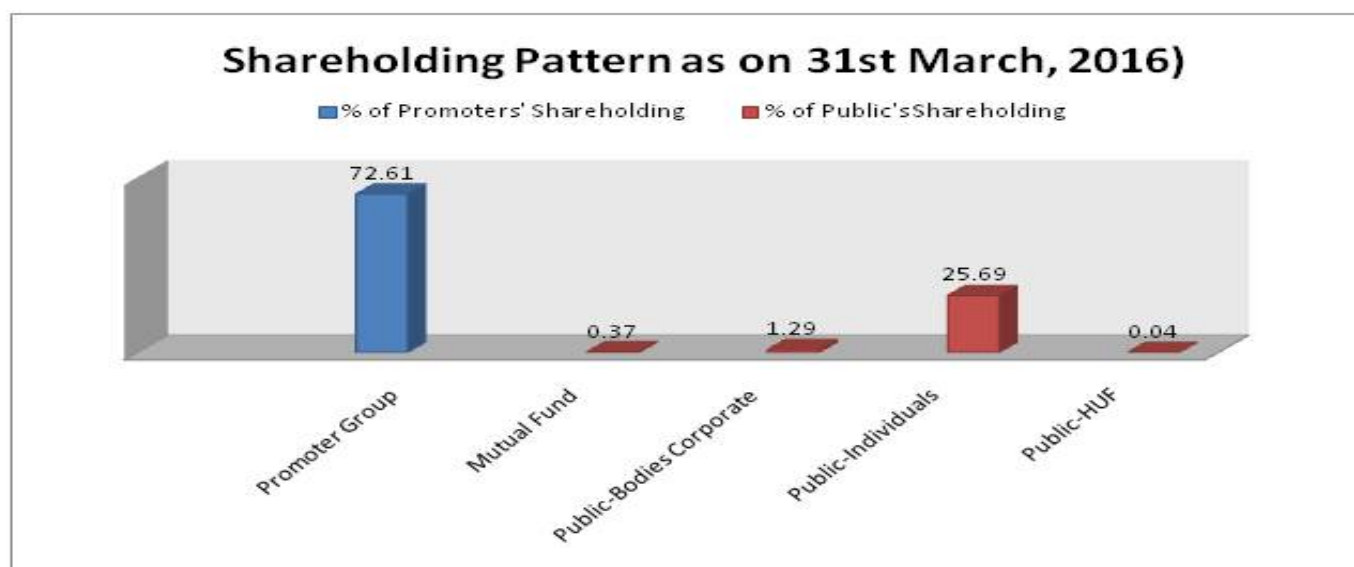
MOHINDRA FASTENERS LIMITED

(j) Distribution of Shareholding as on 31.03.2016

Range of Share holding	No. of Shareholders	Percentage of Shareholders	Total No. of Shares Held	Total percentage of Shareholding
Up to 500	272	49.91	68877	1.29
501 - 1000	139	25.50	135500	2.53
1001 - 2000	47	8.62	90105	1.68
2001 - 3000	24	4.40	62700	1.17
3001 - 4000	4	0.73	14200	0.27
4001 - 5000	16	2.94	79300	1.48
5001 - 10000	10	1.83	86500	1.61
10001 & above	33	6.06	4819618	89.97
Total	545	100.00	5356800	100.00

(k) Shareholding Pattern of the Company as on 31.03.2016

Category		Nos. of Shares held	Percentage of Holding
A	Promoter and Promoter Group		
	1. Indian Promoter	38,89,600	72.61
	2. Foreign Promoters	-	-
	Sub Total	38,89,600	72.61
B	Public Shareholding		
	1. Institutional Investors		
	- Mutual Funds & UTI	19600	0.37
	- Banks, Financial Institutions, Insurance Companies	-	-
	- Central Government/State Government(s)	-	-
	- Foreign Institutional Investors	-	-
	- Others	-	-
	2. Non-Institutional Investors		
	- Bodies Corporate	69,000	1.29
	- Individuals	13,76,600	25.69
	- NRIs	-	-
- Clearing members	-	-	
- HUF	2000	0.04	
	Grand Total	53,56,800	100.00



(I) Dematerialization of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form and are available for dematerialization on both the depositories, viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE705H01011. Dematerialization Status of Company as on March 31st, 2016 is as under:

The break-up of equity shares held in Physical and Dematerialized form as on March 31st, 2016, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	660500	12.33
NSDL	2995670	55.92
CDSL	1700630	31.75
Total	5356800	100

The Scrips/Stock or Equity Shares are not traded as the Company is listed on Delhi Stock Exchange Limited (DSE), on which generally the scrips are not to be traded as the trading on DSE is closed temporarily for all those Companies, who all are listed on DSE due to Exit Circular for DSE by SEBI. Therefore, no shares of the Company were reported to be traded on the Stock Exchange during the financial year 2015 - 2016.

Annual Custody Fees for the year 2015-2016 and 2016-17 has been paid to both the depositories of the Company, namely National Securities Depository Limited (NSDL) & Central Depository Services Limited (CDSL).

(m) Outstanding GDRs/ADRs/Warrants or any other Convertible Instrument

Company has not issued any GDRs/ ADRs/ Warrants or any other convertible instruments which likely to have impact on Equity Share Capital of the Company.

(n) Nomination of Shares

As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the members in respect of the shares held by them, may at any time, nominate, in the prescribed manner, a person to whom their shares shall vest in the event of death. Members holding shares in single name and who have not

MOHINDRA FASTENERS LIMITED

yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form No. SH-14. Both Forms are available at the website of the Company. Members holding shares in physical form are requested to submit the forms to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

(o) Permanent Account Number (PAN)

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ('PAN') by every participant in the securities market or security holder. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Registrar and Share Transfer Agent while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates etc.

(p) Reconciliation of Share Capital Audit

As required, by the Securities & Exchange Board of India (SEBI), quarterly audit of the Company's share capital has been carried out by M/s Anand Nimesh & Associates, Practicing Company Securities with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Secretarial Auditor Certificate in regard to the same has been displayed on the Company's Website and the same could not submit to the Stock Exchange where company is listed as DSE become Non-Operational.

(q) Plant Locations

The Company has its manufacturing at the following place where the plants of the Company are located:

Plant - I

60th K. M. Stone, Delhi - Rohtak Road
N. H. No. 10, V & P.O. Kharawar,
District Rohtak (Haryana)-124001

Plant - II

60th K. M. Stone, Delhi - Rohtak Road
N. H. No. 10, V & P.O. Gandhra,
District Rohtak (Haryana) -124001

Proposed Plant-III

IMT Rohtak

New Plant-IV

70th K. M. Stone, Delhi - Rohtak Road
N. H. No. 10, V & P.O. Kharawar,
District Rohtak, Haryana-124001

Your Company is pleased to inform you that the MFL has set up a new unit and now your Company is working from three locations in Rohtak, Haryana.

(r) Address for Correspondence

The shareholders may address their communications/suggestions/grievances/queries to:

304, Gupta Arcade, Inder Enclave,
Delhi-Rohtak Road, New Delhi-110087
Tel: +91-11-46200400 Fax: +91-11 25282667
Direct: +91-11-46200410
Email: cs@mohindra.asia
Website: www.mohindra.asia

ANNEXURE-I TO THE BOARD REPORT
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 read with Rule 12(1) of the Company (Management & Administration) Rules, 2014.
I. REGISTRATION & OTHER DETAILS:

1.	CIN	L74899DL1995PLC064215
2.	Registration Date	10th January, 1995
3.	Name of the Company	MOHINDRA FASTENERS LIMITED
4.	Category/Sub-category of the Company	Public (Listed) Company, Company Limited by Shares, Indian Non Government Company
5.	Address of the Registered office & Contact Details	304 Gupta Arcade, Inder Enclave, Delhi-Rohtak Road, New Delhi-110087. Tel. No.: +91-11-46200400, 25272093 Fax No.: +91-11- 25282667 E-mail: cs@mohindra.asia ; Website: www.mohindra.asia
6.	Whether listed company (Yes/No)	Yes, Listed Company
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited, D-153 / A, 1st Floor, Okhla Industrial, Area, Phase-1, New Delhi-110020 Tel. No.: +91-11-64732681-88, 26812682-83 E-mail: admin@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company is stated as prescribed:

S. No.	Name and Description of main products / services	NIC Code of the products / services	% to total turnover of the company
1	High Tensile Fasteners	25991	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
NIL, as Company has no Holding, Subsidiary and Associates Company					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

MOHINDRA FASTENERS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3457200	38400	3495600	65.26	3478700	23900	3502600	65.39	0.13
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	212000	175000	387000	7.22	212000	175000	387000	7.22	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1) :-	3669200	213400	3882600	72.48	3690700	198900	3889600	72.61	0.13
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	3669200	213400	3882600	72.48	3690700	198900	3889600	72.61	0.13
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	19600	19600	0.37	0	19600	19600	0.37	0
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	19600	19600	0.37	0	19600	19600	0.37	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	69000	69000	1.29	0	69000	69000	1.29	0
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	93700	319500	413200	7.71	98882	350000	448882	8.37	0.66
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	874900	95500	970400	18.11	904718	23000	927718	17.32	(0.79)
c) Others									
Hindu Undivided Family	2000	0	2000	0.04	2000	0	2000	0.04	0
Sub-total (B)(2):-	970600	484000	1454600	27.15	1005600	442000	1447600	27.02	(0.13)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	970600	503600	1474200	27.52	1005600	461600	1467200	27.39	(0.13)
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4639800	717000	5356800	100.00	4696300	660500	5356800	100	0

B) Shareholding of Promoter-

Shareholder's Name		Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ravinder Mohan Juneja	484650	9.05	-	484650	9.05	-	0
2	Deepak Arneja	421000	7.86	-	421000	7.86	-	0
3	Anurag Arneja	450800	8.42	-	450800	8.42	-	0
4	Sripati Mehta	2500	0.05	-	2500	0.05	-	0
5	Ram Bhaj Goswami	4500	0.08	-	4500	0.08	-	0
6	Sonia Sehgal	2500	0.05	-	0	0	-	(0.05)
7	Kanta	2500	0.05	-	0	0	-	(0.05)
8	Laxmi	2500	0.05	-	0	0	-	(0.05)
9	Krishan Lal Chhabra	2500	0.05	-	2500	0.05	-	0
10	Varinder Chhabra	2500	0.05	-	2500	0.05	-	0
11	Madan Mohan Narang	2500	0.05	-	2500	0.05	-	0
12	Rita Narang	5000	0.09	-	0	0	-	(0.09)
13	Usha Narang	5000	0.09	-	5000	0.09	-	0
14	Raman Arora	2500	0.05	-	2500	0.05	-	0
15	Kailash Chand Kalra	2500	0.05	-	2500	0.05	-	0
16	Sunita Narang	2500	0.05	-	2500	0.05	-	0
17	Deepak Sharma	2500	0.05	-	2500	0.05	-	0
18	Nayna Rajesh Raigala	10000	0.19	-	10000	0.19	-	0
19	Rajeev Aggarwal	2500	0.05	-	0	0	-	(0.05)
20	Chetan V.Sanghvi	28400	0.53	-	10100	0.19	-	(0.34)
21	Hita Chetan Sanghvi	0	0	-	18300	0.34	-	0.34
22	Divya Malik	65000	1.21	-	65000	1.21	-	0
23	Ranbir Singh Narang	403700	7.54	-	403700	7.54	-	0
24	Bimlesh Arora	3000	0.06	-	500	0.01	-	(0.05)
25	JP Singh Narang	186000	3.47	-	186000	3.47	-	0
26	Jatinder Kaur Narang	144300	2.69	-	144300	2.69	-	0
27	Gobind Preet Singh Narang	40000	0.75	-	40000	0.75	-	0
28	Kawaljit Kaur Narang	29000	0.54	-	29000	0.54	-	0
29	Gagandeep Singh Narang	65300	1.22	-	65300	1.22	-	0
30	Livleen Singh Narang	151700	2.83	-	151700	2.83	-	0
31	Dheeraj Juneja	157100	2.93	-	157100	2.93	-	0
32	Shakuntala Anil Kumar Merchant	11000	0.21	-	11000	0.21	-	0
33	Anil Kumar Kanji Merchant (Piyush Anil Kumar Merchant)	7500	0.14	-	7500	0.14	-	0
34	Simi Arneja	32000	0.60	-	32000	0.60	-	0
35	Mukesh Arneja	279600	5.22	-	280100	5.23	-	0.01
36	Ritu Arneja	13500	0.25	-	21000	0.39	-	0.14
37	Prateek Arneja	24200	0.45	-	26700	0.50	-	0.05

MOHINDRA FASTENERS LIMITED

38	Neera Arneja	35800	0.67	-	40800	0.76	-	0.09
39	Sudhir Arneja	283700	5.30	-	283700	5.30	-	0
40	Mrinal Arneja	14000	0.26	-	14000	0.26	-	0
41	Sanath M Shah	10000	0.19	-	10000	0.19	-	0
42	Manohar Lal Narang (M.L. Narang)	5000	0.09	-	0	0	-	(0.09)
43	Monica Arneja	8350	0.15	-	15850	0.30	-	0.15
44	Indra Juneja	5500	0.10	-	14500	0.27	-	0.17
45	Late. Sh. Shyam L raheja	100	0.00	-	100	0.00	-	0
46	Anjali Suri	2500	0.05	-	0	0	-	(0.05)
47	Manmeen Kaur Narang	78400	1.46	-	78400	1.46	-	0
48	C V Trading & Investment Co.	165000	3.08	-	165000	3.08	-	0
49	Zir Con Finance & Leasing (P) Ltd.	10000	0.19	-	10000	0.19	-	0
50	Kanpur Delhi Goods Carriers Ltd.-	212000	3.96	-	212000	3.96	-	0
	Total	3882600	72.48		3889600	72.61		0.13

