



Commercial Engineers & Body Builders Co. Limited



Regd. Office : 84/105-A, G.T. Road, Kanpur Mahanagar, Kanpur - 208003 (U.P.) INDIA
Head Office : 124, Napier Town, Jabalpur - 482 001 (M.P.) INDIA, Ph. : 2451941-43 Fax : 0761 - 2407009
To, Date: 29th August 2016

The Secretary,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Fax No. 022-2272 3121/2272 2037

The Secretary
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No C/1 G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400051
Fax No. 022-2659 8237/38, 66418124/25/26

National Securities Depository Limited
Trade World, 4th floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013

Central Depository Services (India) Ltd.
28th Floor, P J Towers
Dalal Street, Fort
Mumbai - 400023

General Manager
Karvy Computershare Pvt Ltd
Plot.No.17 to 24, Vithalrao Nagar Madhapur
Hyderabad -500 081 Andhra Pradesh,
Tel: 040 4465500

Sub: Notice of Annual General Meeting and Book Closure
Scrip code: 533272(BSE)/CEBBCO EQ(NSE)

Dear Sir/Madam,

This is to inform that the 36th Annual General Meeting of the Company will be held on Saturday 24th September, 2016 at 3.00 P.M. at Auditorium of U.P. Stock & Capital Ltd., Padam, 14/113, Civil Lines, Kanpur - 208001 (U.P.).

Further, pursuant to Section 91 of the Companies Act, 2013 read with Regulation 42 of the (Listing Obligation & Disclosure Requirements) Regulations, 2015 the Register of Members & Share Transfer Books of the Company will remain closed from Wednesday 21st September, 2016 to Saturday, 24th September, 2016 (both days inclusive) for the purpose of Annual General Meeting of the Company.

Further, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management & Administration) Rules, 2014 and Regulation 44 of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulation, 2015, the Company is offering e-voting facility to its members in respect of all the businesses to be transacted at the aforesaid Annual General Meeting. Members holding shares either in physical form or in dematerialized form, as on the cut-off date of September 17th, 2016, may cast their vote electronically on the Business as set out in the Notice of the 36th AGM through electronic voting system of Karvy Computershare Pvt. Ltd. All the members are informed that the voting through electronic means shall commence on September 21st, 2016 at 10.00 am and end on September 23rd, 2016 at 5.00 pm.

This is for your kind notice and records, kindly acknowledge the receipt of the same and oblige.

Yours faithfully,

For Commercial Engineers and Body Builders Co Limited

Anurag Misra
Company Secretary



Encl: Annual Report containing Notice of the Annual General Meeting

Factory (Unit I) : 21,22,33,34, Industrial Area Richhai, Jabalpur - 482010 M.P., Tel. +91-761-233 0817 / 872, Fax: 0761-2331488
Factory (Unit II) : NH12-A, Village Udaipura, Teh. Niwas, Distt. Mandla - 481661 M.P., Tel. +91-7643-227403, 227389
Factory (Unit III) : Plot No. 690 to 693 & 751 to 756, Sector III, Industrial Area, Pithampur, Distt. Dhar, Tel. - 07292-407981
Factory (Unit IV) : Industrial Area Richhai, Jabalpur - 482010 M.P.
Factory (Unit V) : Plot No. 742, Asangi Phase Area, Saraikela, Jharkhand - 932109 Tel. 0657-2200251 / 252
Factory (Unit VI) : Village Imlai, Near Deori Railway Station, P.O. Panagar, Jabalpur - 483220



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Cc:

OTC Exchange of India	92, Maker Towers F, Cuffe Parade, Mumbai - 400005
U.P. Stock Exchange Ltd.	Padam Towers, 14/113, Civil Lines, Kanpur - 208001
Jaipur Stock Exchange Ltd.	Stock Exchange Building, JLN Marg, Malviya Nagar, Jaipur - 302017
Madras Stock Exchange Ltd.	Exchange Building, P O Box no 183, No: 30, Second Line Beach, Chennai - 600 001
Cochin Stock Exchange Ltd.	M.E.S. Complex, 36/1565, 4th Floor, Judges Avenue, Kaloore, Kochi - 682017
Bangalore Stock Exchange Ltd.	Stock Exchange Towers, 51, 1st Cross, J C Road, Bangalore - 560027
The Gauhati Stock Exchange Limited	2nd floor, Shine Towers, Sati Jaymati Road, Arya chowk, Rehabari, Guwahati- 781008
The Ludhiana Stock Exchange Ltd.	Feroze Gandhi Market, Ludhiana - 141001
The Calcutta Stock Exchange Ltd.	7, Lyons Range, Kolkata - 700001
Bhubneshwar Stock Exchange Ltd.	Stock Exchange Bhavan, P-2, Jayadev Vihar, P.O. - Chandrasekharapur, Bhubaneswar - 751 023"
The Delhi Stock Exchange Ltd.	DSE House, 3/1, Asaf Ali Road, New Delhi - 110002
Vadodara Stock Exchange Ltd.	Fortune Tower, Sayajigunj, Vadodara - 390005
Ahmedabad Stock Exchange Ltd.	Kamdhenu Complex, Opp, Sahajanand College, Panjarapole, Ambawadi, Ahmedabad - 380001
Madhya Pradesh Stock Exchange Ltd.	Palika Plaza, Phase II, 201, 2nd Floor, MTH Compound, Indore - 452001
Pune Stock Exchange Ltd.	Shivleela Chambers, 752, Sadashiv Peth, RB Kumthekar Marg, Pune - 411030
Inter connected Stock Exchange of India Ltd.	International Infotech Park, Tower 7, 5th Floor, Sector 30, Vashi, Navi Mumbai - 400703
MCX Stock Exchange Ltd	Exchange Square, 3rd Floor, Suren Road, Chakala, Andheri (East) Mumbai - 400 093.
United Stock Exchange of India Limited (USE)	25th floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001



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Annual Report 2015-16

Forward Looking Statement

In this annual Report, we have disclosed forward-looking information to enable investors to understand our prospects and take investment decisions. This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in making the assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumption prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

Message from Board of Directors	1-2
Financial Highlights	3-4
Key Facts	5-8
Management Discussion and Analysis	9-15
Cover Note to the Notice	16
Notice for AGM	17-24
Director's Report 2015-16	25-49
Report on Corporate Governance	50-64
CEO & CFO Certificate	65
Independent Auditor's Compliance Certificate	66-67
Independent Auditor's Report	68-78
Audited Financial Statements	79-114
Attendance Slip and Proxy (Form No. MGT-11)	115-117
Route Map for the venue of AGM	118

Message from the Board of Directors

Dear Shareholder,

We wish to place before you, the performance of your Company in the year gone by and share thoughts on Company's growth journey in the future.

As the Indian commercial vehicle industry recovered, your Company has seen increased demand for its products. Major CVOEMs - where company enjoys an authorized application vendor status - have been placing higher schedules. The company however has not been able to take full advantage of increased demand due to working capital challenges.

Our wagon manufacturing business which caters to Indian Railways has also not been able to take off due to competitive price pressures and liquidity constraints.

Further, there has been some growth in demand for fabricated steel structures from power plant EPC contractors and we have been able to meet this partially with available finance and resources.

During the year, the Company recorded gross sales (gross of excise duty) of Rs. 14887 Lakhs, which is 2.31% lower compared to the previous financial year. Loss before tax and exceptional items stood at Rs. 4719 Lakhs compared to loss before tax of Rs. 6036 Lakhs in the previous financial year. The loss after exceptional items and tax for the year stood at Rs. 10476 Lakhs, against the previous year's loss of Rs. 10255 Lakhs. The loss for the year includes an exceptional item representing provision for impairment in the value of the fixed assets of Rs. 5367 Lakhs (previous year Rs. 6300 Lakhs). This is a non-cash provision and has been done in accordance with the Accounting Standard AS-28. Further, a significant portion of the loss is attributable to finance cost.

The Company has continued to incur cash loss during the year and have been facing cash flow challenges throughout the year. The working capital constraints are affecting the ability of the Company to fulfill the customer orders and at times customers have been curtailing schedules on the Company.

There has been a significant erosion of net worth. A reference may be please made to the Director's Report.

Future Opportunities/Challenges

Overall macro-economic performance of the Indian Economy and infrastructure growth witnessed in year 2015-16, is expected to continue in the near future and the Company is working on measures to take advantage of these opportunities for future growth.

The expected improvements in the market sentiment and infrastructure growth are likely to drive growth in volumes in the coming years.

In the Commercial Vehicle - Fully Built Vehicle industry (FBV), the Company is planning to consolidate its position by regaining market shares and becoming a leading player among authorized FBV manufacturers.

The Company's wagon manufacturing capability continues to be unutilized as the current level of prices do not support viable business propositions. We are looking at other opportunities to tackle this challenge.

The Company's Heavy Fabrication business (manufacture of steel structures for power plants) is also expected to grow in view of expected increased spending on power generation projects.

The Company continues to maintain its thrust on improving its share of business from its customers and on exploring new products / applications / variants of current products for growth.

In view of challenges faced, we have been rationalizing operations, lowering costs and optimizing production across our various plants.

The Company will continue its efforts to improve cost structure, improve working capital management and strengthen its balance sheet.

The company is also exploring options to augment funds for working capital.

On the background of extremely challenging conditions over the past couple of years, we have indeed strengthened our resolve to grow the company from its current levels. The company continues to enjoy support from its major customers viz. Tata Motors, VE Commercial Vehicles (VECV), and Man trucks in FBV segment, and engineering giants like L&T Power and BHEL, in heavy engineering.

We would like to convey our appreciation to the entire CEBBO team for their determination and efforts in this journey of the Company.

We are confident that your Company will continue to better its performance in the coming years. We would like to express our gratitude for your confidence in us. We would also acknowledge the unfailing support of our extended family of customers, dealers, suppliers, financial institutions and partners, which has been a major source of inspiration to your Company.

Thank you,
Yours sincerely,

On behalf of Board of Directors

P.Y. Gurav
Director
DIN:02004317

Prabhakar Dalal
Director
DIN:00544948

Financial Highlights

Profit & Loss Statement

(` in Crore)

Particulars	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
<u>Income</u>					
Net Sales	463.06	497.97	131.57	110.76	101.18
Other Operational Income	5.57	4.93	7.29	7.68	6.98
Other Income	2.27	1.38	2.69	2.40	1.13
Total Revenues	470.90	504.28	141.55	120.84	109.29
<u>Expenditure</u>					
Manufacturing Expenses	368.01	392.59	140.62	113.54	92.73
Personal Cost	14.95	12.86	10.52	8.53	7.21
Selling & Admin Cost	15.47	32.49	9.12	17.31	21.08
EBIDTA	70.20	64.96	(21.40)	(20.94)	(12.86)
EBIDTA Margin (%)	15	13	(15)	(17)	(12)
Depreciation	6.37	16.70	30.06	20.26	14.51
EBIT	66.10	49.64	(48.78)	(38.80)	(26.24)
Interest Expenses	9.32	16.14	18.95	21.57	20.95
Profit Before Exceptional Item & Tax (PBT)	56.78	33.50	(67.73)	(60.36)	(47.19)
Exceptional item – Impairment	-	-	-	63.00	53.67
Tax	8.59	5.42	-	-	3.90
Deferred Tax	7.39	9.57	2.70	(20.81)	-
Profit After Tax (PAT)	40.80	18.51	(70.43)	(102.55)	(104.76)

Financial Highlights

Balance Sheet

(₹ in Crore)

Particulars	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016
<u>Sources of Funds</u>					
Share Capital	54.94	54.94	54.94	63.94	67.94
Reserves & Surplus	203.15	219.09	151.23	48.69	(56.08)
Total Shareholder's Fund	258.09	274.03	206.17	112.63	11.86
Total Loan Funds	110.97	162.89	135.70	137.12	147.52
Deferred Tax Liability	8.54	17.85	20.81	-	-
Total Sources of Funds	377.61	454.77	362.69	249.75	159.38
<u>Application of Funds</u>					
Fixed Assets					
Gross Block	198.95	349.61	357.13	366.01	366.03
Less: Accumulated Depreciation	21.46	37.90	67.83	151.05	207.51
Net Block	177.49	311.71	289.30	214.96	158.52
Capital Work in Progress	67.50	9.47	14.26	13.82	2.00
Investments	0.69	0.60	0.00	0.00	0.00
Current Assets					
Inventories	49.70	67.01	37.62	16.57	9.80
Sundry Debtors	103.75	146.74	23.52	25.21	12.34
Cash & Bank Balance	7.09	33.98	11.30	4.69	2.52
Loans & Advances	61.16	53.98	47.45	47.48	50.33
Total Current Assets	221.70	301.72	119.89	93.95	74.99
Current Liabilities					
Sundry Creditors	84.93	160.42	55.58	69.75	72.94
Provisions	4.84	8.31	5.18	3.23	3.19
Total Current Liabilities	89.77	168.73	60.76	72.98	76.13
Net Current Assets	131.93	132.99	59.13	20.97	(1.14)
Total Application of Funds	377.61	454.77	362.69	249.75	159.38

Key Facts

With a broad range of product offerings in the commercial vehicle, railways and heavy fabrication (for power plants) categories, CEBSCO's business is intertwined with the infrastructure development of the country.