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	3882600	72.48	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / transmission/ sweat equity etc.):	7000	0.13	3889600	72.61
	At the end of the year	3889600	72.61	-	-

Reason of difference as said above, between the beginning and at the end of year is as follows:

SL No.	Name of the Promoters	Shareholding at the beginning of the year		Reason	Date	Increase/ Decrease in Shareholding		Cumulative Shareholding During the year/At the end of year	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mukesh Arneja	279600	5.22	Purchase	14.04.2015	500	0.01	280100	5.23
2	Indra Juneja	5500	0.10	Purchase	14.04.2015	1000	0.02	6500	0.12
3	Indra Juneja	6500	0.12	Purchase	14.05.2015	3000	0.06	9500	0.18
4	Monica Arneja	8,350	0.15	Purchase	31.12.2015	2500	0.05	10850	0.20
5	Prateek Arneja	24200	0.45	Purchase	31.12.2015	2500	0.05	26700	0.50
6	Indra Juneja	9,500	0.18	Purchase	31.12.2015	2500	0.05	12000	0.23
7	Ritu Arneja	13500	0.25	Purchase	31.12.2015	5000	0.09	18500	0.34
8	Neera Arneja	35800	0.66	Purchase	31.12.2015	2500	0.05	38300	0.71

9	Rajeev Aggarwal	2500	0.05	Sale	31.12.2015	(2500)	(0.05)	0	0
10	Laxmi	2500	0.05	Sale	31.12.2015	(2500)	(0.05)	0	0
11	Kanta	2500	0.05	Sale	31.12.2015	(2500)	(0.05)	0	0
12	Rita Narang	5000	0.10	Sale	31.12.2015	(2500)	(0.05)	2500	0.05
13	Rita Narang	2500	0.05	Sale	31.12.2015	(2500)	(0.05)	0	0
14	Bimlesh Arora	3000	0.06	Sale	08.01.2016	(2500)	(0.05)	500	0.01
15	Indra Juneja	12000	0.22	Purchase	08.01.2016	(2500)	0.05	14500	0.27
16	Sonia Sehgal	2500	0.05	Sale	12.02.2016	(2500)	(0.05)	0	0
17	Neera Arneja	38300	0.71	Purchase	12.02.2016	2500	0.05	40800	0.76
18	Anjali Suri	2500	0.05	Sale	19.02.2016	(2500)	(0.05)	0	0
19	Monica Arneja	10850	0.25	Purchase	19.02.2016	2500	0.05	13350	0.3
20	Monica Arneja	13350	0.2	Purchase	26.02.2016	2500	0.05	15850	0.25
21	Manohar Lal Narang (M.L. Narang)	5000	0.09	Sale	26.02.2016	(5000)	(0.09)	0	0
22	Ritu Arneja	18500	0.35	Purchase	26.02.2016	2500	0.05	21000	0.39

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Reason	Increase/ Decrease in Shareholding		Cumulative Shareholding During the year/At the end of year	
		No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Kanta devi	444800	8.30	Transmission	414600	7.74	859400	16.04
2	Late Ghan shyam dass	414600	7.74	Transmission	NIL	NIL	Not holding top 10 position at the end of year	
3	Sumu financial services	62000	1.16	-	No Change		62000	1.16
4	Rajesh jain	30000	0.56	-	No Change		30000	0.56
5	Bank of India A/C BOI Mutual Fund	19600	0.37	-	No Change		19600	0.37
6	Sohan lal	17000	0.32	Sale	682	0.01	16318	0.31
7	Naresh Arora	11500	0.21	-	No Change		11500	0.21
8	Davinder Kumar	10500	0.20	-	No Change		10500	0.20

MOHINDRA FASTENERS LIMITED

9	Arun Parti	12000	0.22	Sale	4900	0.09	Not Holding Top 10 position at the end of year.	
10	Anil Kumar	10000	0.19	-	No Change	10000	0.19	
11	Rajesh Chajar	Not Holding Top 10		-	No Change	8000	0.15	
12	Padma Devi	position at the		-	No Change	8000	0.15	
13	Madhubala	beginning of year.		-	No Change	8000	0.15	
14	Ashwin kumar			-	No Change	8000	0.15	

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the Year / at the end of year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) /end (31.03.2016) of the year	% of total shares of the company				No. of Shares	% of total shares of the company

A. DIRECTORS

1	Vinod Kumar (Independent Director)	2000 2000	0.04 0.04	01.04.2015 To 31.03.2016	0	NIL Movement during the year	2000	0.04
2	Deepak Arneja (Managing Director)	421000 421000	7.86 7.86	01.04.2015 To 31.03.2016	0	NIL Movement during the year	421000	7.86
3	Ravinder Mohan Juneja (Managing Director)	484650 484650	9.05 9.05	01.04.2015 To 31.03.2016	0	NIL Movement during the year	484650	9.05
4	Sudhir Arneja (Whole Time Director)	283700 283700	5.30 5.30	01.04.2015 To 31.03.2016	0	NIL Movement during the year	283700	5.30

5	*Jatinder Pal Singh Narang (Non-Executive Director)	186000 186000	3.47 3.47	01.04.2015 To 15.02.2016	0	NIL Movement during the year	186000	3.47
6	Anjali Malik (Women Independent Director)	NIL Shareholding since her appointment						
7	**Gagandeep Singh Narang (Non-Executive Director)	65300 65300	1.22 1.22	15.02.2016 To 31.03.2016	0	NIL Movement during the year	65300	1.22
B. KEY MANAGERIAL PERSON								
8	Sunil Mishra (Chief Financial Officer)	500 500	0.00 0.00	01.04.2015 To 31.03.2016	0	NIL Movement during the year	500	0.00
9	* Madhu Kaushik (Company Secretary)	NIL Shareholding since her appointment						
10	**Asha Mittal (Company Secretary)	0 100	0 0.00	11.05.2015 To 31.03.2016	0	Purchase	100	0

V. INDEBTEDNESS

Indebtedness of the Company, including interest outstanding /accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2056.99 Lacs	-	-	2056.99 Lacs
ii) Interest due but not paid	Nil	-	-	Nil
iii) Interest accrued but not due	0.92 Lacs	-	-	0.92 Lacs
Total (i+ii+iii)	2057.91 Lacs	Nil	Nil	2057.91 Lacs
Change in Indebtedness during the financial year				
• Addition	24.33 Lacs	-	-	24.33 Lacs
• Reduction	(71.19) Lacs	-	-	(71.19) Lacs
Net Change	(46.86) Lacs	-	-	(46.86) Lacs
Indebtedness at the end of the financial year				
i) Principal Amount	2010.13 Lacs	-	-	2010.13 Lacs
ii) Interest due but not paid	Nil	-	-	Nil
iii) Interest accrued but not due	0.92 Lacs	-	-	0.92 Lacs
Total (i+ii+iii)	2011.05 Lacs	Nil	Nil	2011.05 Lacs

MOHINDRA FASTENERS LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL FOR FY 2015-16

A. Remuneration to Managing Directors, Whole-time Director and/or Manager:

S No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Deepak Arneja	Ravinder Mohan Juneja	Sudhir Arneja	
1	Gross salary	24,11,016	23,69,016	15,86,616	63,66,648
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23,96,016	23,54,016	15,71,616	63,21,648
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,000	15,000	15,000	45,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				
5	Others, please specify	-	-	-	-
	Total (A)	24,11,016	23,69,016	15,86,616	63,66,648
	Ceiling as per the Act	Rs. 74,79,413 (Seventy Four Lakhs Seventy Nine Thousand Four Hundred Thirteen Only)			

B. Remuneration to other directors (Including Independent and Non Executive Directors)

S No.	Particulars of Remuneration	Name of Directors		Total Amount
		Vinod Kumar	Anjali Malik	
1	Independent Directors	Vinod Kumar	Anjali Malik	
	Fee for attending board committee meetings	NIL	NIL	NIL
	Commission			
	Others, please specify			
	Total (1)			
2	Other Non-Executive Directors	*Jatinder Pal Singh Narang	**Gagandeep Singh Narang	
	Fee for attending board committee meetings	NIL	NIL	NIL
	Commission			
	Others, please specify			
	Total (2)			
	Total (B)=(1+2)	NIL	NIL	NIL
	Total Managerial Remuneration(A+B)	Rs. 63,66,648 (Sixty Three Lakhs Sixty Six Thousand Six Hundred Forty Eight Only)		
	Overall Ceiling as per the Act for total Four Managerial Remuneration	82,27,354 (Eighty Two Lakhs Twenty Seven Thousand Three Hundred Fifty Four Only)		

Note: Therefore as explained above our total Managerial Remuneration is well enough within the limits as per Companies Act, 2013 and other applicable provisions, if any.

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

S N.	Particulars of Remuneration	Key Managerial Personnel			
		CFO Sunil Mishra (1)	CS *Madhu Kaushik (2)	CS **Asha Mittal(3)	Total (1+2+3)
1	Gross salary:	16,30,800	43,248	3,81,184	20,55,232
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16,15,800	41,581	3,67,851	20,25,232
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,000	1,667	13,333	30000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	16,30,800	43,248	3,81,184	20,55,232

- The above remuneration of Ms. Madhu Kaushik and Mrs. Asha Mittal is on the proportionate basis of their tenure during FY 15-16, on the basis of their salary on gross basis.

Note: Ceiling limits and remuneration for above point VI (A) (B) & (C) are for the year 2015-16 and on gross basis of remuneration, not on received basis.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES [During FY 2015-16]:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty Punishment Compounding			NONE		
B. DIRECTORS					
Penalty Punishment Compounding			NONE		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			NONE		

MOHINDRA FASTENERS LIMITED

Note:

* Ms. Madhu Kaushik and Mr. J P Singh Narang has resigned w.e.f 11th May, 2015 and 15th February, 2016 respectively.

** Mrs. Asha Mittal and Mr. Gagandeep Singh Narang has been appointed w.e.f 11th May, 2015 and 15th February, 2016 respectively.

Place: New Delhi
Dated: 30th July, 2016

DEEPAK ARNEJA
DIN: 00006112
(Chairman cum Managing
Director & CEO)

For and on behalf of the Board

RAVINDER MOHAN JUNEJA
DIN: 00006496
(Managing Director)

ANNEXURE II TO THE BOARD REPORT
Details pertaining to Remuneration as required u/s 197(12) of The Companies Act 2013 read with the Rule 5 of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 including amendments thereof

- (i) The Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-2016 and ratio of the remuneration of each Director, Chief Financial Officer and Company Secretary to the median remuneration of the total employees of the Company for the Year ended 2015-2016 are as under:

SR. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for the financial year 2015-2016	% increase in remuneration in the financial year 2015-2016	Ratio of remuneration of each director/to median remuneration of employees
1.	Mr. Ravinder Mohan Juneja (Managing Director)	2,07,000	07.25	13.71
2.	Mr. Deepak Arneja (Managing Director & CEO)	2,07,000	15.64	13.71
3.	Mr. Sudhir Arneja (Whole Time Director)	1,36,900	08.91	9.07
4.	*Mr. J P Singh Narang (Ex-Non-Executive Director)(resigned)	Nil	-	-
5.	**Mr. Gagandeep Singh Narang (Non-Executive Director)	Nil	-	-
6.	Mr. Vinod Kumar (Independent & Non-Executive Director)	Nil	-	-
7.	Mrs. Anjali Malik (Independent & Non -Executive Director)	Nil	-	-
8.	Mr. Sunil Mishra (Chief Financial Officer)	1,35,200	16.35	8.95
9.	**Mrs. Asha Mittal (Company Secretary)	35,000	-	2.32
10.	*Ms. Madhu Kaushik (Ex-Company Secretary)	32,000	-	2.12

***Ms Madhu Kaushik has resigned w.e.f 11th May, 2015.**

***Mr. J P Singh Narang has resigned w.e.f 15th February, 2016.**

**** Mrs. Asha Mittal has been appointed w.e.f 11th May, 2015.**

**** Mr. Gagandeep Singh Narang has been appointed w.e.f 15th February, 2016.**

- ii) The median remuneration of employees of the Company during the financial year 2015-16 was Rs 15,100 on the basis of monthly remuneration of all employees.
- (iii) In the Financial year, there was an increase of 13.75 % in the median remuneration of the total Employees.
- (iv) There were 360 permanent employees on the rolls of the company during the year 2015-2016.
- (v) Average percentile increase made in the salaries of employees other than the Managerial personnel in the financial year 2015-2016 was 05.07 %, whereas the increase in the managerial personnel in the financial 2015-2016 year was 11.64 % as compared to the previous year.
- (vi) There is no any variable component of remuneration availed by any of Director(s).
- (vii) There is no any employee whose remuneration is in excess of highest Paid Director.
- (viii) It is hereby affirmed that the remuneration is paid as per the remuneration policy of the Company for the Directors, Key managerial Personnel and other employees.
- (ix) There are no details to report pertaining to Rule 5(2) of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 read with amendment rules except the details pertaining to top ten employees of Company along with additional information indicating in Rule 5(3) of the captioned rules as mentioned herein below:

MOHINDRA FASTENERS LIMITED

Sr. No.	Name & Designation	Remuneration	Nature of Employment, whether contractual or otherwise	Qualification & Experience	Date of Joining & Age (MM/DD/YYYY)	Last employment, if any	%of Equity Shares held, if any	Nature of relationship
1.	Mr. Lakshmipathy Sundar (G.M.(Operations))	1,70,000	Pay Roll	B.E Diploma in Mechanical 27 years of Experience	3/4/2015 47 years	LPS Ltd. Rohtak	*100	-
2.	Mr. Sunil Mishra (Chief Financial Officer)	1,35,200	Pay Roll	B.COM, LLB More than 30years of Experience	11/1/1996 54 Years	-	500	-
3.	Mr. Dheeraj Juneja (G.M.(Supply Chain Management))	1,33,500	Pay Roll	Senior Secondary 13 years of Experience	10/1/2000 34 years	-	157100	Son of Mr. Ravinder Mohan Juneja (Managing Director)
4.	Mr. Prateek Arneja (G.M (Sales And Marketing))	1,29,500	Pay Roll	MBA in Marketing 12 years of Experience	11/1/2005 34 years	-	26700	Son of Mr. Sudhir Arneja (Whole Time Director, Resigned w.e.f 30.07.2016)
5.	Mr. Subhash Chand Bhatia (DGM (OPERATIONS))	1,25,000	Pay Roll	B.SC- Mechanical 21 years of Experience	11/14/2015 49 years	Kalisma Steel	100	-
6.	Anil Kumar Verma (A.G.M.(Q.A))	1,23,200	Pay Roll	Diploma in Mechanical Engineering 23 years of Experience	2/4/2014 45 years	LPS Ltd Rohtak	100	-
7.	Mr. Anurag Arneja (Director-Operations)	1,12,000	Pay Roll	Graduate in Arts 25 years of Experience	4/1/2014	-	450800	-

Continued

Sr. No.	Name & Designation	Remuneration	Nature of Employment, whether contractual or otherwise	Qualification & Experience	Date of Joining & Age (MM/DD/YYYY)	Last employment, if any	%of Equity Shares held, if any	Nature of relationship
8.	Mr. R.Srinivasan (A.G.M.)	1,06,000	Pay Roll	B.SC. 37 Years of Experience	3/5/2007 59 Years	Caparo Fasteners Bihwadi	100	-
9.	Mr. Rajvir Singh Chahal (A.G.M.(Plant Operations))	1,00,000	Pay Roll	B.E.	1/28/2014 (Joined) 11/8/2015 (Left)	LPS Ltd. Rohtak	-	-
10	Mr. Ramesh Chachra SR.Manager (Maint)	98,800	Pay Roll	ITI & B.A. 38 Years of Experience	10/1/1996 58 Years	LPS Ltd. Rohtak	100	-

➤ Mr. Lakshmi pathy Sundar is holding less than 2% shareholding in the Company alongwith his spouse and dependent children.

Note: Above mentioned particulars of Employees are on the basis of their last drawn monthly gross remuneration excluding bonus amount of FY 15-16 for easy and fair calculations.

For and on behalf of the Board

DEEPAK ARNEJA

DIN:00006112

Chairman Cum

Managing Director & CEO

Place: New Delhi

Date: 30.07.2016

ANNEXURE III TO THE BOARD REPORT

DECLARATION OF INDEPENDENCE

01st April, 2015

To
The Board of Directors
Mohindra Fasteners Limited
304 Gupta Arcade, Inder Enclave
Delhi-Rohtak Road
New-Delhi-1100087

Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.

I, Vinod Kumar, hereby certify that I am a Non-executive Independent Director of **Mohindra Fasteners Limited**, 304 Gupta Arcade, Inder Enclave Delhi-Rohtak Road New-Delhi-1100087, and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees, if received, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of:
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering into such relationship / transactions.

Further, I do hereby declare and confirm that the above said information are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Vinod Kumar
DIN: 02303504
11096, Doriwalan East Park Road, Karol Bagh,
New Delhi, 110005, Delhi, India

ANNEXURE III TO THE BOARD REPORT

DECLARATION OF INDEPENDENCE

01st April, 2015

To

The Board of Directors

Mohindra Fasteners Limited

304 Gupta Arcade, Inder Enclave

Delhi-Rohtak Road

New-Delhi-1100087

Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Anjali Malik**, hereby certify that I am a Non-executive Independent Director of **Mohindra Fasteners Limited**, 304 Gupta Arcade, Inder Enclave Delhi-Rohtak Road New-Delhi-1100087, and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees, if received, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of:
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or

- d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
 - I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering into such relationship / transactions.

Further, I do hereby declare and confirm that the above said information are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Anjali Malik
DIN: 06875087
House No-190, Opp. old Sessions Court Civil Lines,
Rohtak, 124001, Haryana, India

ANNEXURE IV TO THE BOARD REPORT

FORM MR-3

SECRETARIAL AUDIT REPORT

(For the financial year ended 31st March 2016)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

MOHINDRA FASTENERS LIMITED

304 Gupta Arcade, Inder Enclave

Delhi-Rohtak Road, New Delhi-110087

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mohindra Fasteners Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and as produced before us, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st Day of March 2016, (the audit period) complied with the statutory provisions listed hereunder and also that the Company has a Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Mohindra Fasteners Limited ("The Company") and as produced before us for the financial year ended on 31st Day of March 2016 (audit period) according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.

VI. Other laws applicable to the Company:-

The Factories Act, 1948, Industrial Disputes Act, 1947, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employee State Insurance Act, 1948, The Employees Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation and Abolition) Act, 1970, The Maternity Benefits Act, 1961, The Income Tax Act, 1961, Weekly Holiday Act, 1942, Indirect Tax Laws, The Sexual Harassment of Women at workplace (Prevention Prohibition and Redressal) Act, 2013 and other laws applicable to the Company as per the representations made by the Company, if any.

However, as per the explanations given to us and the representations made by the Management, there was no action/event occurred in pursuance of:

- a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
Requiring compliance thereof by the company and were not applicable during the financial year ended, 31st March 2016 under review.

We have also examined compliance with the applicable provisions of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements & Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Delhi Stock Exchange Limited, wherever applicable.

However, the shares of the company were listed at the Delhi Stock Exchange Limited, but recognition of DSE has been withdrawn by the SEBI, consequence of which the Company had filed an application to get its shares listed on NSE, but the NSE has refused to list its shares, hence shares of the Company are not listed at any stock exchange as on the date of issuing this report. However, as informed by the management, they are taking the necessary adequate steps.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement or Regulations etc. mentioned above.

However following observations found during the secretarial audit of the Company:

1. One of the promoter/shareholder of the company has filed a complaint against the company, with The Registrar of companies, NCT of Delhi and Haryana, and other competent authorities as may be applicable, under review in which he raised various points, against which company has filed a reply to the good office of Registrar of companies as well. This matter is under jurisdiction of the office of the Registrar of companies, NCT of Delhi and Haryana, so, we hereby, do not comment in the matter till the matter finally is settled out.

We further report that:

As per explanation given by the management and the documentations/information produced by them, the Company made efforts to submit the details of unpaid and unclaimed dividend for the FY 2014-15 in Form 5INV to ROC. But due to technical issues in form and excel sheets, same could not be filed.

MOHINDRA FASTENERS LIMITED

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors except Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all directors at least seven days in advance or within prescribed time as the case may be, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings, as represented by the management and explanations given to us, were taken unanimously/requisite majority. As per the minutes of the meetings, duly recorded and signed by the Chairman, the decisions of the Board were unanimous/with requisite majority and no dissenting views have been recorded.

We further report that, as representation made by the Management of the company and based on the information received and records maintained by the Company, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period:-

1. At the Annual General Meeting held on 30th day of September 2015, Mr. Ravindra Mohan Juneja, one of the Managing Director of the Company was appointed as a Director retire by rotation.
2. The company has initiated the process of raising fund through private placement of 50,00,000 11% Cumulative Non Convertible, Non Participating, Redeemable Preference shares of Rs. 10/- each by way of passing special resolution in the general meeting of the Company. However, as on the date of this report subscription amount has not been received by the company.
3. The Board of Directors of the Company has taken omnibus approval during the financial year under review for the related party transactions entered into by the Company under section 188 (1) (f).
4. The company during the financial year under review, has availed a vehicle loan.

**For Anand Nimesh & Associates
(Company Secretaries)**

**ANAND KUMAR SINGH
(Partner)**

M. No A24881

CP No- 9404

Date:- 30/07/2016

Place:- Delhi

****This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.***

'ANNEXURE A'

**To,
The Members
MOHINDRA FASTENERS LIMITED
304 Gupta Arcade, Inder Enclave
Delhi-Rohtak Road, New Delhi-110087**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit to the extent there are shown to us during the Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, Books of Accounts, Direct and Indirect Tax Laws, Custom & Excise Laws and related matter of the company since the same have been subject to review by the statutory financial auditor and other designated professionals. Further we follow the norms of The Institute of the Company Secretaries Of India in this regard and we rely on the Reports given by Statutory Auditors or other designated professionals in all financial Laws including financial data's.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Anand Nimesh & Associates
(Company Secretaries)**

**ANAND KUMAR SINGH
(Partner)**

**M. No A24881
CP No- 9404**

**Date:- 30/07/2016
Place:- Delhi**

ANNEXURE V TO THE BOARD REPORT

FORM NO. AOC -2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)
of the Companies (Accounts) Rules, 2014**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31st, 2016, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at Arm's length basis:

There was no material related party contract or arrangement or transaction during the year ended March 31st, 2016.

For and on behalf of the Board

**DEEPAK ARNEJA
Chairman Cum**

Managing Director & CEO

DIN:00006112

Place: Delhi

Date: 30th July, 2016

**ANNEXURE VI TO THE BOARD REPORT
INDEPENDENT AUDITOR'S COMPLIANCE CERTIFICATE**

**TO
THE MEMBERS OF
MOHINDRA FASTENERS LIMITED**

We have examined the compliance of conditions of Corporate Governance, as and where applicable, by Mohindra Fasteners Limited ("the Company") for the year ended March 31st, 2016, as stipulated in relevant applicable provisions of:

- Clause 49 (excluding clause 49 (VII) (E)) of the Listing Agreement of the Company with stock exchange(s) for the period from April 1st, 2015 to November 30th, 2015;
- Clause 49 (VII) (E) of the Listing Agreement of the Company with stock exchange(s) for the period from April 1st, 2015 to September 1st, 2015;
- Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period from September 2nd, 2015 to March 31st, 2016 and
- Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period from December 1st, 2015 to March 31st, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31st, 2016, as and where applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/s GSK & Associates LLP,
Chartered Accountants
(Firm Registration No.013838N/ N500003)
Anil Somani
Designated Partner
(Membership No.093521)**

Delhi, 30th July, 2016

ANNEXURE VII TO THE BOARD REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Mohindra Fasteners Limited is pleased to present the 'Management Discussion & Analysis Report' covering the performance for the financial year 2015-2016.

OVERVIEW

The financial statements of the Company have been prepared in compliance with the requirements of the Companies Act, 2013 and generally accepted accounting principles in India. There are no material deviations from prescribed accounting standards. The Management of our Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. These estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements, the form and substance of transactions, the state of affairs and profits for the year reflect in a true and fair manner.

ECONOMIC ENVIRONMENT

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices. India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

According to the Financial Times, in 2015 India overtook China and the US as the top destination for the Foreign Direct Investment (FDI) in India, witnessed an increase of 29 per cent and reached US\$ 40 billion during April 2015-March, 2016 as compared to US\$ 30.93 billion in the same period last year, post the launch of Make in India campaign.

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices 2015-16 is Rs 113.5 trillion (US\$ 1.668 trillion), as against Rs 105.5 trillion (US\$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6 per cent.

Currently, the manufacturing sector in India contributes over 15 per cent of the GDP. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP. Hon'ble Prime Minister, Mr. Narendra Modi, launched the Start-up India initiative and unveiled the Start-up Action Plan which includes creation of a dedicated Start-up fund worth Rs 10,000 crore (US\$ 1.47 billion) apart from other incentives like no tax on profits for first three years and relaxed labour laws.

Further, due to sluggish global demand, growth in India's exports declined by 17.6 percent and the imports declined by 15.5 percent in 2015-16 (till January 2016). The current accounts deficit (CAD) of India was at 1.4 Percent of GDP during April- September 2015. Contribution of base metal is 7.3% towards total exports 2015-16(April- December).

The economic activity in India is expected to improve modestly in this year, driven by global economic revival and moderation in inflation. This is largely on account of better business cum political sentiments and various reforms and initiatives taken by the government.

We hope that this financial year would be more good balanced year for the Company.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The fastener industry in India may be classified into two segments: high tensile and mild steel fasteners. High

tensile and mild steel fasteners broadly include nuts, bolts, studs, rivets and screws. Mild steel fasteners are primarily manufactured by the unorganized sector while high tensile fasteners requiring superior technology are dominated by companies in the organized sector.

Automobile industry accounts for bulk of the total demand of this industry. Consumer durables and railways are the other primary users of high tensile fasteners. Automobile sector is likely to drive growth in the fastener industry. The production of nuts & bolts in the organized sector in 2014-15 was 110005.78 tonnes and in 2015-16 (April-December) was 812.94 tonnes. The export and import of industrial fastener (HS code 7318) in 2014- 15 was Rs. 5788.46 crores and Rs. 4309.16 crores respectively whereas in 2015-16 (April-November) the same was Rs. 2201.96 crores and Rs. 3019.29 crores respectively. (Information Source-Annual Report 2015-16, Government of India Ministry of Commerce and Industry Department of Industrial Policy & Promotion).

However, Indian gross domestic product registered a moderate growth. Index of Industrial Production relating to the manufacturing sector showed a reasonable growth when compared with advanced western nations. Volatility in foreign exchange rates due to erratic US economic data and Euro zone crisis, persisting current account deficits, inflation rates, slump in crude oil prices, high interest rates and low consumption growth marked yet another demanding year.

US economy showed reasonable growth while European economies in general showed a negative growth. The stress in Euro zone economies caused by the financial crisis continued to simmer and full scale recovery is still nowhere in sight. Emerging and developing economies other than India also slowed down considerably.

During 2015-16, the automotive sector in India showed a decent growth with some important segments posting a negative growth. The domestic market continued to be affected by macro economic problems, high inflation, high petroleum product prices, high interest rates and poor consumer sentiment.

The Indian Automobile Industry has got a major thrust by the Government's Automotive Mission Plan 2016-26 wherein the Industry is likely to grow by over 4 times in the next 10 years and is likely to be the third largest automotive industry of the World. We do recognize the immense opportunities and are trying in our own way and capacity to take advantage of this situation.

The exports are satisfactory in the current year. However there are major external factors which are likely to affect the performance:

- Withdrawl of GSP Form A benefits for 3 years for Imports from India by EU. This means that Indian Exports will be taxed at the WTO agreed rates and there would be no preference. This shall be effective from 01st January, 2017.
- Withdrawl/Phase out of Export benefits by Government of India.
- Britain's exit from EU affecting the economies of Britain and EU.

To counter this, the company is focusing on newer product categories and newer markets. There is enough focus on adding specials and turned parts to our product portfolio which will bring better profits.

The performance of fasteners industry is linked to the automobile sector. We have seen, The Automobile Industry to be reviving and volumes are picking up. This does translate into better opportunities for Component manufacturers and Fastener manufacturers like us. Hence, the happy times for the Industry seem to be on its way; although it has taken a bit longer. However the labour costs (Minimum Wages) have gone up considerably by over 30% in the just concluded Financial Year.

Our sales team is being motivated to look for new business contracts which should help the company in medium to long term. We are adding some new customers in untapped markets to diversify our client portfolio.

The reason for upward trend is liberalized government policies towards export and welcome approach towards foreign direct investment.

Domestic Sales:

The Domestic sales for the FY 2015-16 were Rs. 4101.51 Lacs (previous year Rs. 3637.11 Lacs in FY 2014-15) which shows a noticeable/evident increase of 12.77%. This is a healthy sign as we see a revival happening in the

MOHINDRA FASTENERS LIMITED

Automobile Industry. The growth is more significant considering that metal prices were soft in the just concluded Financial Year.

The broader parameters in terms of Economic growth, Interest rates, government related policy decisions were quite favourable in the whole year. However the Government increased the Minimum Wages by over 30% in the preceding Financial Year, which had a cascading effect on the emoluments being paid to the Blue Collared worker segment.

Our Domestic sales evidently grown during FY 2015-16 as Make-in-India initiative made a increase in sales of Automobiles in India. Further Fastener Industry has good future perspectives as accelerating motor vehicle production, manufacturing output and fixed investment spending will lead to increased demand for fasteners used in motor vehicles and machinery.

Export Sales:

The Export sales for the FY 2015-16 was Rs. 5306.82 Lacs (previous year Rs. 5624.60 Lacs in FY 2014-15) which were decreased by 5.65%. Ironically, there was a marginal increase in the Dollar/Euro currency comparisons. This shows that Currencies remained depressed during the preceding Financial Year.

Additionally, an another setback on the Export Front, came in the form of reversal of Anti Dumping Duties (ADD), which were levied by European Union(EU) on imports from China. EU, lost the case in WTO and had to withdraw the duties. This affected our performance especially in the last quarter of 2015-16 as China came back into the competition. Needless to mention that we do have some macro level inefficiencies whether in terms of Energy Cost(s), Interest Rates, Employee productivity, Port Congestion and so on, which contribute to higher Input costs. This makes our product more expensive than China. We are sure that the Government will address them soon. Exports still contribute over 50% of our revenues. We expect this trend to continue despite some developments in European Union. Britain falling apart from EU, will probably contribute to some negative sentiments and your Company is looking to have a more diversified customer portfolio.

OPPORTUNITIES & THREATS

The growth in demand for high tensile fasteners in India is basically based on the growth of Automobile Sector & other engineering industries in India and on the prospects of growth in Export Market.

India is at a threshold for a major take off in Automobile Sector and the growth in Automobile Sector will directly affect the growth of manufacturing High Tensile Fasteners. Moreover, the Global Meltdown has forced the various Western Countries to look for low cost Asian Countries for their business ventures that will open new business opportunities for us.

MFL is well positioned to take the advantage of this anticipated demand growth on a long term basis. The Company has good growth prospects in the domestic as well as in international markets.

THREATS

The main threat comes from the competition with the local, unorganized manufacturers in fasteners industry as they offer attractive propositions to the customers having disregard to quality & other unethical business practices. Even in Export Market, we face swear competition from South East Asian Countries such as China, Taiwan.

CHALLENGES

MFL faces a normal market challenge and competition from other manufacturers of high tensile fasteners. Besides, the substantial increase in the prices of inputs, high energy costs and high manpower costs have also become a challenge for all managements of the Country.

STRENGTHS

- Undertaken import-substitution for Automotive Companies in India.
- Combination of hot and cold forging under one roof.

- Turning, Milling, Grinding and Drilling in the same premises.
- Facility to produce Precision Machine Components.
- More than 50% of Tonnage exported to Europe, UK and USA.
- Entering into the new markets.
- Ability to handle carbon/alloy/ball- bearing/spring/stainless steel for various products and applications.
- Ability to develop new components in short time.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company operates in one segment only i.e. High Tensile Cold Forged Fasteners. The performance of this product is covered in 'Review of Operations' which forms part of Directors' Report.

OUTLOOK

The performance of the fasteners industry is directly linked to the automobile sector. The growth of the automobile sector is dependent on the performance of the economy. The Metal prices have remained stable this year. The Government expects economy to grow by 7.6%.

India is emerging as one of the world's fastest growing market for car as well as for two wheelers. It is also home for the largest motor cycle manufacturer and fifth largest commercial vehicle manufacturer giving a promising future for fasteners industry also.

The Government seems determined to end the policy paralysis and we remain one of the sought after Economies contributing to the World's growth. We hope that the steps taken by Government to provide uninterrupted Energy supply to Industries become a reality. We are geared up to accept new challenges.

Our company is focusing on cost reduction measures as well as to improve processes to enhance customer satisfaction which will have a long term benefit in helping your company to achieve its goals and scale new heights in the growth path.

RISKS & CONCERNS

Your Directors recognize that there are uncertainties and risks attached to any business. The risks could be external, internal, or a combination of both. External risks can be intensification of competition, product substitution, technological obsolescence, changes in Government policy with regard to taxes and levies or economic slowdown adversely impacting demand and profitability. Such risks will be continuously monitored and appropriate action taken by the Company to minimize the same. Internal risks comprise operating risks, financial risks and business risk. The Company will take effective steps to deal with such risks.

All operating divisions of the Company would identify the risks as perceived by them and take immediate steps to minimize the impact and at the same time submit a report to the next higher level of reporting.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate internal controls to ensure that its assets are safeguarded and protected against the loss from unauthorized use or disposition and transactions are authorized, recorded and reported correctly.

The Company has an Internal Audit system which is commensurate with its size and nature of its business. The internal controls implemented by the management is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

The Company has an Audit Committee headed by a Non-Executive Independent Director, inter-alia, which periodically reviews the internal control systems to ensure their effectiveness and adequacy as also the annual financial statements with particular reference to major accounting entries, involving estimates based on the exercise of judgement by the management as well as other areas requiring mandatory review as per SEBI Listing

MOHINDRA FASTENERS LIMITED

Regulations and the Companies Act, 2013.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the total Gross sales of the Company marginally increased to Rs. 9408.33 Lacs as compared to 9261.71 Lacs in the previous year. The increase over last year is under 2%. The company was anticipating higher growth but due to external factors, which have been explained, the desired rate of growth could not be achieved.

The Profit before tax (PBT) of the Company is Rs. 691.88 Lacs as compared to previous year figure of Rs. 657.57 Lacs. The increase in profit before tax as compared to previous year is around 5%.

Your company has lower debt outgo and at competitive interest rates and this is reflected in lower finance costs. As explained above, higher manpower costs were the net result of Governments increasing the Minimum Wages. The Energy costs remained more or less at the similar levels and company is taking adequate measures to control the same and accordingly take steps like successfully implemented "Open Access Scheme" in process of saving in cost of energy.

The profits before tax (PBT) has increased by approx. 5% during the financial year, which shows an upward trend in market and hopefully this scenario will continue due to steps taken by government towards liberalizing export policies and welcome approach towards foreign direct investment (FDI) and Make in India Initiatives.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company enjoyed harmonious relation with all employees in the factory and office throughout the year. Your Directors wish to place on record their appreciation of the dedicated and commendable services rendered by the staff and workers of the Company. The Company had total 360 employees during the year 2015-16.

Being a manufacturing company, workers form an important link in the chain of growth. A congenial atmosphere has been created at the shop floor level and all facilities required for a secure and cordial environment are provided. Management at all level takes care of the interest of the workforce and frequent interactive sessions are conducted throughout the year.

The industrial relations continued to be cordial throughout the year and human resource and its development continue to be our focus area. Due to intensive training, there has been an improvement in terms of quality, productivity and housekeeping.

CAUTIONARY STATEMENT

Statements in this **Management Discussion and Analysis Report** describing the Company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual might differ from the statements expressed or implied in the above report.

For and on behalf of the Board

DEEPAK ARNEJA

DIN:00006112

Chairman Cum

Managing Director & CEO

Place: New Delhi

Date: 30.07.2016

ANNEXURE VIII TO THE BOARD REPORT

**[Pursuant to Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8 (3)
of The Companies (Accounts) Rules, 2014]**

(A) CONSERVATION OF ENERGY

The Company continues its attempts to improve energy conservation and utilization.

(i) Steps Taken or Impact on Conservation of Energy:

The Company has monitored its energy consumption regularly and has made several modifications in the plant resulting in reduced energy consumption, such as:

- Constant monitoring of energy consumption and further requisite follow-up.
- In off -hours, lights in work premises is kept off.
- Introduction of methanol based systems in place of endogas generators.
- Reduction of maximum demand and restricting the maximum demand to billing demand.

The Company is making all efforts to put stress on energy conservation by taking measure to ensure that plant be kept continuous running and idle time is reduced to bare minimum.

(ii) Additional investments and proposals, if any, being implemented and Steps taken for utilizing alternate sources for reduction of consumption of energy:

- 1) Use of Air Pneumatic Tools over Electric Tools.
- 2) Replacement of tube lights/lamps and put emphasis on installation of lower voltage energy efficiency lamps and use of CFL lamps.
- 3) Introduction of waste heat recovery system in furnace.
- 4) Setting the room Air Conditioners at a temperature of 24^o C or more.
- 5) Rationalization of load on different DG sets.
- 6) Installation of LED lamps at a few places.

The Company continues to adopt energy efficient practices in its operations and implement proposals arising out of regular energy audits. The Company has put in efforts to improve overall energy efficiency by installing power efficient equipments.

(iii) Impact of the measures taken at (i) and (ii) above for reduction of energy conservation and consequent impact on the cost of production of goods.

As a result of above measures undertaken, the energy consumption in plants has been very slightly reduced thus saving in energy cost during the period under consideration. The Company endeavor to make efforts towards saving of energy consumption and will take appropriate actions to conserve the same.

Details of rate per unit/litre/kilograms for energy consumption and a comparison thereof from previous year:

- The rate per unit for power consumption for the FY 15-16 was 8.97 in comparison of 8.76 in previous year.
- The rate per litre for fuel consumption for the FY 15-16 was 47.78 in comparison of 51.36 in previous year.
- The rate per kilogram for gas consumption for the FY 15-16 was 46.07 in comparison of 55.99 in previous year.

MOHINDRA FASTENERS LIMITED

(B) TECHNOLOGY ABSORPTION

(i) Efforts, in brief, made towards technology absorption, adaptation and innovation:

- a. The Company is having the following quality/system related certification:-
 - ISO 9001:2008
 - ISO/TS 16949: 2009
 - ISO 14001:2004
 - OHSAS 18001:2007
- b. Training of personnel in-house.
- c. The company keeps itself updated with latest technological innovations by way of constant communication, personal discussions and visit to overseas countries/ plants and benchmarking best industrial practices.
- d. Future plan of action:
 - Adopt more value engineering ideas into products to make them more cost effective in order to meet the target costs.
 - Up gradation of existing technology.
 - Applied research and value engineering

Since this being a continuous process, continuous up gradation does take place from time to time depending upon products/ process. Any fixed line of action other than above has not been envisaged.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

- a. Process improvement resulting in higher production.
- b. Cost reduction.
- c. Constant updation of the Quality Management Systems has equipped the Company to meet the stringent Quality and general standards stipulated by customers.
- d. Development of eco-friendly processes results in less quantity of effluent and emission.
- e. Undertaken Import Substitution.

While the tangible benefits arising have been mentioned above, the intangibles are countless which includes promoting corporate social responsibility by making an effective use of natural resources, and to improve quality of life. The Company does nothing by which any harm is done to the environment and that the Company complies with all laws, rules and regulations seeking to control and reduce pollution of all types and protect the environment.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

No technology was imported during the above said period.

(iv) Brief Information on Research and Development:

a. Specific areas in which R& D is carried out by the company

R&D is undertaken for extending the range of the existing products, lowering costs and process improvement. Certain activities which were initiated are as under:-

- 1) Multiple Tasking of the machines.
- 2) Development of various surface finishes based on customer's needs.
- 3) Cold forging of bigger diameters in stainless steel.

b. Benefits derived as a result of the above R & D efforts.

1. Process improvement resulting in higher production.
2. Quality Improvement
3. Cost reduction.

4. Product range extension to reach newer markets.
5. Meeting customer targets on time, cost, quality and new products.

c. Expenditure on R& D

NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

i) Activities relating to exports; initiatives taken to increase exports; Development of the new exports markets for products and services and export plans

Efforts: Despite severe competition from China and Taiwan and some other Asian and east European countries. The Company has added new customers in our portfolio across the globe. Most of our customers have shown keen interest to engage with MFL, as their preferred supplier and work as a long term strategic partner, resulting in increase in new parts and business with existing customers. This interest is based on our ability to supply superior quality and complex parts at most competitive prices.