CEBSCO is one of the leading manufacturers in India of vehicle bodies for commercial vehicles with an extensive portfolio of product offerings. Further the Company has a facility for making freight wagons and is engaged in carrying out refurbishment of freight wagons and manufacturing of components for wagons and locomotives.

Commercial Vehicle / Fully Built Vehicle (FBV)

One among large players manufacturing various applications on the commercial vehicle (CV) chassis with a major share of business with major CV manufacturers - Tata Motors, Volvo Eicher Commercial Vehicles Limited, MAN Trucks India and Vehicle Factory, Jabalpur (Ministry of Defense).

Railways

Engaged in wagon refurbishment business since the year 2008 which includes refurbishments of wagons, supplies and fitting of side-walls, end-walls, floor plates, flap floor, door-plates etc. We are one of the few RDSO registered manufacturer for refurbishment of Wagons. We are also approved supplier to Railways production units like ICF, DLW and BHEL-Locomotive plant.

We had completed a trial order of 247 wagons from Braithwaite & Co. (Indian Railways' subsidiary) and we have got the Initial Audit Certification for G-105 Specifications by RDSO which is mandatory to become a wagon manufacturer.

Heavy fabrication

CEBSCO fabricates steel structures for Power Plants including Electrostatic Precipitators / Boiler structures. Major clients are L&T Power and BHEL Trichy. Resources of this segment can be used for fabrication of components for Railway bridges.

Strengths

- Economies of scale in its FBV business due to strong track record and long standing relationships with all major OEMs.
- Wide range of product offerings in commercial vehicles for applications across diversified industries.
- State-of-the-art technology and certifications for design, production standards and quality assurance.

- Well qualified and experienced design team of mechanical engineers engaged in developing new solutions for customers to suit their business needs.
- Ability to manufacture superior quality structures.
- Manufacturing facilities located close to some of key customers for commercial vehicle bodies, giving competitive advantage over other manufacturers of commercial vehicle bodies.
- Heavy engineering unit based in Central India - where major power plants are coming up - provides logistics advantage to customers.
- Industrial relations climate quite conducive in Central India which also makes available cost-competitive work force.

Manufacturing Plants

The company has six manufacturing facilities strategically located in Central India at Jabalpur (4 facilities), Indore and Jamshedpur. The strategic location provides an advantage to the company in terms of:

- Proximity to customers as Jabalpur is a central location to all major OEMs.
- Indore and Jamshedpur units are near their key customers namely VE Commercial Vehicles and Tata Motors respectively.
- Manufacturing units located close to steel suppliers manufacturing locations or their key distribution hubs.
- Jabalpur offers a cost competitive location.

Key Customers

Business	Customers
Commercial Vehicles / FBV	Tata Motors Ltd. (Domestic & Export) VE Commercial Vehicles Ltd. (VECV) Man Force Trucks Pvt. Ltd. Asia Motor Works Ltd. Ministry of Defence (Vehicle Factory Jabalpur) Reliance Petroleum Ltd. Reliance Industries Ltd.
Railways	Indian Railways Zonal workshops Integral Coach Factory Chennai Diesel Locomotive Workshop Varanasi Diesel Modernization Works Patiala RCF Kapurthala Chitranjan Locomotive Works
Heavy Fabrication	L&T Power BHEL Trichy BGR Energy Thermax

Well Diversified Product Portfolio

Mining & Road Construction

1. Tipper Bodies
2. Tanker Bodies

Goods Transportation

1. Cargo load Bodies
2. Refrigerated and insulated containers
3. Trailer Bodies - Box Trailers, Tip Trailers, Skeletal Trailers and Flat Bed Trailers
4. Explosive Vans
5. Petroleum Tankers

Solid Waste Management

1. Skip - Loaders
2. Garbage - Bin Collectors

Municipal Applications

1. Water Tanker Bodies
2. Light Recovery Vehicle Bodies
3. Garbage Tippers
4. Fire Tenders

Defense

1. Troop Carrier Vehicle Bodies
2. Prison Van Bodies
3. Water Bowser Bodies

Railway Components

1. Upgradation and Refurbishment of BOXN wagons
2. Components for Locomotives
3. Components for BOXNR wagons
4. Components for EMU Coaches
5. Railway over bridge and under bridge steel structures

Heavy Fabrication (Steel) Power - Boilers and ESP

1. Steel Structures for Power plants,
2. Electrostatic precipitators, and
3. Structures for Power plant boilers
4. Ducts and General Fabrication components for Power plants

Management Discussion and Analysis

Economic scenario

The Indian economy posted a robust 7.6% growth in the financial year 2015-16 (based on advance estimates as per the Finance Ministry's Economic Survey 2016-17), as against 7.2% in the previous financial year 2014-15. Industrial and Agricultural sectors have gained momentum with growth of 7.3% over 5.9% and 1.1% over -0.2%, respectively. In the Industrial Sector, manufacturing growth was significant at 9.5%, as against 5.5% in the previous financial year 2014-15. The recovery in manufacturing growth was contributed by robust growth in petroleum refining, automobiles, chemicals, electrical machinery etc. Other major segments, mining, quarrying and construction activities, are stable. Growth in agriculture has slackened due to two successive years of less than-normal monsoon rains. In view of the forecast of an above average monsoon coupled with overall improving economic health and specific measures taken by government in the recent past including Union Budget 2016-17, there is an expectation of growth in construction, infrastructure and mining and agriculture sectors, which will drive the overall economic growth for this financial year.

The global economy grew by 3.1% in the calendar year 2015 (Source: International Monetary Fund). The growth was driven primarily by the developing economies, aided by a stable growth in the United States and moderate recovery in Japan and the European Union. The global economy is projected to grow at 3.2% in the calendar year 2016 and 3.5% in 2017.

Commercial vehicle industry in India

The domestic commercial vehicle (CV) industry, has shown significant growth in the financial year 2015-16. The Medium and Heavy Commercial vehicles (M&HCV) segment has witnessed a significant growth of 30% over the financial year 2014-15, over and above the 16.0% growth it witnessed in the previous year. The Light Commercial Vehicle (LCV) segment has been flat, with a growth of 0.3% over the previous year. Exports of Commercial Vehicles in the financial year 2015-16 grew by 17%.

The Table below provides statistics of domestic sales performance by segment.

Domestic Sales			
Segment	2015-16	2014-15	Change %
M&HCV Buses	43,885	36,837	19.1
M&HCV Trucks	2,58,488	1,95,918	31.9
M&HCV Total	3,02,373	2,32,755	29.9
LCV Buses	48,960	44,816	9.2
LCV Trucks	3,34,371	3,37,377	-0.9
LCV Total	3,83,331	3,82,193	0.3

(Source: SIAM Flash Report March 2016)

Given the expected growth in industrial, construction and mining sectors, M&HCV sales are likely to keep up the momentum and it is estimated that projected growth rates are 10-13% for M&HCVs and 8-10% for LCVs.

In view of enabling environment for overall infrastructure growth, demand for Commercial Fully Built Vehicles in India is expected to remain on the growth track. There is a tremendous opportunity in the tipper category, driven by expected strong demand in the mining and construction industry and higher sales of heavy tonnage vehicles. The total net Sales achieved under this division is Rs. 93.06 Crores.

Railways

The Company has been present in the business of supplies to Indian Railways and its offerings include freight wagons, refurbishment of old wagons and supply of assemblies for Indian Railways and its manufacturing plants. The company however has not been focusing on this line of business due to financial challenges faced during the year. The company executed the total Net Sales under this division to the tune of Rs. 0.79 Crore.

Freight Wagon Industry

Freight movement by rail network offers distinctive cost benefits as compared to roads. However, wagon Industry has seen challenging times in the past due to erratic schedules / low quantity of wagon procurement and predatory pricing by competition. The present process of tendering being followed, will need to be revamped to achieve the long term goal of world class freight movement network.

While freight movement in 2015-16 was impacted on account of low demand from the core sector, it is expected to grow (6% to 7%) in 2016-17. Further, focus on setting up Dedicated Freight Corridors is being sharpened as per the latest budget and this is expected to boost freight movement by rail and consequent increase in demand for freight wagons.

Heavy Fabrication

The Company fabricates steel structures and support columns for Power Plants and Electrostatic Precipitators (ESPs) and has executed orders for L&T Power. The total net sale achieved under this category is Rs. 4.30 Crore.

Further, the company is expecting to execute higher orders in the current year in view of pick up in the power project activity in recent months.

Financial Overview

For the year ended 31st March, 2016, the Company recorded total income (net of excise duty) of Rs. 109.29 Crore and net loss of Rs. 47.19 Crore before exceptional items & tax and a loss of Rs. 104.76 Crore after exceptional items & tax as compared to total income of Rs.120.84 Crore and loss of Rs.60.36 Crore before tax and Rs.102.54 Crore after tax for the previous year ended 31 March, 2015, (which includes exceptional loss of Rs 63 Crore). The results for the current year include one-time charges of Rs. 53.67 Crore for Impairment, previous year Rs 63 Crore, (shown under exceptional items) and provision for doubtful debts of Rs. 14.34 Crore.

(₹ in Lakhs)

Particulars	2015-16	2014-15
Gross Sales	14887.06	15238.46
Net Sales (Excluding Excise Duty)	10816.00	11844.38
Other Income	112.72	239.98
Total Expenditure	15648.06	18120.44
Profit/(Loss) Before Tax and exceptional items	(4719.34)	(6036.08)
Exceptional Item (impairment of assets)	5367.00	6300.00
Income Tax Provision/ (Writeback)	389.87	(2081.47)
Profit/(Loss) After Tax	(10476.21)	(10254.61)
Balance (Loss/Profit Brought Forward From Previous Year)	(7988.00)	2266.61
Balance (Loss)/Profit Carried Forward to Balance Sheet	(18464.21)	(7988.00)

The Financial Year was a very challenging and tough year for the company and its performance was severely affected by severe liquidity crunch.

1. The company was unable to take full advantage of increased demand from our customers and consequently the overall sales growth remained almost flat.
2. The material costs rose significantly in the second half owing to steel price increases implemented by all steel mills..
3. Need to maintain liquidity meant higher discounting charges for early cash realization.
4. There were some delays in the payment of statutory dues.
5. There have been delays in discharge of loan liabilities to the lenders.

As required by Accounting Standards AS 28 - Impairment of Asset, - the company has provided for an impairment of Rs. 53.67 Crore based on its assessment of the value in use of the assets installed in a cash generating unit located in a particular region based on the assessment of its value "Value in Use" with a weighted average cost of Capital (WACC) in the range of 13 to 15%. This is in addition to the impairment of Rs. 63 Crore in FY 14-15. This has been shown as an exceptional item in the profit and loss account and is a non-cash expenditure.

Steps Initiated by the Company

In order to come out of the crisis, the company has taken the following steps:

1. It has arranged loans of Rs. 21 Crore from Banks/financial institutions.
This was used towards repayment of short term loan Rs. 9.16 Crore and the remaining amount was used towards working capital and other corporate purposes.
2. In the last quarter of the financial year, the company has received interim temporary support from its customers to meet working capital needs and increase production to meet their requirements.
3. The Company has continued its journey on rationalization of production facilities and other related costs, which will benefit the company on a long term basis in the form of recurring savings.
4. The company is also working on other options to augment its long term funds which will help to reduce interest cost and enable the company to boost its turnover in the coming year.
5. The company has also been focusing material cost reduction drive to improve profitability and to remain competitive.

Currently, the company has a healthy order book and is hopeful of a significantly improved performance in the coming year, subject to continued working capital availability.

Technology - IT Process and Systems

With 6 manufacturing plants, IT at CEBICO is playing a key role in redefining internal control, MIS generation and creating efficiencies in operations.

Over the past 3 years, the company has not been able to make adequate investments to upgrade the software or the hardware to keep pace with development and to harness more efficiency in operations. During the next 2 to 3 years, the focus will be on upgrading the IT infrastructure.

Corporate Governance

The senior leadership at CEBICO including its Board of Directors sincerely believe that corporate accountability and corporate governance enable wealth creation. We believe that shareowners' participation adds value and often the power of ideas that investors bring, outweighs the money they have invested in the Company. Best corporate governance

practices, as envisaged by the law of the country and regulators, in letter and spirit are the pillars of the business practices at CEBBCO. We believe a transparent reporting method and accountability of the senior management to the Board of Directors, helps in de-risking the Company against the vagaries of individual adventurism, while encouraging every entrepreneurial idea worth undertaking.

Going ahead, we see continued qualitative participation from the independent directors on the Board to ensure strategic inputs and robust governance practices. The driving forces of corporate governance at CEBBCO are its core values - excellence and customer satisfaction, maximizing long- term value for stakeholders, good corporate conduct and environment-friendly behavior.

Risk Management

The Company has a comprehensive risk management system with efficient and timely internal audits. The management reviews the business periodically to provide as much insulation possible from factors that can affect the business. The management has foreseen certain risks to the business and took effective steps to mitigate the risks. The following are the risks and the mitigation approach: -

1. **Cyclicity of the commercial vehicle industry** - The demand for CEBBCO's products is closely linked to overall industrial growth and is vulnerable to cyclicity in the commercial vehicle industry. The CV industry had been under volume pressure for a prolonged period and is showing definitive signs of growth for past two years. In addition to rationalizing the production capacities (as already mentioned), the company is focusing on increasing sales in heavy fabrication to mitigate the risk.
2. **Availability of working capital**-The Company's ability to fulfill the customer orders has significantly affected due to inadequate working capital for the operations. In order to mitigate this risk, the Company is exploring options for augmentation working capital, pending which the Company has been taking short term support from customers.
3. **Increase in raw material costs** - Steel accounts for approximately 70% of the raw material costs. The Company follows a zero-based costing model with steel being a pass through with a lag of a quarter. The company has centralized the steel procurement function with the objective of leveraging the volumes to get better prices and is focusing on other cost control measures.
4. **Irregular order flows from heavy fabrication business**- The Company will get affected in case there are irregular order flows from capital goods industries requiring heavy fabrication. However, the Company's plant is fungible and can be used for the manufacture of load bodies and tippers.
5. **Debt servicing and financing cost**: As compared to cash generation, the company has significant debt. There are risks in terms of inability of the Company to repay installments on due date and a very high interest burden. Any increase in interest rate will adversely affect the company. The company is exploring ways and means to

strengthen its capital structure and replacing high cost debt with cheaper ones.

6. **Currency fluctuations:** The borrowing in external currency can fluctuate in line with the currency movement of the Indian rupee vis-à-vis the US Dollar and any depreciation in the value of the rupee can adversely affect the company's profitability and cash flow.
7. The Delays in execution of orders (particularly orders obtained through competitive tenders) can have a negative impact on profitability.

Internal Control Systems

The Management is responsible for ensuring that internal financial controls have been laid down in the company and that such controls are adequate and functioning effectively. CEBICO has policies, procedures, control frameworks and management systems in place that map into the definition of Internal Controls as detailed in the Companies Act, 2013. These have been established at the units of the entity and process levels are designed to ensure compliance to internal control requirements, regulatory compliance and appropriate recording of financial and operational information.

The management monitors the efficacy of Internal Financial Controls with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance process.

The Company has an established and comprehensive internal control mechanism and management structure in place across all locations and business functions that ensure the Company's assets are duly recorded at fair value as per standard accounting practices and safeguarded against all and any loss from unauthorized use or disposal.

Internal Control systems are implemented:

1. To safeguard the Company's assets from loss or damage.
2. To keep constant check on cost structure and process loss.
3. To provide adequate financial and accounting controls and comply with accounting standards.
4. To maintain proper accounting record and statutory compliances.
5. For appropriate use of Company funds.

The systematic implementation of Internal Control Systems and policies has resulted in the use of funds in the most efficient and appropriate manner. The top management and Audit Committee of the Board review the findings and the recommendations of the internal audit team as well as outside auditors and are empowered by the Board to take up and investigate any matter flagged by the internal audit team.

Cautionary Statement

Statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be "Forward-looking statements" within the meaning of applicable securities laws and regulations. However, actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand-supply and price conditions in the domestic and overseas markets in which the Company operates, availability of adequate funding, changes in Government regulations, tax laws and other statutes and other incidental factors.

Date: 10th August, 2016

Dear Members/Directors/Auditor,

You are cordially invited to attend the Annual General Meeting (the 'AGM') of the members of Commercial Engineers & Body Builders Co Limited (the 'Company') to be held on Saturday, 24th September, 2016 at 3.00 PM. at Auditorium of U.P. Stock and Capital Limited, Padam Towers, 14/113, Civil Lines, Kanpur - 208 001 (U.P.).

The Notice of the meeting, containing the business to be transacted, is enclosed.

Thanking You,

For and on behalf of the Board

COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED

Anurag Misra

Company Secretary

PAN: ALRPM6381N

FCS No.: F8336

Commercial Engineers & Body Builders Co Limited

Regd. Office: 84/105-A, G T Road, Kanpur- 208003 (U.P.)

CIN: L24231UP1979PLC004837,

Telephone No. 0512-2520291,

Email ID - cs@cebbco.com, Website -www.cebbco.com

NOTICE

Notice is hereby given that the Thirty Sixth Annual General Meeting of the Members of Commercial Engineers & Body Builders Co Limited will be held on Saturday, 24th September, 2016 at 3.00 PM. at Auditorium of U.P. Stock and Capital Limited, Padam Towers, 14/113, Civil Lines, Kanpur - 208 001 (U.P.) to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the audited Financial Statements of the Company for the Financial year ended 31st March, 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kailash Gupta (DIN: 00004951) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W / W - 100018) who were appointed as Auditors of the Company at the 34th Annual General Meeting of the Company held on 29th September 2014 to hold office from the conclusion of that Meeting until the conclusion of the 37th Annual General Meeting of the Company to be held in the year 2017, be and is hereby ratified at such remuneration plus service tax and out of pocket expenses and other terms and conditions as may be mutually agreed between the Board of Directors of the Company and the Auditors."

By Order of the Board

FOR COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED**Registered Office:**84/105A, G T Road,
KANPUR (UP)

Date: 10th August, 2016

(ANURAG MISRA)Company Secretary
Membership No. F8336
PAN: ALRPM6381N

NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the Proxy should, however, be deposited at the Registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A Person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 15 and Annexure-A. The Company will also send communication relating to remote e-voting which inter alia would contain details about e-voting event no., User ID and password along with a copy of this Notice to the Members, separately.
3. The Notice of AGM is being sent to those members/ beneficial owners whose name will appear in the registers of member/list of beneficiaries received from the depositories as on 12th August, 2016.
4. Full version of Annual Reports will also be available under the section 'For Investors' on the website of the company www.cebbco.com.
5. Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. 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.
8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Sundays, during the business hours up to the date of the Meeting.

9. The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, 21st September, 2016 to Saturday, 24th September, 2016 (both days inclusive).
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar and Transfer Agents, Karvy Computershare Private Limited ("Karvy").
11. 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 can submit their PAN to the Company / Karvy.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to Karvy, for consolidation into a single folio.
13. Non-Resident Indian Members are requested to inform Karvy, immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
14. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
15. Information and other instructions relating to e-voting are as under:
 - (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The

Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

- (ii) The poll shall be conducted at the meeting and members attending the Meeting who have not cast their vote by remote e-voting shall be eligible to vote at the Meeting.
 - (iii) The Members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - (iv) The Company has engaged the Services of Karvy Computer share Private Limited ("Karvy") as the Agency to provide e-voting facility.
 - (v) Voting rights shall be reckoned on the Paid-up value of Shares registered in the name of the Member / Beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 17th September, 2016.
 - (vi) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e. 17th September, 2016 only shall be entitled to avail the facility of remote e-voting.
16. Particulars of Directors seeking appointment/re-appointment at the Annual General Meeting are as under:

Name	Kailash Gupta
Directors Identification Number(DIN)	00004951
Age	70 years
Qualification	M. Sc. (Physics) Doctorate Degree for dissertation "A probe into the Environmental Change with the Social Economic Development due to automobiles"
Expertise in Specific Area	Marketing
Date of first Appointment on the Board of the Company	28/09/1979
Shareholding in the Company	23609495 Equity Shares and 2000000 Unlisted Non Convertible Cumulative Redeemable Preference Shares jointly with Mrs. Rekha Gupta(wife of Mr. Kailash Gupta)
List of Directorship held in other Companies	1. Shivam Motors Private Limited 2. Commercial Automobiles Private Limited 3. Kailash Motors Finance Private Limited 4. Kailash Infratech Private Limited 5. Kailash Rolfo India Private Limited 6. Anubha Engineering Limited 7. Commercial Automobiles Jabalpur Private Limited 8. Shubham Multi Services Private Limited 9. Kailash Moser Industries Pvt. Ltd.

ANNEXURE "A" TO THE NOTICE

Instructions for voting

The instructions for e-voting are as under:

- A. In case a Member receiving an email of the AGM Notice from Karvy[for Members whose email IDs are registered with the Company/ Depository Participant(s)]:
- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii) Enter the login credentials (i.e., User ID and password mentioned below). Event No. followed by Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii) After entering these details appropriately, Click on "LOGIN".
 - iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v) You need to login again with new credentials.
 - vi) On successful login, the system will prompt you to select the "EVENT" i.e. Commercial Engineers & Body Builders Co Ltd.
 - vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned therein. You may also choose the option ABSTAIN. If the shareholders does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii) Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
 - ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any special item it will be treated as abstained.
 - x) You may then cast your vote by selecting an appropriate option and click on "Submit".

- xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
 - xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e mail ID: sk_gupta1@rediffmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."
 - xiii) In case a person has become the Member of the Company after dispatch of AGM Notice but on or before the cut-off date i.e. 17th September, 2016, may write to Karvy on the email Id: evoting@karvy.com or to Ms Shobha Anand, Contact No. 040-67162222, at [Unit: Commercial Engineers & Body Builders Co Limited] Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, requesting for the User ID and Password. After receipt of the above credentials, please follow all the steps from Sr. No.(i) to (xii) as mentioned in (A) above, to cast the vote.
- B. In case a member receives physical copy of the Notice by Post[for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:
- i) User ID and initial password - These will be sent separately.
 - ii) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- C. The e-voting period commences on Wednesday, 21st September, 2016 at 10.00 A.M and ends on Friday 23rd September at 05.00 P.M. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Saturday, 17th September, 2016, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Meeting.
- D. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>. (Karvy's Website).
- E. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date being Saturday, 17th September, 2016.
- F. The Company has appointed the Company has appointed Shri S.K. Gupta (FCS-2589) and Ms. Divya Saxena (FCS-5639), Practicing Company Secretaries and Partners,

M/s S.K. Gupta & Co., Kanpur as Scrutinizer and alternate Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- G. The Scrutinizer shall immediately after the conclusion of the voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later 3 days of conclusion of the meeting, a consolidated Scrutinizers Report of the total votes cast in the favour or against, if any, to the Chairman of the Company.
- H. The Results on resolutions shall be declared on or after the Annual General Meeting of the Company and the resolution(s) will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- I. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.cebbco.com) and Service Provider's website (<https://evoting.karvy.com>) and communication of the same to the BSE Limited and the National Stock Exchange of India Limited.

By Order of the Board

FOR COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED

Registered Office:
84/105A, GT Road,
KANPUR (UP)

Date: 10th August 2016

(ANURAG MISRA)
Company Secretary
Membership No. F8336
PAN: ALRPM6381N

Director's Report 2015-16

To the Members of

Commercial Engineers & Body Builders Co Ltd

Your Directors present the 36th Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2016.

Financial Highlights

In ` Lacs

Particulars	2015-16	2014-15
Gross Sales	14887.06	15238.46
Net Sales (Excluding Excise Duty)	10816.00	11844.38
Other Income	112.72	239.98
Total Expenditure	15648.06	18120.44
Profit/(Loss) Before Tax and exceptional items	(4719.34)	(6036.08)
Exceptional Item (impairment of assets)	5367.00	6300.00
Provision/ (Writeback) of Income Tax	389.87	(2081.47)
Profit/(Loss) After Tax	(10476.21)	(10254.47)
Balance (Brought Forward From Previous Year)	(7988.00)	2266.61
Balance (Carried Forward to Balance Sheet)	(18464.21)	(7988.00)

Performance at Glance

The Company has recorded gross sales of Rs. 14887.06 Lakhs in the closed financial year 2015-16, which is 2.31% lower as compared to the previous financial year.