The Company participated in overseas Trade Fairs to display its products and to tap new overseas customers. Responses to company's products are good resulting in fresh enquiries from various customers.

ii) Total foreign exchange used and earned.

During the year we have earned / incurred the following in foreign exchange.

(I) Foreign Exchange Earnings: Mentioned in annexed financial statements.

(II) Foreign Exchange Outgo: Mentioned in annexed financial statements.

MOHINDRA FASTENERS LIMITED

ANNEXURE IX TO THE BOARD REPORT

CSR POLICY

(Approved by the Board of Directors on 17th May, 2014)

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

<p>1.A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes</p>	<p>Mohindra Fasteners Limited is committed to improve quality of lives of people in the community, serves through long term stakeholder value creation, with special focus on empowerment of communities in rural India. The Company has adopted a policy for CSR at the meeting of its Board of Directors dated 17th May, 2014. CSR activities are implemented by the in-house CSR team/committee through a Non Profit Company incorporated under the Companies Act named H.R. Education & Charitable Foundation situated at "D-11, Second Floor, Prashant Vihar, Rohini, Delhi - 110085.</p> <p>The Company has framed the policy for the activities relating to focus on Eradicating Hunger, Poverty & Malnutrition, Education, Gender Equality & Woman Empowerment, Rural Development Projects, Environmental Sustainability, etc.</p> <p>The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website at the www.mohindra.asia under Investor section/link.</p>
<p>2.The Composition of the CSR Committee</p>	<ol style="list-style-type: none"> 1. Mr. Deepak Arneja (Chairman & Managing Director) 2. Mr. Ravinder Mohan Juneja (Managing Director) 3. Mr. Vinod Kumar (Non Executive & Independent Director)
<p>3.Details of implementing agency</p>	<p>H.R. Education & Charitable Foundation situated at "D-11, Second Floor, Prashant Vihar, Rohini, Delhi - 110085</p>
<p>4.Average net profit of the company for last three financial years</p>	<p>Rs. 6,27,74,058/- (Rupees Six Crores Twenty Seven Lakhs Seventy Four Thousand Fifty Eighty Only)</p>
<p>5.Prescribed CSR Expenditure (two percent of the amount as in item 4 above)</p>	<p>Rs. 12,55,482/- (Rupees Twelve Lakhs Fifty Five Thousand Four Hundred Eighty Two Only)</p>
<p>6.Details of CSR spent during the financial year: (a)Total amount to be spent for the financial year; (b) Amount unspent, if any; (c) Manner in which the amount spent during the financial year is detailed below</p>	<p>Rs. 12,55,482/- (But, the Company has spent Rs. 12,60,000 (Rupees Twelve Lakhs Sixty Thousand Only) during Financial Year 2015-16) NIL The manner in which the amount is spent is annexed.</p>
<p>7.In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.</p>	<p>Not Applicable, Since no unspent amount.</p>
<p>8.A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.</p>	<p>The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.</p>

Annexure to the Point 6(c)

S. No.	Particulars	Details
(1)	CSR project or activity identified	Education, Vocational Skills and Livelihood.
(2)	Sector in which the project is covered	Promoting education including special education and employment enhancing skills specially among children, women and elderly and differently abled and livelihood enhancement projects.
(3)	Projects or Programme (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Other. District-Jhunjhunu, Rajasthan.
(4)	Total Amount Outlay (budget project or Programme wise)	Rs. 64.87 Lakhs (Project budgeted amount).
(5)	Total Amount spent on the project or Programme Sub Heads; (1) Direct expenditure on projects or programmes (2) Overheads	Total spent amount in Expenditures: Rs. 45.18 Lakhs (MFL contribution is Rs. 12,60,000, the whole CSR amount as mentioned above).
(6)	Total Cumulative expenditure up to the reporting period	Rs. 45.18 Lakhs (MFL contribution is Rs. 12,60,000, the whole CSR amount as mentioned above).
(7)	Amount Spent direct or through implementing agency	Through implementing agency, H.R. Education & Charitable Foundation.

Place: New Delhi
Date: 30th July, 2016

DEEPAK ARNEJA
(Chairman, CSR
Committee)

RAVINDER MOHAN
JUNEJA
(Managing Director)

VINOD KUMAR
(Non Executive &
Independent Director)

MOHINDRA FASTENERS LIMITED

(Annexure X To The Corporate Governance Report) CEO AND CFO CERTIFICATION TO THE BOARD

**TO
THE BOARD OF DIRECTORS
MOHINDRA FASTENERS LIMITED**

We, the undersigned, certify to the Board that and to the best of our knowledge and belief:

- I. We have reviewed the financial statements and the cash flow statement and all the notes on accounts and the Board's Report for the year ending 31.03.2016
- II. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- III. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- IV. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- V. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- VI. We have indicated and discussed with the auditors and the Audit Committee
 - a) significant changes made/to be made in internal control over financial reporting during the year;
 - b) significant changes in accounting policies during the year, and that the same have been disclosed in the notes to the financial statements; and
 - c) that there was no instance of significant fraud of which we are aware nor there has been involvement of the management or an employee having a significant role in the company's internal control system over financial reporting therein.
- VII. We affirmed that we have not denied any personnel access to the audit committee of the Company (in respect of the matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.

**Place: New Delhi
Date: 30.07.2016**

**DEEPAK ARNEJA
(DIN:00006112)
Managing Director & CEO**

**(SUNIL MISHRA)
Chief Financial Officer**

(Annexure XI To The Corporate Governance Report)

**To,
The Members of Mohindra Fasteners Limited**

Declaration under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Deepak Arneja (DIN:00006112), Chairman cum Managing Director & CEO of Mohindra Fasteners Limited do hereby declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them and have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the Code of Conduct as prescribed by the Company, for the year ended 31st March, 2016.

**DEEPAK ARNEJA
(DIN:00006112)
Chairman cum
Managing Director & CEO**

Delhi, 30th July, 2016



Gsk & Associates LLP

Chartered Accountants

LLPIN : AAB-1809

(Registered under The Limited Liability Partnership Act, 2008)

Regd. Office:

8, 1st Floor, Rani Jhanshi Road,

Motia Khan Industrial Area,

New Delhi - 110055.

Tel.: 011-23515470-72 Fax : 011-23515473

Email : info@gskassociates.com

Website : www.gskassociates.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF

MOHINDRA FASTENERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Mohindra Fasteners Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;



Gsk & Associates LLP

Chartered Accountants

LLPIN : AAB-1809

(Registered under The Limited Liability Partnership Act, 2008)

Regd. Office:

8, 1st Floor, Rani Jhanshi Road,

Motia Khan Industrial Area,

New Delhi - 110055.

Tel.: 011-23515470-72 Fax : 011-23515473

Email : info@gskassociates.com

Website : www.gskassociates.com

INDEPENDENT AUDITORS' REPORT (Contd.)

- a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure-I", a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on 31 March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-II"; and
 - (g) with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations. Therefore, no impact arise on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **GSK & ASSOCIATES LLP**

Chartered Accountants

(Firm Registration No. : 013838N/N500003)

ANIL SOMANI

Designated Partner

(Membership No.:093521)

Place: New Delhi

Date: 30.07.2016



ANNEXURE-I TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in paragraph 1 of "Report on other and Legal and Regulatory Requirements" of our report of even date

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased periodical manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) On the basis of information and explanation given to us and examination of the records of the company, subject to the legal determination of the validity of title deeds, the title deeds of all the immovable properties are held in the name of the company.
- ii. As per the information and explanation given to us, the inventories have been physically verified during the year by the management and no material discrepancies were noticed on physical verification. In our opinion, the frequency of verification is reasonable.
- iii. According to the information and explanation given to us, the company has not granted any loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, Clause (iii) of the Paragraph 3 is not applicable to the company.
- iv. In our opinion, and according to the information and the explanation given to us, the company has complied with the requirements of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees & securities.
- v. In our opinion, and according to the information and the explanation given to us, the Company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore the provisions of clause (v) of paragraph 3 of the order are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion, that, prima facie, the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of these records.
- vii. (a) According to the records of the company and information and explanation given to us, the company has generally been regular in depositing undisputed statutory dues including provident fund, employees state insurance (ESI), income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above were outstanding, as at 31 March, 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanation of the company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the



Gsk & Associates LLP

Chartered Accountants

LLPIN : AAB-1809

(Registered under The Limited Liability Partnership Act, 2008)

Regd. Office:

8, 1st Floor, Rani Jhanshi Road,

Motia Khan Industrial Area,

New Delhi - 110055.

Tel.: 011-23515470-72 Fax : 011-23515473

Email : info@gskassociates.com

Website : www.gskassociates.com

ANNEXURE-I TO INDEPENDENT AUDITORS' REPORT (Contd.)

opinion that the company has not defaulted in repayment of loans or borrowings to financial institutions and banks.

- ix. According to the information and explanations given to us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and term loans during the financial year. The term loans outstanding at the beginning of the year have been applied for the purposes for which they were raised.
- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. According to our examination of the books and records of the Company and the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, Clause (xii) of the paragraph 3 of the Order is not applicable to the company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or debentures. Therefore, Clause (xiv) of the paragraph 3 of the Order is not applicable to the company.
- xv. According to our examination of the books and records of the Company and the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him, in compliance with the provisions of Section 192 of Companies Act, 2013. Therefore, Clause (xv) of the paragraph 3 of the Order is not applicable to the company.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For **GSK & ASSOCIATES LLP**

Chartered Accountants

(Firm Registration No. : 013838N/N500003)

ANIL SOMANI

Designated Partner

(Membership No.:093521)

Place: New Delhi

Date: 30.07.2016



Gsk & Associates LLP

Chartered Accountants

LLPIN : AAB-1809

(Registered under The Limited Liability Partnership Act, 2008)

Regd. Office:

8, 1st Floor, Rani Jhanshi Road,

Motia Khan Industrial Area,

New Delhi - 110055.

Tel.: 011-23515470-72 Fax : 011-23515473

Email : info@gskassociates.com

Website : www.gskassociates.com

ANNEXURE-II-TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Mohindra Fasteners Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of



Gsk & Associates LLP

Chartered Accountants

LLPIN : AAB-1809

(Registered under The Limited Liability Partnership Act, 2008)

Regd. Office:

8, 1st Floor, Rani Jhanshi Road,

Motia Khan Industrial Area,

New Delhi - 110055.

Tel.: 011-23515470-72 Fax : 011-23515473

Email : info@gskassociates.com

Website : www.gskassociates.com

ANNEXURE-II-TO INDEPENDENT AUDITORS' REPORT (Contd.)

financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GSK & Associates LLP**

Chartered Accountants

Firm Reg. No.: 013838N/N500003

ANIL SOMANI

Designated Partner

Membership No.093521

Place: New Delhi

Dated:30.07.2016

MOHINDRA FASTENERS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2016



Particulars	Note	As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	53568000	53568000
(b) Reserves and Surplus	2	295323181	263381316
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	3238429	8215025
(b) Deferred Tax Liability (Net)	4	29617520	28792173
(3) Current Liabilities			
(a) Short-Term Borrowings	5	194929087	192495588
(b) Trade Payables	6	173156653	177777976
(c) Other Current Liabilities	7	17278263	16129458
(d) Short-Term Provisions	8	52587896	50337717
Total (Equity & Liabilities)		819699029	790697253
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	225397991	239805350
(ii) Intangible Assets		1659452	2509044
(iii) Capital Work in Progress		46205489	33252571
(b) Non Current Investments	10	137617	137617
(c) Long Term Loans and Advances	11	13377653	8859544
(d) Other Non Current Assets	12	533417	299246
(2) Current Assets			
(a) Inventories	13	249849931	251264967
(b) Trade Receivables	14	201705832	158312299
(c) Cash and Cash Equivalents	15	19840698	18061962
(d) Short-Term Loans and Advances	16	59922740	77082435
(e) Other Current Assets	17	1068209	1112217
Total (Assets)		819699029	790697253
Significant Accounting Policies & Notes to the Financial Statements	1 to 36		

As per our Report of even date

For GSK & Associates LLP

Chartered Accountants

Firm Reg. No.: 013838N/N500003

For & on Behalf of the Board of Directors

Anil Somani
(Designated Partner)
M.No. 093521

Sunil Mishra
(Chief Financial Officer)

Ravinder Mohan Juneja
(Managing Director)
DIN:- 00006496

Deepak Arneja
(Managing Director & CEO)
DIN:- 00006112

Place : New Delhi
Date : 30.07.2016

Asha Mittal
(Company Secretary)

MOHINDRA FASTENERS LIMITED**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

Particulars	Note	2015-16	2014-15
Continuing Operations			
Revenue from operations	18	940832639	926170564
Other Income	19	4731288	23092253
Total Revenue		945563927	949262818
Expenses:			
Cost of Materials Consumed	20	362229476	394755881
Changes in inventories of Finished Goods, Work-In- Progress & Stock in Trade	21	(9083058)	(15884276)
Employee Benefits Expense	22	153229067	145774333
Finance Costs	23	12863894	15212250
Depreciation and Amortization Expense	24	22484206	27911975
Other Expenses	25	334652609	315736164
Total Expenses		876376193	883506328
Profit Before Tax		69187734	65756490
Tax expense:			
Current Tax		23100000	21700000
Deferred Tax Liability/(Assets)		825347	(488460)
Profit From the Continuing Operations		45262387	44544950
Earning Per Equity Share of Face Value Rs.10/- Each:	29		
Basic & Diluted (in Rs.)		8.45	8.32
Significant Accounting Policies & Notes to the Financial Statements	1 to 36		

As per our Report of even date

For GSK & Associates LLP**Chartered Accountants****Firm Reg. No.: 013838N/N500003****For & on Behalf of the Board of Directors**

Anil Somani
(Designated Partner)
M.No. 093521

Sunil Mishra
(Chief Financial Officer)