Further, your Company has recorded loss before tax & exceptional item of Rs. 4,719.34 Lakhs (Previous year loss : Rs. 6,036.08 Lakhs).

The loss after tax is at Rs. 10476.21 Lakhs in the current year. (Previous year loss: Rs.10254.61 Lakhs).

Dividend

No dividend is recommended for distribution to the members for the year under review, as the company has incurred losses.

Erosion of Net Worth

In terms of requirements of Section 23(1)(b) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) , a report of the Board of Directors on erosion of more than 50% of

the Company's peak net worth during the immediately preceding four financial years along with its causes is being submitted herewith to the Members of the Company.

The accumulated losses as at the end of financial year ended March 31, 2016, stood at Rs.184.64 Crore which are more than 50% of its peak net worth of Rs. 137.02 Crore during the four financial years preceding the financial year.

Causes of Erosion of the relevant Net Worth:

CEO and Management made a presentation to the Board at the meeting held on 30th May 2016 and explained the causes of above referred erosion of net worth, which were reviewed by the Board.

The following are the major factors which have significant impact on the performance of the Company:

The company entered into a new business segment in the year 2010 related to Railway wagon refurbishment / Manufacturing considering, its Market potential. A substantial amount of investment of Rs 184 Crores was made in Fixed Assets relating to Railway unit besides some investment in Inventory & other working capital requirements. For this purpose, an External Commercial Borrowings of USD 12400000 (equivalent of Rs. 62.00 Crores Approx.) was raised to partly finance the same. Initially, the company did little business mainly for wagon Refurbishment. There has been severe price competition affecting ability of the company to take the orders and subsequently due to market slowdown, the tenders were not released by the Railways Department.

The accumulated losses and erosion of net worth are mainly on account of the following:

- (a) Impairment Loss of Rs 116.67 Crores provided for Railway Assets (Rs 53.67 Crores in FY 15-16 & Rs. 63.00 Crores provided in FY 14-15)
- (b) Loss of Rs. 16.64 Crores (Rs 14.34 Crores in FY 15-16, Rs 0.19 Crores in FY 14-15 & Rs 2.10 Crores) on account of provisioning for doubtful debts and advances.
- (c) Loss of Rs. 7.99 Crores (Rs 3.13 Crores in FY 15-16 & Rs 4.86 Crores in FY 14-15) due to write off / provisioning made for slow & Non Moving Inventory relating to Discontinued Businesses/ Projects.
- (d) The Company's interest cost increased significantly on account of borrowing for the railway project and consequent borrowings, to fund the losses and operational Losses due to underutilization of capacity & working capital constraints.
- (e) Due to funding constraints the volume were adversely affected and also compelled the Company to procure certain raw material by paying higher prices.

The Board in its meeting held on 10th August, 2016 also approved Report of even date to such erosion and causes for such erosion, for consideration of the shareholders in the Extra Ordinary General Meeting to be convened on Saturday, 24th September; 2016. The said Report is enclosed as an Annexure to the Notice of the Extra Ordinary General Meeting. In terms of the requirement of SICA, the Company shall also report to Board for Industrial and Financial Reconstruction (BIFR) the fact of erosion after consideration of the Report by the shareholders in the ensuing Extra-Ordinary General Meeting.

Future Outlook

Due to working capital constraints, the Company is not in position to target higher volumes. It continues to depend on support given by its major customers for production.

The Board, after considering the various steps implemented and/or to be undertaking for improvement of performance of the Company is optimistic that the Company would be able to implement effective measures to revive the operations. Accordingly, the financial statements for the financial year 2015-16 have been prepared on a going concern basis.

Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance Requirements set out by SEBI. Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, a separate Report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance forms part of the Annual Report.

Contracts and Arrangements with Related Parties

All related party transactions that were entered into during the financial year 2015-16 were on an arm's length basis and were in the ordinary course of the business. No materially significant related party transactions were made by the company with Promoters, Key Managerial Personnel or other designated persons, which may have potential conflict with interest of the company at large.

The Policy on Material related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link http://www.cebbsco.com/docs/profile_for_investors.html.

Members attention is drawn to Note 34 of the financial statement which sets out related party disclosures.

Disclosure in Subsidiaries

The Company does not have any subsidiary.

Corporate Social Responsibility (CSR)

A Corporate Social Responsibility Policy (CSR Policy) demonstrating the activities to be undertaken by the Company has been formulated by the Corporate Social Responsibility Committee (CSR Committee) and recommended to the Board, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: http://www.cebbsco.com/docs/profile_for_investors.html.

The Annual Report on CSR activities has been annexed herewith as **ANNEXURE - I**

Internal Financial Controls

Details of internal financial control and its adequacy are included in the management discussion and analysis report, which forms part of this report.

Directors and KMP

The Board of Directors comprises -

Dr. Kailash Gupta	Non Executive Promoter Director
Mr. Prakash Y Gurav	Independent Director
Mr. Prabhakar Dalal	Independent Director
Mr. M Venkat Rajarao	Independent Director

During the year, following changes have occurred in the Board of Directors due to resignation/cessation:

Mr. Anil Gopal Joshi, Independent Director ceased to be member of the Board after his sad demise.

Mrs. Nandini Malpani, Non Executive Promoter Director, ceased to be member of the Board consequent to her resignation dated 19th May, 2016. The Board recognises the contribution made by these directors during their tenure.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Kailash Chand Gupta, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Furthermore, we confirm that the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

On the basis of recommendations of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, an evaluation process was followed by the Board for its own performance and that of its Committees and individual Directors.

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: http://www.cebbco.com/docs/profile_for_investors.html

AUDITORS REPORT

Statutory Auditors

M/s Deloitte Haskins & Sells LLP, (Firm's registration number-117366W/W-100018), Chartered Accountants, 32nd Floor, Tower 3, India Bulls Finance Centre, Senapati Bapat Marg, Elphinstone (west), Mumbai-400 013, Statutory Auditors of the Company would retire at the conclusion of this Annual General Meeting and being eligible offer themselves for re-appointment. In accordance with applicable provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, the Board Recommends their re-appointment as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company.

The Notes on financial statement referred to in the Auditor's Report are self- explanatory and do not require any further comments and explanations. Further, the Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer of opinion.

Secretarial Auditor

The Board has appointed Mr. S.K. Gupta, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016, is annexed herewith marked as **ANNEXURE II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

DISCLOSURES:

CSR Committee

The CSR Committee comprises Mr. Kailash Chand Gupta(Chairman), Mr. Manchi Venkat Rajarao and Mr. Prabhakar Dalal as other members.

Audit Committee

The Audit Committee comprises Mr. Prakash Yashwant Gurav (Chairman), Mr. Manchi Venkat Rajarao and Mr. Prabhakar Dalal as other members. All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the SEBI (LODR) Regulations, 2015, includes an Ethics Officer and other senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Ethics Officer and other Senior Officers or to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link -

http://www.cebbsco.com/docs/profile_for_investors.html.

Meeting of the Board

6(Six) meetings of the Board of Directors were held during the year. For further details, please refer Report on Corporate Governance of this Annual Report.

Particulars of Loans given, Investments made, guarantees given and securities provided

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the audited financial statement.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Out Go in terms of section 134 (3)(m) of the act read with rule 8 of the Companies (Accounts) Rules, 2014 forming part of the Director report for the year ended March 31st, 2016.

Conservation of Energy:

1. Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
2. No specific investment has been made in reduction in energy consumption.
3. As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

The Company does not fall under the list of industries, which should furnish this information in Form A annexed to the aforesaid Rules.

Technology Absorption

Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore, no technology absorption is required. The Company persistently endeavors for maintenance and improvement in quality of its products.

Foreign Outgo & Earning

During the year under the review, the Company had Foreign Exchange Earnings Nil and Foreign

Exchange Outgo of Rs 439.30 Lakhs.

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as **ANNEXURE III** to this Report.

Employee

There is no employee in the company whose particulars are required to be disclosed under the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendment thereto.

GENERAL

- 1) **Public Deposit** - Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.
- 2) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.
- 3) Material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relate and the date of this report - This points needs to be reviewed close to the date of Report
- 4) **Share Capital** - The paid up equity capital as on March 31, 2016 was Rs. 54,94,29,640.00. During the previous year, the Company issued 2,000,000 unlisted non-convertible, cumulative redeemable preference shares of the Company of the face value of ` 100/- each, for an aggregate value of Rs. 20 Crores, at par, on a private placement basis, jointly to the promoters i.e. Mr. Kailash Chand Gupta and Mrs. Rekha Gupta. Up to March 31, 2016, Rs. 13.00 Crores has been paid up. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

Directors Responsibility Statement

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures.;
- b) the Directors have 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 as at March 31, 2016 and of the profit or loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Acknowledgements

Your Directors take this opportunity to express their gratitude to the customers, employees, bankers /financial institutions and vendors for their continued support and guidance.

For on behalf of the Board

COMMERCIAL ENGINEERS & BODY BUILDERS CO LTD.

Place: Mumbai

Date: 10th August, 2016

P.Y. Gurav

DIN:02004317

Prabhakar Dalal

DIN:00544948

ANNEXURE I TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Corporate Social Responsibility (CSR) [Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

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 programs

The Company strives through sustainable measures to actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and thereby create value for the nation. The CSR initiatives focus on universal development of mass communities and create social, environmental and economic value to the society.

To pursue these objectives we will continue to work actively in areas of eradication of hunger and poverty, provide opportunity and financial assistance for the promotion of education, provide medical aid to the destitute and impoverished.

Web Link: http://www.cebbco.com/docs/profile_for_investors.html.

2. Composition of CSR committee

The committee consists of following directors:

- Mr. Kailash Chand Gupta (Chairman)
- Mr. Manchi Venkat Raja Rao
- Mr. Prabhakar Dalal

3. Average net profit of the company for last three financial years: Loss Rs5252.69 Lakhs

4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)- Not applicable in view of the loss.

5. Details of CSR spend for the financial year :

- a) Total amount spent for the financial year: Not applicable
- b) Amount unspent if any: Not applicable
- (c) Manner in which the amount spent during the financial year is detailed below - Not applicable

6. 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 - Not Applicable

ANNEXURE II TO DIRECTORS' REPORT**SECRETARIAL AUDIT REPORT****S. K. Gupta & Co.**

Company Secretaries

9, Roland Complex
Upper Floor, 37/17
Westcott Building,
The Mall,
Kanpur-208001
Telefax :0512- 2315123
Cell - 9415042137
E-mail:sk_gupta1@rediffmail.com

SECRETARIAL AUDIT REPORT**For the Financial Year ended on 31st March, 2016**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Commercial Engineers & Body Builders Co Limited,
84/105-A, G.T. Road,
KANPUR- 208003 (U.P.)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **COMMERCIAL ENGINEERS & BODY BUILDERS CO 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company 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 Financial year ended on 31st March, 2016 ('Audit Period') complied with the statutory

provisions listed hereunder and also that the Company has proper 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 the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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 (Not applicable to the Company as the Company has not entered into any transaction involving Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (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 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014 (Not applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - (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 (Not applicable to the Company during the Audit Period); and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

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

- (i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the period from 1st April, 2015 to 30th November, 2015; and
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 1st December, 2015 to 31st March, 2016.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We have relied upon the representation made by the Company and its Officers for compliances under the laws and regulations as applicable to the Company and are of the opinion that there are no sectoral laws applicable specifically to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and 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 is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance 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. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of Audit and review of Internal Auditor's Report and the periodical compliance reports submitted by respective Departmental Heads and taken on record by the Audit Committee / Board of Directors of the Company; in our opinion there are 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. However, there have been delays in depositing statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales- Tax, VAT, Service Tax, Customs Duty, Excise Duty, Cess etc. with the appropriate Authorities.

We further report that during the Audit Period:

- (a) The Members at the 35th Annual General Meeting of the Company held on 11th September, 2015 by a Special Resolution passed under Section 180 (1) (c) of the Companies Act, 2013, authorized the Board of Directors of the Company to exercise borrowings in excess of the aggregate of the Paid-up Share Capital and free reserves of the Company up to an amount not exceeding Rs. 350.00 Crores at any point of time.

- (b) The Members at the 35th Annual General Meeting of the Company held on 11th September, 2015 by a Special Resolution passed under Section 180 (1) (a) of the Companies Act, 2013 authorized the Board of Directors of the Company to create charge by way of mortgage, hypothecation or in any other manner on the assets of the Company to secure the borrowings made by the Company up to an amount not exceeding Rs. 350.00 Crores.
- (c) The Members at the 35th Annual General Meeting of the Company held on 11th September, 2015 by a Special Resolution passed under Section 62 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and the SEBI (Share Based Employee Benefit) Regulations, 2014 authorized the Board of Directors of the Company to issue, offer and allot 20,00,000 Equity Shares to its eligible employees under the 'Employee Stock Option Scheme, 2015'.
- (d) The Members at the 35th Annual General Meeting of the Company held on 11th September, 2015 by an Ordinary Resolution passed under Section 61 of the Companies Act, 2013 increased the Authorised Share Capital of the Company from Rs. 75,05,00,000/- to Rs. 77,05,00,000/-.
- (e) The Members at the 35th Annual General Meeting of the Company held on 11th September, 2015 by a Special Resolution passed under Section 14 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, adopted new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.
- (f) Considering significant reduction in volumes and future business scenario, the Company has provided for further impairment of Rs. 5367 Lakhs (Rs. 6300 Lakhs in the previous year) in the value of its fixed assets to comply with the requirements of Accounting Standard (AS) - 28 'Impairment of Assets'.
- (g) In view of the accumulated losses there has been erosion of more than 50% of Company's peak net-worth as at 31st March, 2016, as such, the Company became a potentially Sick Company in accordance with Section 23 of the Sick Industrial Companies (Special provisions) Act, 1985.
- (h) The Company has made defaults in payment of principle and interest on Working Capital Facility and Long-term Loan from Bank and Financial Institution as on 31st March, 2016.
- (i) 3,02,62,528 Equity Shares constituting 99.72% of the Promoter's Shareholding were encumbered / pledged against various facilities availed by the Company at the close of the financial year i.e. 31st March, 2016.

For S.K. Gupta & Co.
Company Secretaries

(S.K. GUPTA)
Managing Partner

Place: Kanpur
Date: 6th August, 2016

F.C.S -2589
C P-1920

ANNEXURE III TO DIRECTORS' REPORT

FORM NO. MGT 9

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

EXTRACT OF ANNUAL RETURN

I REGISTRATION & OTHER DETAILS:

i	CIN	L24231UP1979PLC004837
ii	Registration Date	28-Sep-79
iii	Name of the Company	Commercial Engineers & Body Builders Co Ltd
iv	Category of the Company	Public Limited
v	Address of the Registered office & contact details	
	Address :	84/105-A, G T Road, Kanpur Mahanagar
	Town / City :	Kanpur
	State :	Uttar Pradesh
	Country Name :	India
	Telephone (with STD Code) :	0512-2520291
	Fax Number :	-
	Email Address :	cs@cebbco.com
	Website, if any:	www.cebbco.com
vi	Whether listed company	Yes
vii	Name and Address of Registrar & Transfer Agents (RTA):-	
	Name of RTA:	Karvy Computershare Pvt. Ltd
	Address :	Karvy Selenium Tower B, Plot number 31 & 32, Nanakramguda, Serilingampally Mandal
	Town / City :	Hyderabad
	State :	Andhra Pradesh
	Pin Code:	500032
	Telephone :	040-67161564
	Fax Number :	040-67161564
	Email Address :	shobha.anand@karvy.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Commercial Vehicle Load Body For Tata Motors Ltd. Eicher, MAN FORCE ,Defence and non OEM customer		86%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No. of Companies for which information is being filled	0
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S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	N A	N A		N A	

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

i. Category-wise Share Holding

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
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	27424670	0	27424670	49.91%	27107115	0	27107115	49.34%	1%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0%
c) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0%
d) Bodies Corp.	27054	0	27054	0.05%	27054	0	27054	0.05%	0%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0%
f) Any other (Promoter Trust)	3213443	0	3213443	5.85%	3213443	0	3213443	5.85%	0%
(2) Foreign									
a) NRI - Individual/	0	0	0	0.00%	0	0	0	0.00%	0%
b) Other - Individual/	0	0	0	0.00%	0	0	0	0.00%	0%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0%
d) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0%
e) Any Others	0	0	0	0.00%	0	0	0	0.00%	0%
Total shareholding of Promoter (A)	30665167	0	30665167	55.81%	30347612	0	30347612	55.23%	0%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1111592	0	1111592	2.02%	1111592	0	1111592	2.02%	0.00%
b) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	6005401	0	6005401	10.93%	6005401	0	6005401	10.93%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIs	191753	0	191753	0.35%	7449	0	7449	0.01%	0.34%

h) Foreign Venture Capital	0	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (NBFC)	0	0	0	0	0.00%	23070	0	23070	0.04%	-0.04%
Sub-total (B)(1):-	7308746	0	0	7308746	13.30%	7147512	0	7147512	13.01%	0.29%
2. Non-Institutions										
a) Bodies Corp.										
i) Indian	4145692	0	0	4145692	7.55%	4145692	0	3238114	5.89%	1.65%
ii) Overseas	0	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	6892339	103	0	6892442	12.54%	7594221	103	7594324	13.82%	-1.28%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	5293175	0	0	5293175	9.63%	6132121	0	6132121	11.16%	-1.53%
c) Others (specify)										
Clearing Members	362861			362861	0.66%	240862	0	240862	0.44%	0.22%
Non Resident Indians	274881			274881	0.50%	242419	0	242419	0.44%	0.06%
Trust	0			0	0.00%					
Sub-total (B)(2):-	16968948	103	0	16969051	30.88%	17447737	103	17447840	31.76%	-0.87%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	24277694	103	0	24277797	44.19%	24595249	103	24595352	44.77%	-0.58%
C. Shares held by Custodian for GDRs & ADRs										
Total (C)	0	0	0	0	0.00%	0	0	0	0%	0.00%
Grand Total (A+B+C)	54942861	103	0	54942964	100.00%	54942861	103	54942964	100%	0.00%

ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	Kailash Gupta	23927050	43.55%	43.55%	23609495	42.97%	42.97%	0.58%
2	Rekha Gupta	3439590	6.26%	6.26%	3439590	6.26%	6.26%	0.00%
3	Nandini Malpani	3213443	5.85%	5.85%	3213443	5.85%	5.85%	0.00%
4	Shalini Gupta	58030	0.11%	0.00%	58030	0.11%	0.00%	0.00%
5	Commercial Automobiles Pvt Ltd.	27054	0.05%	0.00%	27054	0.05%	0.00%	0.00%
	TOTAL	30665167	55.81%	55.66%	30347612	55.23%	55.08%	0.58%

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

Sl. No. I - Mr. Kailash Gupta		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		23927050	43.55%	23927050	43.55%
Changes During the Year		-317555	-0.58%	23609495	42.97%
Increase					
Date	Reason for Increase		0	0	0
27-06-2015	Acquisition of shares from HSBC	858916	1.56%	858916	1.56%
Decrease					
Date	Reason for Decrease				
20-04-2015	Invocation of pledged shares by HSBC	1176471	2.14%	1176471	2.14%
At the End of the year		23609495	42.97%	23609495	42.97%

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.: 1 - TATA CAPITAL GROWTH FUND I		Shareholding at the beginning of		Cumulative Shareholding during	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year		6005401	10.93%	6005401	10.93%
Changes During the Year		NIL	NIL	NIL	NIL
Increase					
Date	Reason for Increase				
NIL	NIL				
Decrease					
Date	Reason for Decrease				
NIL	NIL				
At the End of the year (or on the date of separation, if separated during the year)		6005401	10.93%	6005401	10.93%

Sl. No.: 2 - HSBC MIDCAPEQUITY FUND	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	655000	1.19%	655000	1.19%
Changes During the Year				
Increase				
Date				
Reason for Increase				
NIL				
Decrease				
Date				
Reason for Decrease				
At the End of the year (or on the date of separation, if separated during the year)	655000	1.19%	655000	1.19%
NIL				
Sl. No.: 3 - HSBC PROGRESSIVE THEMES FUND				
	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	456592	0.83%	456592	0.83%
Changes During the Year	-456592	-0.83%	0	0.00%
Increase				
Date				
Reason for Increase				
NIL				
Decrease				
Date				
Reason for Decrease				
Sale				
At the End of the year (or on the date of separation, if separated during the year)	0	0.00%	0	0.00%

Sl. No.: 4 - PASHA FINANCE PVT. LTD.	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	433565	0.79%	433565	0.79%
Changes During the Year	-433565	-0.79%	0	0.00%
Increase				
Date				
Reason for Increase				
	NIL			
Decrease				
Date				
Reason for Decrease				
	Sale			
At the End of the year (or on the date of separation, if separated during the year)	433565	0.79%	433565	0.79%
	0	0.00%	0	0.00%

Sl. No.: 5 - ZEALOUS FINANCIAL SERVICES PVT LTD	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	361917	0.66%	361917	0.66%
Changes During the Year	-361917	-0.66%	0	0.00%
Increase				
Date				
Reason for Increase				
	NIL			
Decrease				
Date				
Reason for Decrease				
	NIL			
At the End of the year (or on the date of separation, if separated during the year)	361917	0.66%	361917	0.66%
	0	0.00%	0	0.00%

SI. No.: 6 -C RAGUPATI				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				315568	0.57%	315568	
Changes During the Year				-15568	-0.03%	300000	0.55%
Increase							
Date	Reason for Increase						
	NIL	NIL	NIL				
Decrease							
Date	Reason for Decrease						
			Sale	15568	0.03%	15568	0.03%
At the End of the year (or on the date of separation, if separated during the year)				300000	0.55%	300000	-0.03%

SI. No.: 7 - AMBIT CAPITAL PRIVATE LIMITED				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				291914	0.53%	291914	0.53%
Changes During the Year				-291914	-0.53%	0	0.00%
Increase							
Date	Reason for Increase						
	NA						
Decrease							
Date	Reason for Decrease						
			Sale	291914	0.53%	291914	0.53%
At the End of the year (or on the date of separation, if separated during the year)				0	0.00%	0	0.00%

Sl. No.: 8 - TL CAPITAL HOLDINGS (P) LTD		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		249855	0.45%	249855	0.45%
Changes During the Year		-249855	-0.45%	0	0.00%
Increase					
Date	Reason for Increase				
Decrease					
Date	Reason for Decrease				
	Sale	249855	0.45%	249855	0.45%
At the End of the year (or on the date of separation, if separated during the year)		0	0.00%	0	0.00%

Sl. No.: 9 - SUPERIOR FINANCIAL CONSULTANCY SERVICES PVT.LTD.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Co.	No. of shares	% of total shares of the Co.
At the beginning of the year		210000	0.38%	210000	0.38%
Changes During the Year		-210000	-0.38%	0	0.00%
Increase					
Date	Reason for Increase				
NA	NA				
Decrease					
Date	Reason for Decrease				
	Sale	210000	0.38%	210000	0.38%
At the End of the year (or on the date of separation, if separated during the year)		0	0.00%	0	0.00%

Sl. No.: 10 - ASISH FINANCE PRIVATE LIMITED		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		200000	0.36%	200000	0.36%
Changes During the Year		-200000	-0.36%	0	0.00%
Increase					
Date	Reason for Increase				
Decrease					
Date	Reason for Decrease				
	Sale	200000	0.36%	200000	0.36%
At the End of the year (or on the date of separation, if separated during the year)		0	0.00%	0	0.00%

v *Shareholding of Directors and Key Managerial Personnel:*

S. No.: 1 Mr. Kailash Gupta	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	23927050	43.55%	23927050	43.55%
Changes During the Year	-317555	-0.58%	23609495	42.97%
Increase				
Date			0	0
Reason for Increase				
27-06-2015	858916	1.56%	858916	1.56%
Decrease				
Date				
Reason for Decrease				
20-04-2015	1176471	2.14%	1176471	2.14%
At the End of the year	23609495	42.97%	23609495	42.97%

S. No.: 2 Mrs. Nandini Malpani as Trustee of Jashn Beneficiary Trust(Promoter Trust)	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	3213443	5.85%	3213443	5.85%
Changes During the Year	NIL	NIL	NIL	NIL
Increase				
Date				
Reason for Increase				
	NIL			
Decrease				
Date				
Reason for Decrease				
	NIL			
At the End of the year	3213443	5.85%	3213443	5.85%