Ravinder Mohan Juneja
(Managing Director)
DIN:- 00006496

Deepak Arneja
(Managing Director & CEO)
DIN:- 00006112

Place : New Delhi
Date : 30.07.2016

Asha Mittal
(Company Secretary)

Particulars	For the year ended 31st March,2016 (Amount in `)	For the year ended 31st March,2015 (Amount in `)
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before extraordinary items and tax	69187734	65756490
Adjustment for:		
Depreciation and amortisation	22484206	27911975
(Profit)/ Loss on Sale of Fixed Assets (Net)	65092	846631
Finance Costs	12863894	15212250
Interest Income	(1440870)	(1893838)
Prov. for Wealth Tax	0	4499
Dividend Income	(19220)	(3740)
Operating Profit/(Loss) before Working Capital Changes	103140836	107834267
Adjustments for (increase)/ decrease in operating assets:		
- Inventories	3167267	(50531748)
- Trade and Other Receivables	(27589805)	28902271
Adjustments for increase/ (decrease) in operating Liabilities:		
- Trade & Other Payables	(2945306)	(25760659)
Cash generated from Operations	75772992	60474131
Taxes Paid (Net)	(24601896)	(20609868)
Net Cash generated from Operating Activities (A)	51171096	39864263
B. Cash Flow from Investing Activities		
Capital Expenditure on Fixed Assets	(20745265)	(48261426)
Proceeds from sale of Fixed Assets	500000	1810000
Interest Income	1440870	1893838
Dividend Income	19220	3740
Net Cash generated from Investing Activities (B)	(18785175)	(44553848)
C. Cash Flow from Financing Activities		
Repayment of Long Term Borrowings (Net)	(7118196)	(4835821)
Short term Borrowings (Net)	2631256	33733943
Finance Cost Paid	(12863894)	(15212250)
Dividends Paid	(11075315)	(9616299)
Dividend Distribution Tax	(2181037)	(1638699)
Net Cash generated from Financing Activities (C)	(30607185)	2430873
Net	1778736	(2258712)
Cash and Cash Equivalents at the Beginning of the Year	18061962	20320674
Cash and Cash Equivalents at the End of the Year*	19840698	18061962

MOHINDRA FASTENERS LIMITED

Cash Flow Statement for the year ended 31st March,2016 (Contd.)

Notes:

- (i) Cash Flow are reported using the Indirect Method.
- (ii) The Cash Flow Statement reflects the combined cash flows pertaining to continuing operations.
- (iii) All figures in brackets are outflows/ decrease.
- (iv) Previous years figures have been regrouped/restated wherever necessary.
- (v) *Cash and Cash Equivalents are Cash and Bank balances as mentioned in Note No. 15

As per our Report of even date

For GSK & Associates LLP

Chartered Accountants

Firm Reg. No.: 013838N/N500003

For & on Behalf of the Board of Directors

Anil Somani
(Designated Partner)
M.No. 093521

Sunil Mishra
(Chief Financial Officer)

Ravinder Mohan Juneja
(Managing Director)
DIN:- 00006496

Deepak Arneja
(Managing Director & CEO)
DIN:- 00006112

Place : New Delhi
Date : 30.07.2016

Asha Mittal
(Company Secretary)

Note : 1 Share Capital

Particulars	As at 31st March, 2016	As at 31st March, 2015
<u>AUTHORIZED SHARE CAPITAL</u>		
6500000 Equity Shares of Rs. 10/- each. (P.Y. 6500000 Equity Shares of Rs. 10/- each)	65000000	65000000
5500000 Non Convertible Cumulative Preference Shares of Rs. 10/- each. (P.Y. is NIL)	55000000	0
	120000000	65000000
<u>ISSUED CAPITAL AND SUBSCRIBED CAPITAL</u>		
5471300 Equity Shares of Rs. 10/- each, fully paid up (P.Y. 5471300 Equity Shares of Rs. 10/- each fully paid up)	54713000	54713000
<u>Paid up Capital</u>		
5356800 Equity Shares of Rs. 10/- each fully paid up (P.Y. 5356800 Equity Shares of Rs. 10/- each fully paid up)	53568000	53568000
Total in `	53568000	53568000

a) The Reconciliation of the Number of Equity Shares	No of Shares	No of Shares
Balance at the begning of the year	5356800	5356800
Add:- Issued Shares During the Year	-	-
Balance at the end of the Year	5356800	5356800

- b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

c) List of Share Holders Holding more than 5% Shares

Particulars		As at 31st March, 2016	As at 31st March, 2015
<u>Name Of Shareholders</u>			
Deepak Arneja	No of Shares	421000	421000
	(% of Shares held)	7.86	7.86
Ravinder Mohan Juneja	No of Shares	484650	484650
	(% of Shares held)	9.05	9.05
Anurag Arneja	No of Shares	450800	450800
	(% of Shares held)	8.42	8.42
Ranbir Singh Narang	No of Shares	403700	403700
	(% of Shares held)	7.54	7.54
Sudhir Arneja	No of Shares	283700	283700
	(% of Shares held)	5.30	5.30
Mukesh Arneja	No of Shares	280100	279600
	(% of Shares held)	5.23	5.22
Kanta Devi	No of Shares	859400	444800
	(% of Shares held)	16.04	8.30
Ghanshyam Dass	No of Shares	414600
	(% of Shares held)	7.74

d) Bonus Shares/Buy Back/Shares for consideration other than cash issued during the period of five years immediately preceding the financial year ended 31st March, 2016.

i) Aggregate number of equity shares allotted as fully paid pursuant to contract without payment being received in cash - NIL

ii) Aggregate number of equity shares as fully paid up by way of bonus shares - NIL

iii) Aggregate number of equity shares bought back - NIL

Note : 2 Reserves & Surplus

Particulars	As at 31st March, 2016	As at 31st March, 2015
Capital Reserve		
Capital Subsidy		
As per Last Balance Sheet	1500000	1500000
Addition during the year	0	0
Balance at the end of the year	1500000	1500000
Equity Shares Forfeited		
As per Last Balance Sheet	574340	574340
Addition during the year		
Balance at the end of the year	574340	574340
General Reserve		
As per Last Balance Sheet	23000000	19500000
Add : Transferred from Surplus in Statement of Profit & Loss	0	3500000
Balance at the end of the year	23000000	23000000
Surplus i.e. Balance in Statement of Profit & Loss		
As per Last Balance Sheet	229997582	202165494
Add: Profit for the Year	45262387	44544950
Less : Excess / (Short) Provision of Previous Year	(425885)	(318225)
	274834084	246392219
Less : Appropriations		
-Transfer to General Reserve	0	3500000
-Proposed Dividend on Equity Shares {Dividend per Share Rs 2.00(P.Y. Rs.2.00)}	10713600	10713600
-Tax on Dividend	2181037	2181037
Net Surplus in the Statement of Profit & Loss	261939447	229997582
Other Reserves		
Sales Tax Exemption		
As per Last Balance Sheet	8309394	8309394
Addition during the year	0	0
Balance at the end of the year	8309394	8309394
Total in `	295323181	263381316

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

Note : 3 Long Term Borrowings

Particulars	Current Portion		Non Current Portion	
	As at 31st March,2016	As at 31st March,2015	As at 31st March,2016	As at 31st March,2015
Secured				
<u>Term Loans</u>				
- From Bank				
- Foreign Currency Loan (ECB)*	2552245	4650748	2552244	7234650
- Indian Rupee Loan*	294190	337287	686185	980375
Total	2846435	4988035		
Less :- Amount disclosed under the head Other Current Liabilities (Refer Note no. 7)	2846435	4988035		
Total in `	0	0	3238429	8215025

a) *The foreign Currency Term Loan (ECB) { (current year Rs.51.04 Lacs) (Previous Year Rs.118.85 Lacs) }arranged from overseas Bank against Plant & Machinery and letter of comfort has been issued by The Karnataka Bank Ltd under FLC will be retired by availing buyer credit and buyer credit shall be reduced by 25.52 Lacs on yearly basic in 3 years from the date of shipment of Capital Goods. The Vehicles loans from HDFC Bank are secured by hypothecation of respective vehicles.{ (current year is Rs.9.80cs)(Previous Year Rs.13.18 Lacs) }

b) Repayment profile of Term Loan secured is listed below :-

Rate of Interest	Bank/Loan A/c No.	Nature of Loan	FY-2016-2017	FY-2017-2018	FY-2018-2019
L+80 BPS	Overseas Bank	ECB	2,552,245	2,552,244	0
10.35%	HDFC/32055766	Term Loan	294,190	325,669	360,516
Total			2,846,435	2,877,913	360,516

Note : 4 Deferred Tax Liability (Net)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Deferred Tax Liability		
Related to Fixed Assets	29617520	28792173
Total in `	29617520	28792173

Note : 5 Short Term Borrowings

Particulars	As at 31st March, 2016	As at 31st March, 2015
- From Karnataka Bank Ltd.		
- Working Capital Loans		
Indian Rupees Loan*	40350440	65666424
Foreign Currency Loan (PCFC)*	119689773	101741272
Foreign Currency Loan (ECB)*	34888874	25087892
Total in `	194929087	192495588

***Note:** Working Capital Facilities in Indian Currency and foreign currency from Karnataka Bank Ltd. are primarily secured by hypothecation of Stocks, Advances paid to Suppliers, Book Debts/Export Receivables of the Company and collaterally secured by the Factory Land & Building situated at 65th KM Stone, Delhi-Rohtak Road, Kharawar and Gandhra Distt. Rohtak, Haryana and personal guarantee by the directors/Promoters/Shareholders Mr. Deepak Arneja, Mr. Ravindra Mohan Juneja, Mr. Sudhir Arneja, Mr. JP Singh Narang, Mr. Anurag Arneja and Mrs. Kanta Devi. The outstanding balance is repayable on demand and carries interest Libor+275 BPS & 11.75%

Foreign currency loan (ECB) Rs.348.88 Lacs (Prev.Year 250.87 Lacs) arranged from overseas Bank for Raw Material and Letter of comfort has been issued by Karnataka Bank Limited and carrying interest Libor +80 BPS.

Note : 6 Trade Payables

Particulars	As at 31st March, 2016	As at 31st March, 2015
Micro, Small & Medium Enterprises*	-	-
Material/Supplies	138693445	144390075
Others	34463208	33387901
Total in `	173156653	177777976

***The details of amount outstanding to Micro , Small and Medium Enterprises based on available information with the company is as under:**

Particulars	As at 31st March, 2016	As at 31st March, 2015
Principal amount due and remaining unpaid	0	0
Interest due on above and the unpaid interest	0	0
Interest paid	0	0
Payment made beyond the appointed day during the year	0	0
Interest due and payable for the period of delay	0	0
Interest accrued and remaining unpaid	0	0
Amount of further interest remaining due and payable in succeeding years	0	0

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

Note : 7 Other Current Liabilities

Particulars	As at 31st March, 2016	As at 31st March, 2015
Current Maturities of Long-Term Borrowings (Refer Note No. 3)	2846435	4988035
Interest Accured But Not Due on Borrowings	92206	91595
Interest Accured & Due on Borrowings	267829	0
*Unclaimed Dividend	570240	931955
Sundry Creditors for Capital Expenditures	782367	1023764
Trade Advance	0	448586
Other Payables		
Statutory Dues	1537031	827041
Salary,Wages, Bonus & Allowances	11082346	7131889
Other Payables	99810	686593
Total in `	17278263	16129458

*These figures do not include any amount due & outstanding, to be credited to Investors Education & Protection Fund.

Note : 8 Short Term Provisions

Particulars	As at 31st March, 2016	As at 31st March, 2015
(a) Provision for Employee Benefits	263311	2340727
(b) Provisions - Others		
- Provision for Income Tax	23100000	21700000
- Provision for Dividend	10713600	10713600
- Dividend Distribution Tax	2181037	2181037
- Provision For Wealth Tax	0	4499
- Others*	16329948	13397854
Total in `	52587896	50337717

*Note :- Provision - Others includes provision of Excise Duty on Inventory of Finished Goods & Scrap Amounting Rs 6874568/- (P.Y. Rs. 5122337/-) as per estimated pattern of dispatch. This has recognised liability based on substantial degree payable on of estimation for the excise duty clearance of goods lying in stock as on 31st March, 2016.

Note : 9 Fixed Assets

Particulars	Gross Block			Depreciation & Amortisation			Net Block			
	Value at the beginning of the Year	Addition during the year	Deduction during the year	Value at the end of the Year	Value at the beginning of the Year	Addition during the year	Deduction during the year	Value at the end of the Year	As at 31.03.2016	As at 31.03.2015
TANGIBLE ASSETS:										
OWN ASSETS										
Industrial Freehold Land	5896898	0		5896898	0		0	0	5896898	5896898
Buildings	73180434	1866947		75047381	23448773	2172614	0	25621387	49425994	49731661
Plant & Machinery	441537596	2826093		444363689	272910348	14629018	0	287539366	156824323	168627248
Furniture & Fittings	8054059	146059		8200118	4553473	716824	0	5270297	2929821	3500586
Motor Vehicles	12719744	800000	4094521	9425223	6408755	1309500	3529429	4188826	5236397	6310989
Office Equipment	5686861	752591		6439452	3048659	519547	0	3568206	2871246	2638202
Computers and data Processing Units	9642919	668417		10311336	6543153	1554871	0	8098024	2213312	3099766
SUB TOTAL (A)	556718511	7060107	4094521	559684097	316913161	20902374	3529429	334286106	225397991	239805350
Intangible Assets										
Computer Software	3233714	732240	0	3965954	724670	1581832	0	2306502	1659452	2509044
SUB TOTAL (B)	3233714	732240	0	3965954	724670	1581832	0	2306502	1659452	2509044
Total IA + BI (Current Year)	559952225	7792347	4094521	563650051	317637831	22484206	3529429	336592608	227057443	242314394
(Previous Year)	547190985	21316301	8555061	559952225	295624285	27911975	5898430	317637831	242314394	251566700
Capital Work-in-progress	33252571	15881802	2928884	46205489	-	-	-	-	46205489	33252571
SUB TOTAL (C) {Current Year}	33252571	15881802	2928884	46205489	-	-	-	-	46205489	33252571
(Previous Year)	6307446	27177571	232446	33252571	-	-	-	-	33252571	6307446
Total (A + B + C)	593204796	23674149	7023405	609855540	317637831	22484206	3529429	336592608	273262932	275566965

NOTE:

1. Depreciation has been provided on rates as per schedule II of Companies Act, 2013 on SLM.
2. Buildings includes Leasehold office premises of Rs.4779464/-net value in respect of office premises at Delhi.
3. Capital WIP amount of Rs.46205489/- is the allotment money with Installment paid to HSIIDC for purchase of land at IMT Rohtak.