V INDEBTEDNESS

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

(Rs.in Lakhs)				
Indebtedness at the beginning of the financial year	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	12385.84	1589.13	0.00	13974.97
ii) Interest due but not paid	257.79	0.00	0.00	257.79
iii) Interest accrued but not due	74.46	0.00	0.00	74.46
Total (i+ii+iii)	12718.09	0.00	0.00	14307.22
Change in Indebtedness during the financial year	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
* Addition	3106.67	61.15	0.00	3167.82
* Reduction	2154.91	236.28	0.00	2391.19
Net Change	951.76	-175.13	0.00	776.63
Indebtedness at the end of the financial year	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	13337.60	1414.00	0.00	14751.60
ii) Interest due but not paid	259.40	0.00	0.00	259.40
iii) Interest accrued but not due	80.62	0.00	0.00	80.62
Total (i+ii+iii)	13677.62	1414.00	0.00	15091.62

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL
2	Stock Option	
3	Sweat Equity	
4	Commission	
	- as % of profit	
	- others, specify	
5	Others, please specify	
	Total (A)	
	Ceiling as per the Act	

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Anil Gopal Joshi	Kailash Chand Gupta	Prabhakar Dalal	Venkat Manchir R Rao	P Y Gurav	Nandini Malpani
1	Independent Directors						
	Fee for attending board committee meetings	2,25,000.00	1,00,000.00	3,25,000.00	2,75,000.00	1,95,000.00	20,000.00
	Commission						
	Others, please specify		1,07,020.00	3,600.00	75,102.00		
	Total (1)						
2	Other Non-Executive Directors						
	Fee for attending board committee meetings						
	Commission						
	Others, please specify						
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act						-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,999,800.00	1,450,800.00	2,458,337.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(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	4,999,800.00	1,450,800.00	2,458,337.00
				8,908,937.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

REPORT ON CORPORATE GOVERNANCE

1. A brief statement on Company's philosophy on code of Corporate Governance

The Company's policy on Corporate Governance is based on the principles of full disclosure, fairness, equity, transparency and accountability in the various aspects of its functioning, leading to the protection of the stakeholders' interest and an enduring relationship with stakeholders. The management's commitment to these principles is reinforced through the adherence of all Corporate Governance practices embodied in the regulations of SEBI(Listing Obligation & Disclosure Requirements) Regulations, 2015. The Company has also adopted the Code of Conduct for the Directors and senior management personnel. The Company also has a Code for Prevention of Insider Trading for the Directors and the designated employees of the Company.

2. Board of Directors

a.) The composition of the Board of Directors is as follows:

In line with the Regulation 17(1) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 on Composition of Board of Directors, the Board has an optimum mix of Executive, Non-Executive and Independent Directors. The Chief Executive officer manages the day to day affairs of the Company under the guidance of Board.

The Board met six times during the year 2015-16. i.e. on 06th May 2015, 21st May 2015, 06th August 2015, 04th November 2015, 02nd February 2016 and 12th March 2016

Details of attendance of each Director at the Board Meetings held during the year are as follows:

Sr. No.	Designation	Name of Director	Position	No of Board Meetings (Attendance)	Last AGM Attendance
1.	Director/ Chairperson	Mr. Anil Gopal Joshi (Ceased w.e.f 16 th November 2015 due to death)	Independent Non executive	4	Present
2.	Director	Dr. Kailash Chand Gupta	Promoter Non executive	5	Present
3.	Director	Mr. Prabhakar Dalal	Independent Non executive	6	Absent
4.	Director	Mr. Prakash Yashwant Gurav	Independent Non executive	4	Present
5.	Director	Mr. Manchi Venkat Rajarao	Independent Non executive	5	Absent
6.	Director	Mrs. Nandini Malpani	Promoter Non executive	2	Absent

b.) Details of Directorships/ Board Committee memberships held by the Directors of the Company in other companies as on 31st March, 2016:

Sr. No.	Name of Director	Directorship held in other companies (including Private Companies)	Position held as Chairperson of Board Committee	Position held as Board Committee member
1.	Dr. Kailash Gupta	9	-	-
2.	Mr. Prabhakar Dalal	6	3	11
3.	Mr. Prakash Yashwant Gurav	6	5	9
4.	Mr. Manchi Venkat Rajarao	-	-	-
5.	Mrs. Nandini Malpani	6	-	-

c.) No. of Shares held by the Directors: (position as on 31.03.2016)

Sr. No.	Designation	Name of Director	Position	No. of Shares held	%
1.	Director	Dr. Kailash Gupta	Promoter Non Executive	23609495 Equity Shares	42.97
2.	Director	Dr. Kailash Gupta	Promoter Non Executive	2000000 Non-Convertible Cumulative Redeemable Preference Shares (partly paid)	100
3.	Director	Mr. Prabhakar Dalal	Non-Executive Independent	NIL	-
4.	Director	Mr. Prakash Yashwant Gurav	Non-Executive Independent	NIL	-
5.	Director	Mr. Manchi Venkat Rajarao	Non-Executive Independent	NIL	-
6.	Director	Mrs. Nandini Malpani	Promoter Non Executive	NIL	-

d) Disclosure of Directors Relationship Inter-se

Dr. Kailash Gupta is father of Mrs. Nandini Malpani. None of the other directors have any relationship inter se.

e) Web Link of Familiarization Programmes imparted to Independent Directors is disclosed:

Following is the desired link: http://www.cebbsco.com/docs/profile_for_investors.html

3. Audit Committee

The scope of the activities of the Audit Committee is as set out in Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 read with Section 177 of the Companies Act, 2013. Brief description of terms of reference of the Audit Committee include

- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Examination of the financial statements and the auditors' report thereon;
- 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 necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- 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, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - i. 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

- ii. Changes, if any, in accounting policies and practices and reasons for the same
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management
 - iv. Significant adjustments made in the financial statements arising out of audit findings
 - v. Compliance with listing and other legal requirements relating to financial statements
 - vi. Disclosure of any related party transactions
 - vii. Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - 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 look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - To review the functioning of the Whistle Blower mechanism;

- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee, and
 - The Audit Committee shall mandatorily review the following information:
 - i. Management discussion and analysis of financial condition and results of operations;
 - ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - iv. Internal audit reports relating to internal control weaknesses; and
 - v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- a.) Composition, name of members and chairperson.
- The composition of the Audit Committee is as under
- i. Mr. Prakash Yashwant Gurav-Chairperson
 - ii. Mr. Manchi Venkat Rajarao- Member (Inducted as member w.e.f. 30th December 2015)
 - iii. Mr. Prabhakar Ramchandra Dalal- Member
 - iv. Mr. Anil Gopal Joshi- Member (Ceased as member of Board & Committee w.e.f. 16th November, 2015, due to death)
- The Company Secretary of the Company acts as the Secretary to the Audit Committee
- b.) Audit Committee Meetings were held on 21st May 2015, 06th August 2015, 04th November 2015, 02nd February 2016 and 12th March 2016. The attendances of the members are as follows: -

Sr. No	Date of Audit Committee Meeting	Attendance of Directors			
		Mr. Prakash Yashwant Gurav	Mr. Prabhakar Ramchandra Dalal	Mr. Manchi Venkat Rajarao	Mr. Anil Gopal Joshi
1	21 st May 2015	Y	Y	NA	Y
2	06 th August 2015	Y	Y	NA	Y
3	04 th November 2015	Y	Y	NA	Y
4	02 nd February 2016	N	Y	Y	Ceased
5	12 th March 2016	N	Y	Y	Ceased

Y-Attended N-Not Attended

The requisite quorum was present at the meetings.

Audit Committee Meetings are also attended by the Chief Executive Officer, Chief Financial Officer and Company Secretary. The Company Secretary acts as the Secretary of the Audit Committee.

The Board of Directors has appointed M/s. Mukund M Chitale & Co., Chartered Accountants, as Internal Auditors to conduct the internal audit of the various areas of operations and records of the Company. The periodical reports of the said internal auditors were regularly placed before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

The Audit Committee also assures the Board about the adequate internal control procedures and financial disclosures commensurate with the size of the Company and in conformity with the requirements of Listing Agreement of the stock exchanges.

4. Nomination & Remuneration Committee

- a) The Nomination & Remuneration Committee is constituted on the following terms of reference:
 - The Nomination and Remuneration Committee shall ensure that-
 - 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, KMPs 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.
 - 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,
 - Carry out evaluation of every director's performance.
 - Formulate the criteria for determining qualifications, positive attributes and independence of a director and
 - Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

b) **Nomination & Remuneration Policy:**

The Nomination & Remuneration policy of the Company is directed towards rewarding performance based on review of achievements on a periodic basis and is in consonance with the existing industry practice.

c) **The committee consists of the following directors:**

- i) Mr. Manchi Venkat Raja Rao, (Chairperson)
- ii) Mr. Prakash Yashwant Gurav
- iii) Mr. Prabhakar Ramchandra Dalal (Inducted as member w.e.f. 30th December, 2015)
- iv) Mr. Anil Gopal Joshi (Ceased as member of Board & Committee w.e.f. 16th November, 2015, due to death)

d) **Nomination & Remuneration Committee Meetings were held on 02nd February, 2016 & 12th March, 2016. The attendances of the members are as follows: -**

Sr. No	Date of Nomination & Remuneration Committee Meeting	Attendance of Directors		
		Mr. M.V. Rajarao	Mr. P.Y. Gurav	Mr. Prabhakar Ramchandra Dalal
1	02 nd February 2016	Y	N	Y
2	12 th March 2016	Y	N	Y

Y-Attended N-Not Attended

e) **Sitting fees of Rs. 20000/- per meeting was paid to the directors for attending Board Meetings and Rs. 15000/- per meeting for attending Committee Meetings for the financial year 2015-16.**

5. Remuneration of Directors:

- (a) all pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity has been covered in Form MGT-9 which is an Annexure III to the Directors Report.
- (b) criteria of making payments to non-executive directors is disseminated on the listed entity's website at the given link
http://cebbco.com/docs/profile_for_investors.html

6. Stakeholder Relationship and Investors' Grievance Committee

Stakeholder Relationship Committee of the Board is responsible for addressing investors' or shareholders' or debenture holders' or other security holders' grievances

including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends. The Stakeholder Relationship Committee is constituted on the following terms of reference:

- Supervise investor relations and Redressal of investor grievance in general and relating to non-receipt of dividends, interest, and non-receipt of balance sheet in particular.
- Such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.

a.) Composition:

- i) Mr. Manchi Venkat Rajarao- Chairman (Inducted as member & chairman w.e.f. 30th December, 2015)
- ii) Mrs. Nandini Malpani
- iii) Mr. Prabhakar Dalal
- iv) Mr. Anil Gopal Joshi (Ceased as member of Board & Committee w.e.f. 16th November, 2015, due to death)

b.) Name and designation of Compliance Officer:

Mr. Anurag Misra designated as a Compliance Officer as per Regulation 6 of the SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015.

Stakeholder Relationship Committee Meeting was held on 12th March, 2016. The attendances of the members are as follows: -

Sr. No	Date of Stakeholder Relationship and Investors' Grievance Committee Meeting	Attendance of Directors		
		Mr. M.V. Rajarao	Mrs. Nandini Malpani	Mr. Prabhakar Ramchandra Dalal
1	12 th March, 2016	Y	N	Y

c) Details of requests received and redressed during the year 2015-16:

S. No.	Particulars	Received	Attended	Pending
1	Postal return documents	-	-	-
2	Receipt of DD against refund order from company/Bank	-	-	-
3	Issue of duplicate R/O	-	-	-
4	Non receipt of refund order	-	-	-
5	Clarification regarding shares	-	-	-
6	Non Receipt of Annual report	12	12	-
7	Non Receipt of Dividend Warrants	-	-	-
	Total	12	12	-

7. Corporate Social Responsibility (CSR) Committee

- a. The Corporate Social Responsibility Committee is constituted on the following terms of reference:

The Corporate Social Responsibility Committee shall-

- Formulate and recommend to the board, a CSR POLICY
- Recommend the amount to be spent on these activities
- Monitor the company's CSR policy regularly
- Institution of transparent monitoring mechanism for the implementation of CSR projects

- b. The committee consists of following directors:

- i) Mrs. Nandini Malpani (Chairman) (Inducted as member and Chairman w.e.f. 02nd February, 2016)
- ii) Mr. Manchi Venkat Rajarao
- iii) Mr. Prabhakar Dalal
- iv) Mr. Anil Gopal Joshi (Ceased as member of Board & Committee w.e.f. 16th November, 2015, due to death)

8. Independent Directors Meeting:

During the year under review, the Independent Directors met on 12th March, 2016, inter alia, to discuss:

- i) Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
- ii) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors, and
- iii) Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors except Mr. Prakash Yashwant Gurav were present at the meeting.