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

Note : 10 Non Current Investments

Particulars	As at 31st March, 2016	As at 31st March, 2015
Other Investments		
(Valued at Cost unless stated Otherwise)		
Investment in Equity Instruments (Quoted)		
1800 Equity Shares of Rs. 10/- each in (1800) Bank of India (Fully paid)	81000	81000
600 Equity Shares of Rs. 10/- each in (600) Sterling Tools Limited (Fully Paid)	24891	24891
400 Equity Shares of Re. 1/- each in (400) Sundram Fasteners Limited (Fully Paid)	18904	18904
150 Equity Shares of Rs. 10/- each in (150) Lakshmi Precision Screws Ltd. (Fully Paid)	2822	2822
	127617	127617
(Unquoted)		
1000 Equity Shares of Rs. 10/- (1000) each in Elegant Footwear Ltd. (Fully Paid up)	10000	10000
	10000	10000
Total in `	137617	137617

Note :-

1. All Investments are Long Term Investments

2. Aggregate Value of Quoted Investment

- Book Value

127617

127617

- Market Value

518020

593410

3. Aggregate Value of Unquoted Investment

- Book Value

10000

10000

- Market Value

0

0

Note : Figures in () are in respect of previous year

Note : 11 Long Term Loans and Advances

Particulars	As at 31st March, 2016	As at 31st March, 2015
(Unsecured, considered good)		
Security Deposits	13377653	8859544
Total in `	13377653	8859544

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)
Note : 12 Other Non Current Assets

Particulars	As at 31st March, 2016	As at 31st March, 2015
Defined Benefits Plans - Gratuity	533417	299246
Total in `	533417	299246

Note : 13 Inventories

Particulars	As at 31st March, 2016	As at 31st March, 2015
Raw Material	92416839	97869255
Work-in-Progress	33206608	39893640
Finished Goods	61837176	45667508
Consumables,Stores, Spares & Packing Material	53687659	59119260
Scrap	33941	433519
Goods-in-Transit	8667708	8281785
Total in `	249849931	251264967

Note 1. :- Goods in Transit includes the followings :-

Raw Material	7172544	7758017
Consumables,Stores, Spares & Packing Material	1461084	454781
Tool & Dies	34080	68987
Total Goods in Transit	8667708	8281785

Note 2. :- Inventories lying with third parties are subject to confirmation. The details are as follows:-

Raw Material	0.35 Lacs	6.58 Lacs
Work in Progress	56.10 Lacs	48.12 Lacs

Note : 14 Trade Receivables

Particulars	As at 31st March, 2016	As at 31st March, 2015
(Unsecured , Considered good)		
Outstanding for more than six months	18980043	3018951
Others	182725789	155293348
Total in `	201705832	158312299

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

Note : 15 Cash & Cash Equivalents

Particulars	As at 31st March, 2016	As at 31st March, 2015
Cash on Hand	452109	430986
Balances with Banks (Current Account)	1523741	904413
Balances with Banks (Unpaid Dividend Account)	570240	931955
Fixed Deposit with Bank*	17294609	15794609
Total in `	19840698	18061962

Notes:-

- * (a) Fixed Deposits Amounting to Rs.172.95 Lacs (P.Y. Rs.157.95 lacs) pledged with bank as Margin Money for Letter of Credit issued by them.
- * (b) Fixed Deposit with bank includes deposits of Rs.152.50 Lacs (Previous year Rs.15.70 Lacs) with maturity of more than 12 months.

Note :16 Short Terms Loans and Advances

Particulars	As at 31st March, 2016	As at 31st March, 2015
(Unsecured , Considered Good)		
Advance to Suppliers	709515	2190338
Advance to Employees	1009831	1367985
Advance Income Tax (Including TDS Rs.160897/-)(P.Y.189385/-)	22660897	20189385
Balance With Revenue Authorities	34474769	51729880
Security Deposits	404950	412450
Advance to Others	662778	1192397
Total in `	59922740	77082435

Note :17 Other Current Assets

Particulars	As at 31st March, 2016	As at 31st March, 2015
Interest Accrued But Not Yet Due	298086	286251
Other Current Assets	770123	825966
Total in `	1068209	1112217

Note : 18 Revenue from Operations

Particulars	2015-16	2014-15
a) Sale of Products		
Finished Product (Bolts & Screws)	968738820	950104284
	968738820	950104284
b) Other Operating Revenue		
Steel & Scrap Sale	18664951	12457193
Duty Drawback & Other Export Incentives	18767690	40516769
	37432641	52973962
Less: Excise Duty	65338821	76907682
Total in `	940832639	926170564

Note : 19 Other Income

Particulars	2015-16	2014-15
Interest on		
- Fixed Deposits	1434487	1893838
- Other	6383	0
Dividend Income on Long Term Investments	19220	3740
Exchange Rate Difference (Net)	0	20878614
Other Non Operating Income	3271198	316061
Total in `	4731288	23092253

Note : 20 Cost of Material Consumed

Particulars	2015-16	2014-15
Inventory at the Beginning of the Year	97869255	80557588
Purchases	356777060	412067548
	454646315	492625136
Inventory at the End of the Year	92416839	97869255
Total in `	362229476	394755881

Material Consumed Comprises:

- Wire Rods	362229476	394755881
-------------	-----------	-----------

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

Note : 21 Change in Inventories of Finished Goods, Work in Progress & Stock in Trade

Particulars	2015-16	2014-15
Inventory at the Beginning of the Year		
Finished Goods	46101027	44730058
Work In progress	39893640	25380333
	85994667	70110391
Inventory at the End of the Year		
Finished Goods	61871117	46101027
Work In progress	33206608	39893640
	95077725	85994667
(Increase)/Decrease in Inventory	(9083058)	(15884276)

Note: Excise Duty on Increase/(Decrease) in Inventory of Finished Goods amounting to Rs.1752231/- (P.Y.Rs.(757292/-)) has been considered as Income/Expenses in Profit & Loss account in Note 25 of Financial Statement.

Note : 22 Employee Benefit Expense

Particulars	2015-16	2014-15
Salaries, Wages, Bonus & Allowances	144845115	136366629
Contribution to Provident Fund & Other Funds	4542869	5680723
Staff Welfare Expenses	3841083	3726981
Total in `	153229067	145774333

Note : 23 Finance Cost

Particulars	2015-16	2014-15
Interest Expenses	6757718	9921370
Other Borrowing Costs	6106176	5290880
Total in `	12863894	15212250

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)
Note : 24 Depreciation & Amortisation Expense

Particulars	2015-16	2014-15
Depreciation & Amortization	22484206	27911975
Total in `	22484206	27911975

Note : 25 Other Expenses

Particulars	2015-16	2014-15
Consumption of Stores & Spare Parts	111429468	102916733
Increase/ (Decrease) in Excise Duty on Finished Goods	1752231	(757292)
Power & Fuel Consumed	83848553	80251125
Factory Building Maintenance	3621910	2039587
Repair & Maintenance to Plant & Machinery	10017491	7966237
Insurance Expenses	2324863	2638751
Rates,Taxes & Duties	3452451	489281
Job Work Expenses	34050090	36105013
Packing Material Consumed	22216867	25847610
Freight Outward	26531990	34887055
Rebate & Discount	10856358	12572539
(Profit) /Loss on Sale of Fixed Assets	65092	846631
Payment to Auditors*	467670	340460
Exchange Rate Difference(Net)	5049552	0
Forward Contract Against Export	0	681483
CSR Expenses	1260000	1187536
Factory Rent	405000	0
Miscellaneous Expenses	17303024	7723415
Total in `	334652609	315736164

***Note :- Payment to Auditors**

Particulars	2015-16	2014-15
- Statutory Audit Fees	150000	135000
- Tax Audit Fees	50000	35000
- Internal Audit Fees	50000	30000
- Secretarial Audit Fees	50000	30000
- Cost Audit Fees	35000	30000
- For Certification Fees	50000	25000
- For Reimbursement of Expenses	82670	55460
	467670	340460

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

Note: 26 Accounting policies / compliance of Accounting Standards issued by the Institute of Chartered Accountants of India

(1) AS 1: Disclosure of accounting policies

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention.

(2) AS 2: Valuation of inventories

Raw Material, Spares parts & Consumables and Goods in Transit are valued at cost.

Work-in-Progress is valued at cost or net realizable value, whichever is less.

Finished goods are valued at cost or net realizable value whichever is less.

Scraps are valued at net realizable value.

FIFO method is used for determining cost of raw materials, packing materials, stock-in-trade, stores, components, spares and consumables and Retail Method is used for determining cost of Finished Goods & Work in Progress. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

(3) AS 3: Cash flow statements

Indirect Method is used for preparing the Cash Flow Statement as prescribed in Accounting Standard (AS)-3.

(4) AS 4: Contingencies and Events occurring after the Balance Sheet date

There are no significant events occurring after the Balance Sheet date that materially affect the financial statements for the current year.

(5) AS 5: Net profit or loss for the period, prior period items and changes in accounting policies

All items of income and expense in the period are included in the determination of net profit for the period, unless specifically mentioned elsewhere in the financial statements or is required by an Accounting Standard. There is no, prior period items and, changes in accounting policies take place during the year

(6) AS 6: Depreciation Accounting

Tangible Assets

Depreciation on fixed assets is provided on the Straight Line Method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. In respect of additions or extensions forming an integral part of existing assets including incremental cost arising on account of translation of foreign currency liabilities for acquisition of fixed assets, depreciation is provided as aforesaid over the residual life of the respective assets.

Intangible Assets

These are amortized as under:-

Particulars	Amortization
Computer Software	over the period of 5 years

(7) AS 7: Accounting for Construction Contracts

The above standard is not applicable to the Company as it is not engaged in the business of construction.

(8) AS 8: Accounting for Research and Development

This Standard was withdrawn with effect from 1-4-2003 consequent to Accounting Standard AS 26 on Accounting for Intangible Assets becoming mandatory.

(9) AS 9: Revenue recognition

Income of the company is derived from sale of products and includes excise duty and is net of sales returns, trade and cash discounts.

Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer, it can be reliably measured and it is reasonable to expect ultimate collection.

Domestic Sales are recognized on the basis of invoices raised and includes excise duty exclude sales tax/ VAT, sales return and adjustment for discount if any,

Export Sales are recognized on the basis of sales invoices raised and removal of goods from the factory premises. Duty draw back are recognized on the basis of export invoice issued and removal of goods from the factory.

Export benefits are recognised on pre shipment basis.

Interest incomes are recognised using the time proportion method based on the rates implicit in the transaction.

Dividend income is recognised when the right to receive dividend is established.

(10) AS 10: Accounting for fixed assets**TANGIBLE FIXED ASSETS**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

(11) AS 11: Accounting for the effects of changes in foreign exchange rates

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the yearend are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the yearend rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss, except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

(12) AS 12: Accounting for Government grants

Capital Subsidies, which is not relating to any specific fixed asset, received from state governments for setting up new projects are accounted as capital reserve.

The company has not received any grant from Government during the year.

(13) AS 13: Accounting for Investments

(a) Current investments are carried at the lower of cost or quoted/fair value, computed category wise. Long term investments are stated at cost. Provisions for diminution in the value of long investments are made only if such a decline is other than temporary. However all the investments are classified as Long Term Investment.

(b) The investments have been held by the Company in its own name.

(14) AS 14: Accounting for amalgamations

This standard is not applicable as there was no amalgamation during the year.

(15) AS 15: Accounting for Employee Benefits

Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss.

(16) AS 16: Borrowing costs

Interest on borrowings to finance fixed assets are capitalised only if the borrowing costs are attributable to the acquisition of fixed assets that take a substantial period of time to get ready for its intended use. Expenditure incurred on alteration / temporary constructions is charged off as expenditure under appropriate heads of expenditure in Statement of Profit and Loss in the year in which it is incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

There is no borrowing cost capitalised during the year.

(17) AS 17: Segment reporting

The Company operates in the same segment which is subject to similar risks and returns.

(18) AS 18: Related party disclosures

Disclosures of transactions with the related parties as defined in the Accounting Standard are given in Note no.28 of the notes to accounts

(19) AS 19: Accounting for Leases

The Company has not entered into any lease agreement.

(20) AS 20: Earnings per share

Basic earnings per share are disclosed in the Profit and loss Account. Basic earnings per shares is computed and disclosed using the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive. There is no diluted earnings per share as there are no dilutive potential equity shares.

(21) AS 21: Consolidated financial statements

The above standard is not applicable to the company as it does not have any subsidiary company.

(22) AS 22: Accounting for taxes on income

Tax expense comprises of current and deferred. Current income tax is measured as the amount expected to be paid to the tax authorities in accordance with the Indian Income tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

The company reviews carrying amount of deferred tax assets at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

(23) AS 23: Accounting for Investments in associates in Consolidated Financial Statements

The above standard is not applicable to the Company.