9. General Body Meetings

a. Details of date, location and time of the last three Annual General Meetings:

Date	Location	Time	Details of any Special Resolution
28 th September, 2013	Stock Exchange Auditorium, U P Stock Exchange Building, Padam Towers, Civil Lines, Kanpur - 208 003. (U.P.)	03.00 P.M.	To obtain the approval of shareholders for the transaction with Commercial Automobiles Private Limited and Shivam Motors Private Limited in compliance of the order received from Central Government
29 th September, 2014	Stock Exchange Auditorium, U P Stock Exchange Building, Padam Towers, Civil Lines, Kanpur - 208 003. (U.P.)	03.00 P.M.	Resolution under Section 14 of the Companies Act 2013 and the Rules made thereunder to amend Articles of Association.
11 th September, 2015	Stock Exchange Auditorium, U P Stock Exchange Building, Padam Towers, Civil Lines, Kanpur - 208 003. (U.P.)	03.00 P.M.	To consider raising borrowing limits of the Company, to consider issue, offer and allotment of Equity shares under Employee Stock Option Scheme, To alter capital clause of the Memorandum of Association and To adopt new Articles of Association of the Company in conformity with Companies Act, 2013

b. No Extra-Ordinary General Meeting was held in Financial Year 2015-16.

c. Postal Ballots:

No resolution was passed by postal ballot in the year 2015-16.

10. Means of Communication

Financial results of the Company are promptly forwarded to the stock exchanges where the Company's shares are listed. The same are published within 48 hours in the newspapers namely Financial Express and Rashtriya Sahara (English & Hindi). The results are also posted on the Company's website www.cebbco.com

Managements' discussion and analysis forms part of the Annual Report

11. General Shareholder Information

- | | | | |
|----|----------------------------------|---|--|
| a) | Number of Annual General Meeting | : | 36th Annual General Meeting |
| b) | Date | : | 24th September, 2016 |
| c) | Day | : | Saturday |
| d) | Time | : | 03.00 P.M. |
| e) | Venue | : | Auditorium of UP. Stock Exchange & Capital Ltd., Padam Towers, 14/113, Civil Lines, Kanpur - 208 001. (U.P.) |

f) Financial Year 2016-17

Particulars	Date
First Quarter Results	On or before August 14, 2016
Second Quarter Results	On or before November 14, 2016
Third Quarter Results	On or before February 14, 2017
Audited Annual Results	On or before May 30, 2017

g) Book Closure Date : From 21st September, 2016 to 24th September, 2016
(Both dates included)

h) The shares of the Company have been listed on the Bombay Stock Exchange Limited, Mumbai and the National Stock Exchange of India Limited, Delhi w.e.f. October 18, 2010. The listing fees for FY 2016-17 to both the stock exchanges have been paid.

i) Stock Code of the Company on both the above mentioned Stock Exchanges:

Name of Stock Exchange	Stock Code
BSE	533272
NSE	CEBBCO

j) Details of share price movements on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) in Rs.

Sr. No.	Month	BSE				NSE			
		High Price Rs.	Low Price Rs.	SENSEX Highest	SENSEX Lowest	High Price Rs.	Low Price Rs.	Nifty 50 Highest	Nifty 50 Lowest
1	April, 2015	30.40	18.65	29,094.61	26,897.54	30.35	18.10	8844.80	8144.75
2	May, 2015	25.00	20.10	28,071.16	26,423.99	25.10	20.40	8489.55	7997.15
3	June, 2015	21.75	17.10	27,968.75	26,307.07	22.00	16.85	8467.15	7940.30
4	July, 2015	22.80	17.15	28,578.33	27,416.39	22.85	17.25	8654.75	8315.40
5	August, 2015	24.40	15.55	28,417.59	25,298.42	24.40	15.20	8621.55	7667.25
6	September, 2015	18.00	15.50	26,471.82	24,833.54	18.30	15.50	8055.00	7539.50
7	October, 2015	21.35	16.10	27,618.14	26,168.71	21.45	16.00	8336.30	7930.65
8	November, 2015	24.85	17.35	26,824.30	25,451.42	24.80	17.50	8116.10	7714.15
9	December, 2015	27.90	21.10	26,256.42	24,867.73	28.00	21.00	7979.30	7551.05
10	January, 2016	30.30	20.15	26,197.27	23,839.76	30.40	20.05	7972.55	7241.50
11	February, 2016	24.00	17.05	25,002.32	22,494.61	24.10	17.00	7600.45	6825.80
12	March, 2016	19.45	16.25	25,479.62	23,133.18	19.60	16.20	7777.60	7035.10

k) Registrar and Share Transfer Agents

The share transfer work of the Company is being handled by Karvy Computershare Private Limited, Plot nos.17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081.

l) Share Transfer System

The entire share transfer system is handled by the Registrar and Transfer Agent (RTA) of the Company at the address given above. The RTA is equipped with all required infrastructure required for share transfer - physical and demat

m) Shareholding Pattern as on 31.03.2016

S. No.	Description	Cases	Shares	% Equity
1	CLEARING MEMBERS	29	240862	0.44
2	FOREIGN INSTITUTIONAL INVESTOR	1	7449	0.01
3	H U F	376	631062	1.15
4	BODIES CORPORATES	308	3238114	5.89
5	MUTUAL FUNDS	2	1111592	2.02
6	NBFC	4	23070	0.04
7	NON RESIDENT INDIANS	131	242419	0.44
8	PROMOTERS BODIES CORPORATE	1	27054	0.05
9	PROMOTER TRUST	1	3213443	5.85
10	PROMOTER INDIVIDUALS	3	27107115	49.34
11	RESIDENT INDIVIDUALS	10902	13095383	23.83
12	VENTURE CAPITAL FUND	1	6005401	10.93
	Total:	11759	54942964	100.00

n) Distribution of Shareholding as of 31.03.2016:

COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED					
DISTRIBUTION SCHEDULE AS ON 31/03/2016					
S. No	Category	Cases	% of Cases	Amount Rupees	% of Total Amount
1	up to 1 - 5000	8268	70.30	14765780	2.69
2	5001 - 10000	1550	13.18	13377480	2.43
3	10001 - 20000	749	6.37	12023830	2.19
4	20001 - 30000	304	2.58	7969040	1.45
5	30001 - 40000	152	1.29	5530680	1.01
6	40001 - 50000	208	1.77	9858960	1.79
7	50001 - 100000	270	2.30	19805630	3.60
8	100001 & ABOVE	258	2.21	466098240	84.83
	Total:	11759	100	549429640	100.

o) Dematerialization of Shares and Liquidity

54,942,861 equity shares of the Company have been dematerialized as on 31st March, 2016.

Outstanding GDRs / ADRs/ Warrants or Convertible Instruments, conversion date And likely impact on Equity	The Company has not issued such instruments.
Address for Correspondence for Investor Redressal, Physical transfer and dematerialization:	Karvy Computershare Private Limited, Plot nos.17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081.
Person to be contacted for Shareholder queries	Mr. Anurag Misra, Company Secretary and Compliance Officer; 124, Napier Town, Jabalpur 482 001, Madhya Pradesh, India; Tel.: +91 761 4085 924 E-mail: cs@cebbco.com; Website: www.cebbco.com
Factory / Plant location	Industrial Area, Richhai, Jabalpur (MP)
	Udaipur, Tehsil Niwas, Distt- Mandla (MP)
	Plot No 690-696,751-756, Sector -3, Pithampur, Distt - Dhar (MP)
	Plot No. 742, Phase VI, Adityapur Industrial Area, Jamshedpur - 832109
	Gram Imlai, Panagar, Jabalpur (MP)
Corporate Head Office	124, Napier Town, Jabalpur 482 001, Madhya Pradesh, India; Tel.: +91 761 4085 924 E-mail: cs@cebbco.com; Website: www.cebbco.com

12. Other Disclosures

- a. There are no transactions with related parties i.e. with the Promoters, Directors, Management, Subsidiaries or relatives etc. that may have potential conflict of interest of the Company at large. Transactions with related parties are disclosed in note 34 to the Accounts of the Company in the Annual Report.
 - b. The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or other statutory authorities relating to the above.
 - c. The Company has formulated & adopted formal Whistle Blower Policy, and all the possible measures are taken to abide by the policy. In addition to this Company takes cognizance of complaints made and suggestions given by the employees and others.
13. The Company has complied with all the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015 and Erstwhile clause 49 of the listing agreement.

14. Secretarial Audit

A qualified practicing Company Secretary carried out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audits confirm that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Place: Mumbai

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Date: 10th August 2016

P.Y. Gurav
Director
DIN: 02004317

Prabhakar Dalal
Director
DIN: 00544948

DECLARATION REGARDING COMPLIANCE BY BOARD, EXECUTIVE VICE PRESIDENTS AND SENIOR OFFICERS WITH THE COMPANY'S CODE OF CONDUCT

This is to affirm that the Company has adopted a Code of Conduct for its Board of Directors, President, Senior Officers and Company Secretary.

I Confirm that Company has in respect of the financial year ended March 31, 2016 received from the Board of Directors, Executive Vice presidents, Senior Officers and Company Secretary a declaration of compliance with the Code of Conduct as applicable to them.

The said Code is also placed on the website of the Company viz. www.cebbco.com

Place: Jabalpur

Date: March 31st, 2016

Mr. Deepak Tiwary

Chief Executive Officer

CEO & CFO CERTIFICATE

Dated: 30th May, 2016

Board of Directors,
Commercial Engineers & Body Builders Co Limited,
84/105-A, G T Road,
Kanpur

Dear Sirs,

- a. This is to confirm that We have reviewed financial statements and the cash flow statement for the year 2015-16 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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.
- b. 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 which violates the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee the deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have been taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
 - i. That there are no significant changes in internal control over financial reporting during the year;
 - ii. That there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. That there are no instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **Commercial Engineers & Body Builders Co Limited**

Deepak Tiwary
Chief Executive Officer

P S Sastry
Chief Financial Officer

INDEPENDENT AUDITOR'S COMPLIANCE CERTIFICATE

To The Members of

Commercial Engineers & Body Builders Co Limited

1. We have examined the compliance of conditions of Corporate Governance by COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED ("the Company"), for the year ended on March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. 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.
3. 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 the Chartered Accountants of India.
4. 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 para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.

5. We 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 Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Rupen K. Bhatt
Partner
(Membership No. 46930)

MUMBAI, Dated: 10th August, 2016

INDEPENDENT AUDITOR'S REPORT

To The Members of Commercial Engineers & Body Builders Co Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Commercial Engineers & Body Builders Co Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and 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 Standalone 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 of these standalone 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 prescribed under section 133 of the Act, as applicable.

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 standalone 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 and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements 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 the disclosures in the financial statements. The procedures selected depend on the auditor's 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 a 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 the 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter in the Notes to the financial statements:

Note No. 41 which states that the related financial statements for the year ended March 31, 2016 have been prepared assuming that the Company will continue as a going concern. The Company has incurred losses in the past few years and the net worth has been substantially eroded as at 31st March, 2016. The Company continuing as a going concern is dependent on the Company's ability to successfully complete the customer orders and generate cash flows from operations, including restructuring of loans repayable in the period of twelve months from the date of these financial statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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, the 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 standalone financial statements comply with Accounting Standards prescribed under section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the 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 disclosed the impact of pending litigations on its financial position in its financial statements in accordance with the generally accepted accounting practice - Also refer Note 28 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts as at year end for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 46930)

Mumbai, May 30, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Commercial Engineers & Body Builders Co Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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 issued by the Institute of Chartered Accountants of India. 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.