(24) AS 24: Discontinuing Operations

The Company has not discontinued any operations during the year.

(25) AS 25: Interim Financial Reporting

Quarterly financial results are published in accordance with the guidelines given by SEBI. The recognition and measurement principles as laid down in the standard are followed with respect to such results. The Quarterly results are also subject to a limited review by the auditors as required by SEBI.

(26) AS 26: Intangible Assets

Intangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of intangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

(27) AS 27: Financial Reporting of Interests in Joint Ventures

The above standard is not applicable to the Company.

(28) AS 28: Impairment of Assets

At the Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(29) AS 29: Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in point no. 27 of notes on accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)
NOTE: 27 Contingent Liabilities and Commitments (to the extent not provided for):

- a) Liabilities on account of foreign letter of credit are Rs. 25.16 Lacs (Previous year Rs.168.59 Lacs).
- b) Estimated amount of contract remaining to be executed on capital account are Rs. 259.14 Lacs (Previous year Rs.413.47 Lacs).
- c) Outstanding Bank Guarantee of Rs. 16.69 Lacs (Previous year Rs.29.74 Lacs) on account of re-export bond to the custom.

NOTE: 28 Related party disclosure as per Accounting Standard 18

a) **Parties where control exists:** NIL

b) **Other parties with whom the company has entered into transactions during the year:-**

i) **Key Management Personnel**

Mr. Deepak Arneja - Managing Director & CEO

Mr. Ravinder Mohan Juneja- Managing Director

Mr. Sudhir Arneja - Whole-Time Director

ii) **Relatives of Key Management Personnel**

Mr. Dheeraj Juneja - Son of Mr. Ravinder Mohan Juneja

Mr. Prateek Arneja - Son of Mr. Sudhir Arneja

iii) **Enterprises over which key management personnel and relatives of such personnel exercise significant influence:-**

Mohindra Sales Private Limited

c) Related Party Transactions:
(Amount in Rs.)

Nature of Transaction	Key Management Personnel & Relatives	Enterprises over which Key management personnel and relatives exercise significant influence	Total (amount in Rs.)
Sale of Goods	-	- (12273698)	- (12273698)
Remuneration	9531600 (8569200)	- -	9531600 (8569200)
Balance outstanding as at the end of the year			
Remuneration	881480	-	881480
Payable	(784700)	-	(784700)
Trade Receivable	-	2100000 (3271446)	2100000 (3271446)

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

Disclosure in respect of Related Party Transactions during the year :

(Amount in Rs.)

Particulars	Relationship	2015-16	2014-15
a) Sale of Goods			
1. Mohindra Sales Private limited	Enterprise over which KMP and relatives of such personnel exercise significant influence	-	12273698
b) Payment to Key Managerial Personnel/Relatives			
1. Deepak Arneja	Key Managerial Personnel	2411016	2114400
2. Ravinder Mohan Juneja	Key Managerial Personnel	2369016	2198400
3. Sudhir Arneja	Key Managerial Personnel	1586616	1449600
4. Dheeraj Juneja	Relative of Key Managerial Personnel	1613016	1418400
5. Prateek Arneja	Relative of Key Managerial Personnel	1565016	1388400
Balance outstanding as at the end of the year			
Trade Receivable			
1. Mohindra Sales Private limited	Enterprise over which KMP and relatives of such personnel exercise significant influence	2100000	3271446
Remuneration Payable			
1. Ravinder Mohan Juneja	Key Managerial Personnel	220516	203900
2. Deepak Arneja	Key Managerial Personnel	220516	189900
3. Sudhir Arneja	Key Managerial Personnel	150416	136600
4. Dheeraj Juneja	Relative of Key Managerial Personnel	147016	128400
5. Prateek Arneja	Relative of Key Managerial Personnel	143016	125900

NOTE: 29 The Computation of Earnings per Share: -

(Amount in Rs.)

Particulars	2015-16	2014-15
Profit after tax for the year (Rs.)	45262387	44544950
Weighted Average Number of Equity shares	5356800	5356800
Basic & Diluted Earnings per share	8.45	8.32
Face Value of equity share (Rs.)	10.00	10.00

NOTE: 30 Disclosure in respect of Derivative Instruments:-

a) No Derivates Instruments (Forward Exchange Contract) outstanding as at 31 March, 2016.

b) Foreign currency exposures that are not hedged by derivative instruments as at 31 March, 2016:-

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)
NOTE: 30 Disclosure in respect of Derivative Instruments:-

Particulars	USD	EURO	GBP
Import Trade Payables	485795.64 (728928.76)	4235.04 (110378.90)	- (-)
Export Trade Receivables	216874.74 (175691.70)	920156.98 (585225.18)	67603.30 (54354.76)
Term Loan (ECB)	76667 (188927)	- (-)	- (-)
Working Capital Loan (ECB)	524014.33 (398790)	Nil Nil	Nil Nil
Working Capital Loan (PCFC) Including Interest	124700 (-)	1473138.92 (1492902.01)	42000 (-)

NOTE: 31 As per Accounting Standard 15 " Employee Benefits ", disclosures of Employee benefits as defined in Accounting Standard are given below:

Defined Contribution Plan:

Contributions to Defined Contribution plan, recognized as expense for the year are as under:-

(Rs. in Thousand)

Particulars	2015-16	2014-15
Employer's Contribution to Provident Fund and Pension scheme	3687.08	3198.06

Defined Benefit Plan: Gratuity

The employees' gratuity scheme & Leave encashment scheme managed by a Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on the actuarial valuation using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation.

(Rs. in Thousand)

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Defined Benefit Obligation at the Beginning of the year	8386	6922	4912	4740
Current Service cost	1132	745	466	2014
Adjustment of previous year	-	-	-	-
Interest cost	671	554	393	379
Actuarial (gain)/loss	(191)	1902	(682)	(1435)
Benefits paid	(2142)	(1737)	(0)	(787)
Defined Benefit Obligation at the year end	7856	8386	5089	4912

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

(ii) Reconciliation of opening and closing balances of fair value of plan assets

(Rs. in Thousand)

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Fair value of Plan Assets at the Beginning of the year	9565	8542	4279	4614
Expected return on plan assets	756	717	609	452
Actuarial gain/loss	-	-	-	-
Employer contribution	209	2043	0	0
Benefits paid	(2141)	(1737)	(0)	(787)
Fair value of plan assets at year end	8389	9565	4888	4279

(iii) Reconciliation of fair value of Assets and obligations

(Rs. in Thousand)

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Fair value of plan assets	7856	9565	5089	4279
Present value of obligation	8389	8385	4888	4912
Amount recognized in Balance sheet	533	1180	(201)	(632)

(iv) Expense recognized during the year

(Rs. in Thousand)

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Service cost	1132	744	466	2014
Interest cost	671	553	393	379
Expected return on plan assets	(756)	(717)	(609)	(452)
Actuarial (Gain)/loss	(191)	1901	(682)	(1435)
Net Cost	856	2482	(432)	506

v) Details of Investment for employees' gratuity fund scheme managed by a LIC are not available with the Company.

Actuarial assumptions

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Mortality table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	8%	8%	8%	8%
Expected rate of return on plan assets (per annum)	-	-	-	-
Rate of escalation in salary (per annum)	6%	6%	6%	6%

Notes to Financial Statement for the year ended 31st March, 2016(Contd.)

The estimates of rate of escalation in salary is considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors mainly, the composition of plan assets held, assessed risks, historical result of return on plan assets and the Company's policy for plan asset management.

NOTE: 32 Value of imported and indigenous Raw Material, Store and Spare parts and packing material consumed and percentage of each to the total consumption as Certified by the management:-

Item	2015-16 Value (Rs.)	2015-16 % age	2014-15 Value (Rs.)	2014-15 % age
Raw Material				
Imported	104753874	28.92	105875836	26.82
Indigenous	257475602	71.08	288880044	73.18
	362229476	100.00	394755880	100.00
<u>Stores, Spare parts and Packing Material</u>				
Imported	11247855	8.42	15997348	12.42
Indigenous	122398480	91.58	112766995	87.58
	133646335	100.00	128764343	100.00

NOTE: 33 C.I.F. Value of Imports

Particulars	2015-16 (Rs.)	2014-15 (Rs.)
Plant & Machinery	664671	8336604
Raw Material	88085062	106462205
Consumables, Stores & Spares	3101893	7492731
Packing Material	4439911	7942489
Tool & Dies	3614205	3988939

NOTE: 34 Expenditure in Foreign Currency

Particulars	2015-16 (Rs.)	2014-15 (Rs.)
- Travelling Expenses	1610007	1286149
- Business Promotion & Advertisement	73088	693963
- Interest on ECB	582742	298432
- Bank Charges	142712	116266
- Interest on PCFC	3509183	2847926

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2016 (Contd.)

NOTE: 35 Earning in Foreign Currency

Particulars	2015-16 (Rs.)	2014-15 (Rs.)
Exports at FOB Value	505776807	511050166

NOTE: 36 Previous year's figures have been regrouped, reclassified wherever necessary to correspond with the current year classification/disclosure. This adoption does not impact recognition and measurement principles followed for preparation of financial statements as at 31st March, 2016.

As per our Report of even date

For GSK & Associates LLP

Chartered Accountants

Firm Reg. No.: 013838N/N500003

For & on Behalf of the Board of Directors

Anil Somani
(Designated Partner)
M.No. 093521

Sunil Mishra
(Chief Financial Officer)

Ravinder Mohan Juneja
(Managing Director)
DIN:- 00006496

Deepak Arneja
(Managing Director & CEO)
DIN:- 00006112

Place : New Delhi
Date : 30.07.2016

Asha Mittal
(Company Secretary)

MOHINDRA FASTENERS LIMITED

CIN: L74899DL1995PLC064215

Regd. Office: 304 Gupta Arcade, Inder Enclave, Delhi - Rohtak Road, New Delhi-110087

Website: www.mohindra.asia Email id: cs@mohindra.asia Phone No. 011-46200410, 46200400, Fax-+91 11 25282667



ATTENDANCE SLIP
PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE
HALL OF THE MEETING'S VENUE

I hereby record my presence at the 22nd Annual General Meeting of the Company on Friday, 30th September, 2016 at Apsara Grand Banquet Halls, A-1/20 B, Paschim Vihar, Rohtak Road, Near Paschim Vihar West Metro Station, Pillar No. 255, New-Delhi- 110063, India atAM/PM

Folio No./ DP ID No./Client ID No.:	Sr. No.
-------------------------------------	---------

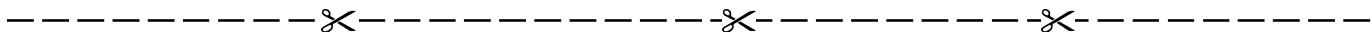
Name of Member(s): Address: No. of Shares:

Name of attending Member/ Proxy/ Authorized representative	Signature of attending Member/ Proxy/ Authorized representative
--	---

1. Members are requested to avoid being accompanied by non- members and/ or children
2. Members are requested to be in their seats at the meeting hall before the scheduled time for commencement of the AGM to avoid interruption in the proceedings.
3. Members are advised to bring photo identity proof for easy identification.

Email id: _____ Mobile No. _____

Note: Member/ Proxy Holders/ Authorized representative are requested to bring copies of Annual Report and duly filled attendance slip to the AGM. No attendance slip will be issued at AGM venue.



The E-Voting particulars are set out below:

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

Note : Please read instructions given in the notice convening the 22nd AGM carefully before voting electronically. Members who have cast their vote electronically shall not be allowed to vote again at the meeting.

**FORM NO. MGT-11
PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN:- L74899DL1995PLC064215

Name of the Company: Mohindra Fasteners Limited

Regd. Office:- 304, Gupta Arcade, Inder Enclave, Delhi - Rohtak Road, New Delhi - 110087

Name of the Member(s): Registered Address: E-mail Id:- Folio No/Client Id/DP Id:

I /we, being the member(s) of _____ shares of the above named company, hereby appoint :-

(1) Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him/her ;

(2) Name: _____ Address: _____

E-mail Id: _____ Signature: _____

as my /our proxy to attend and vote (on a poll) for me /us and on my /our behalf at the 22nd Annual General Meeting of the Company, to be held on the 30th day of September, 2016 at 11.30 A.M. at Apsara Grand Banquet Halls, A-1/20 B, Paschim Vihar, Rohtak Road, Near Paschim Vihar West Metro Station, Pillar No. 255, New-Delhi-110063 India and at any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution No & Type of Resolution	Particulars	I/We assent to the Resolution (for)	I/We dissent to the Resolution (against)
Resolution No. 1 (Ordinary)	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016, the Reports of the Board of Directors and Auditors thereon.		
Resolution No. 2 (Ordinary)	To declare the dividend on Equity Shares for the financial year ended on 31st March, 2016.		
Resolution No. 3 (Ordinary)	To appoint a Director in place of Mr. Ravinder Mohan Juneja (DIN No. 00006496) who retires by rotation and being eligible, offers himself for re-appointment.		
Resolution No. 4 (Ordinary)	To ratify the appointment of auditors of the Company and to fix their remuneration.		
Resolution No.5 (Ordinary)	To approve the remuneration of Cost Auditor for the financial year ending 31st March, 2017.		
Resolution No.6 (Ordinary)	To regularize appointment of the Additional Director, Mr. Gagandeep Singh Narang as a Director.		
Resolution No.7 (Special)	To Re-appoint Mr. Ravinder Mohan Juneja (DIN 00006496) as a Managing Director of the Company.		
Resolution No.8 (Ordinary)	To regularize appointment of the Additional Director, Mr. Ved Prakash Chaudhry (DIN 07572208) as an Independent Director of the Company.		

Signed this _____ day of _____ 2016.

Signatures of shareholder(s)

Signatures of Proxy Holder(s)

Affix Revenue Stamp of not less than Re. 1
--

Note : This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.