Auditor's 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 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, to the best of our information and according to the explanations given to us, 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 Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt

Partner

(Membership No. 46930)

Mumbai, May 30, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' section 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.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence reporting under clause (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of the Order is not applicable.
- (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) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Customs duty, Excise duty, Cess, and any other material statutory dues applicable to it with the appropriate authorities except for Entry Tax, Value Added Tax (VAT) and Central Sales Tax (CST) though the delays in deposit have not been serious.
- (b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Service Tax, Customs duty, Excise duty and any other material statutory dues in arrears, as at 31st March, 2016 for a period of more than six months from the date they became payable except for VAT as follows:

(Rupees in Lakhs)

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Relates	Due Date	Date of subsequent payment
M P Vat Act 2002	Value added Tax	0.42	2013-14	15-Apr-14	Not Yet Paid
M P Vat Act 2002	Value added Tax	1.29	2012-13	10-Apr-12	Not Yet Paid
M P Vat Act 2002	Value added Tax	0.98	2012-13	15-Jan-13	Not Yet Paid
M P Vat Act 2002	Value added Tax	2.02	2014-15	15-Oct-14	Not Yet Paid
M P Vat Act 2002	Value added Tax	2.59	2013-14	15-Nov-13	Not Yet Paid

(c) Details of dues of Income Tax, Sales Tax, Excise duty, Entry Tax which have not been deposited as on 31st March, 2016 on account of disputes are given below:

(Rupees in Lakhs)

Name of statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Central Sales Tax Act, 1956	Central Sales Tax	Appellate Board, Bhopal	April 2007 to March 2008 and April 2010 to March 2011	33.21	8.96
Central Sales Tax Act, 1956	Central Sales Tax	Additional Commissioner, Jabalpur	April, 2012 to March 2013	6.62	4.91
Central Excise Act, 1944	Excise Duty	Central Excise Commissioner, Bhopal	April 2003 - October 2013	4,354.23	3,954.23
Central Excise Act, 1944	Excise Duty	Central Excise Commissioner, Jabalpur	September 2013 to March 2014	101.18	101.18
Central Excise Act, 1944	Excise Duty	Central Excise Commissioner, Jamshedpur	April 2009 - March 2014	579.52	570.39
Central Excise Act, 1944	Excise Duty	Central Excise Commissioner, Pithampur	August 2013 to February 2014	4.10	4.10
Central Excise Act, 1944	Excise Duty	Deputy Commissioner of Customs, Central Excise and Service Tax, Jabalpur	August 2013 to March 2014	4.68	4.68
Central Excise Act, 1944	Excise Duty	The Customs, Excise and Service Tax Appellate Tribunal, New Delhi	December 2006 - March 2010	500.38	500.38
Income Tax Act, 1956	Income Tax	Commissioner(appeal), Kanpur	April 2008-March 2009 and April 2011-March 2012	15.93	15.93
Entry Tax on goods purchased	MP Entry Tax	Additional Commissioner, Jabalpur	April 2009-March 2010	22.24	22.24
M.P. Commercial Tax Act, 1994	Value Added Tax	Additional Commissioner, Jabalpur	April 2007 to March 2009 and April 2012 to March 2013	1,498.40	1,462.63
Jharkhand Commercial Tax Act, 1994	Value Added Tax	Deputy Commissioner of Commercial Taxes, Adityapur Circle, Jamshedpur	April 2011 to March 2012	217.53	217.53

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of due to bank and financial institution except as under. The Company has not taken any loans or borrowings from government and has not issued any debentures.

(a) Details of continuing defaults in payment of principle and Interest on working capital facility and long-term loan from bank and financial institution as on 31st March, 2016, are as follows

(Rupees in Lakhs)

Particulars	Amount of default of repayment		Period of default
	Principal	Interest	
Due to Financial Institutions:			
Tata Capital Financial Services Limited	129.00	58.90	January-March 2016
Dues to Banks:			
Axis Bank	897.71	215.65	January-March 2016

- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Term loans taken during the year are utilised for the purpose for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid managerial remuneration during the year which require approval mandated by the provision of section 197, hence reporting under clause (xi) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt

Partner

(Membership No. 46930)

Mumbai, May 30, 2016

Balance Sheet as at 31st March, 2016

(₹ in Lacs)

	Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	6,794.30	6,394.30
	(b) Reserves and surplus	4	(5,607.89) 1,186.41	4,868.32 11,262.62
2	Non-current liabilities			
	(a) Long-term borrowings	5	6,174.40	6,888.44
	(b) Deferred tax liabilities (net)	6	-	-
	(c) Other long-term liabilities	7	2,424.44 8,598.84	1,825.69 8,714.13
3	Current liabilities			
	(a) Short-term borrowings	8	3,952.89	4,934.36
	(b) Trade payables			
	(i) Total Outstanding due to Micro and Small Enterprises	31	19.97	9.08
	(ii) Total Outstanding of other than Micro and Small Enterprises		3,458.43	3,671.53
	(c) Other current liabilities	9	6,015.66	3,357.95
	(d) Short-term provisions	10	318.95	323.45
			13,765.90	12,296.37
	TOTAL		23,551.15	32,273.12
II	ASSETS			
1	Non-current assets			
	(a) Fixed assets	11		
	(i) Tangible assets		15,844.51	21,486.15
	(ii) Intangible assets		7.48	9.89
	(iii) Capital work-in-progress		200.39	1,381.78
			16,052.38	22,877.82
	(b) Non-current investments	12	0.10	0.10
	(c) Long-term loans and advances	13	1,910.01	1,713.75
	(d) Other non-current assets	14	64.37	1,016.75
			18,026.86	25,608.42
2	Current assets			
	(a) Inventories	15	979.55	1,656.85
	(b) Trade receivables	16	1,233.63	1,603.56
	(c) Cash and cash equivalents	17	252.36	468.83
	(d) Short-term loans and advances	18	2,815.32	2,555.89
	(e) Other current assets	19	243.43	379.57
			5,524.29	6,664.70
	See accompanying notes forming part of the financial statements			
	TOTAL		23,551.15	32,273.12

In terms of our report attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors
Rupen K. Bhatt
Partner

P.Y. Gurav
Director

Prabhakar Dalal
Director

Place: Mumbai
Date: May 30, 2016

Deepak Tiwary
Chief Executive Officer

P S Sastry
Chief Financial Officer

Anurag Misra
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2016

(₹ in Lacs)

	Particulars	Note No.	For the Year ended 31st March 2016	For the Year ended 31st March 2015
I.	Revenue			
a	Revenue from operations (gross)	20	14,887.06	15,238.46
	Less: Excise duty		4,071.06	3,394.08
	Revenue from operations (net)		10,816.00	11,844.38
b	Other income	21	112.72	239.98
	Total Revenue		10,928.72	12,084.36
II.	Expenses			
	(a) Cost of materials consumed	22a	7,940.37	8,780.60
	(b) Changes in inventories of finished goods and work-in-progress	22b	448.39	1,713.10
	(c) Other Manufacturing Expenses	23	884.00	859.81
	(d) Employee benefits expense	24	720.69	852.62
	(e) Finance costs	25	2,095.39	2,157.39
	(f) Depreciation and amortisation expense	11	1,451.26	2,026.29
	(g) Other expenses	26	2,107.96	1,730.63
	Total Expenses		15,648.06	18,120.44
III.	(Loss) before Exceptional Items and Tax		(4,719.34)	(6,036.08)
IV.	Exceptional Items			
	Impairment of Assets	11	5,367.00	6,300.00
V.	(Loss) before Tax (I-II-III-IV)		(10,086.34)	(12,336.08)
VI.	Tax expense:			
	(a) Current tax		-	-
	(b) Deferred tax (net)		-	(2,081.47)
	(c) MAT Credit entitlement written off		389.87	-
	Total Tax Expense		389.87	(2,081.47)
VII.	(Loss) After Tax (V-VI)		(10,476.21)	(10,254.61)
VIII.	Earnings per share (of ₹ 10/- each):			
	Basic and Diluted (in Rupees)			
	Before Exceptional Items		(9.30)	(7.20)
	After Exceptional Items		(19.07)	(18.66)

See accompanying notes forming part of the financial statements.

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K. Bhatt
Partner

P.Y. Gurav
Director

Prabhakar Dalal
Director

Place: Mumbai
Date: May 30, 2016

Deepak Tiwary
Chief Executive Officer

P S Sastry
Chief Financial Officer

Anurag Misra
Company Secretary

Cash Flow Statement for the year ended 31st March, 2016

	Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
A	<u>Cash Flow from operating activities</u>		
	Net (Loss) before Tax	(10,086.34)	(12,336.08)
	Depreciation	1,451.26	2,026.29
	Impairment of Assets	5,367.00	6,300.00
	Provision for Doubtful debts/Advances	1,434.27	19.49
	Bad Debts/Advances written off	25.92	11.36
	Interest and Finance Charges	2,095.39	2,157.39
	Loss on Sale of Fixed Assets (Net)	(0.85)	2.53
	Interest Income	(28.59)	(63.83)
	Liabilities / provisions no longer required written back	(33.27)	(21.89)
	Operating Profit/(Loss) before working capital changes	224.79	(1,904.74)
	<u>Changes in working capital:</u>		
	Decrease in Inventories	677.30	2,105.48
	(Increase) in Trade and Other Receivable	(843.87)	(275.79)
	Increase in Trade Payable and Other Liabilities	638.92	1,131.30
	Cash generated from operations	697.14	1,056.25
	Taxes Paid (Net of refund)	(7.10)	(171.29)
	Net Cash generated from operating activities	690.04	884.96
B	<u>Cash Flow from Investing Activities</u>		
	Interest Received	32.80	68.38
	Proceeds from Sale of Fixed assets	1.19	24.64
	Purchase of Fixed Assets	(28.89)	(943.66)
	Net Cash generated/(used in) Investing activities	5.10	(850.64)
C	<u>Cash Flow from Financing Activities</u>		
	Issue of Non convertible redeemable Preference Shares	400.00	900.00
	Proceeds from Short Term Borrowings	155.37	1,903.95
	Repayment of Short Term Borrowings	(1,148.27)	(3,600.08)
	Proceeds from Long Term Borrowings	3,077.65	3,342.99
	Repayment of Long Term Borrowings	(1,319.56)	(1,242.18)
	Interest and Finance Charges Paid	(2,076.80)	(2,000.35)
	Net Cash (used in) Financing Activities	(911.61)	(695.67)
	Net (decrease) in cash and cash equivalents	(216.47)	(661.35)
	Cash and cash equivalents as on 31st March, 2015	468.83	1,130.18
	Cash and cash equivalents as on 31st March, 2016	252.36	468.83

Notes:

- 1 Components of cash and cash equivalents include cash and bank balances as stated in Note 17.
- 2 Cash and cash equivalents as at 31st March, 2016 include following balances, use of which is restricted:
 - a) Balance in current account Nil (previous year ` 95.18 lacs) which is under escrow with a lender.
 - b) Deposit receipts aggregating ` 247.13 Lacs (previous Year ` 273.90 Lacs) are under lien with bank against performance guarantee / given as earnest money deposits.
- 3 The Cash Flow Statement has been prepared in accordance with the requirements of Accounting Standard 3 on "Cash Flow Statement" (AS 3) as notified under the Companies (Accounting Standards) Rules, 2006.

In terms of our report attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K. Bhatt
Partner

P.Y. Gurav
Director

Prabhakar Dalal
Director

Place: Mumbai
Date: May 30, 2016

Deepak Tiwary
Chief Executive Officer

P S Sastry
Chief Financial Officer

Anurag Misra
Company Secretary

Notes forming part of the financial statements**Note 1: Background of the Company**

The Company was incorporated in the year 1979, under the name Commercial Engineers & Body Builders Co Private Limited. The name was changed to 'Commercial Engineers & Body Builders Co Limited' in the year 2010. The Company's Equity Shares were listed in the same year. The Company caters to Commercial Vehicles, Railways and Power sectors through manufacturing of tippers, load bodies, wagons and components.

Note 2: Significant accounting policies**(a) Basis of accounting and preparation of financial statements:**

The financial statements of the Company have been prepared 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. The accounting policy adopted in the preparation of financial statements are constant with those followed in previous year.

(b) Use of Estimates :

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognized in the year in which the results are known/materialize.

(c) Fixed Assets:**Tangible assets :**

Fixed assets are stated at cost net of Cenvat. Costs includes all cost incurred to bring the assets to their working condition and location.

Intangible assets :

The Company capitalizes software and related implementation costs, where it is reasonably estimated that the software has an enduring useful life.

(d) Depreciation and Amortization :

- i) Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Notes forming part of the financial statements

Depreciation on tangible fixed assets is provided over their useful life and in the manner prescribed in Schedule II to the Companies Act, 2013.

Leasehold land is amortized over the period of lease on pro rata basis.

Computer Software is amortized over the period of three years.

- ii) Depreciation on assets acquired/purchased during the year is provided on pro-rata basis from the date of each addition.
- iii) Assets having value of `5000/- or less are charged off fully in the year of purchase.

(e) Impairment of Assets :

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on 'Impairment of Assets'. Where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

(f) Revenue recognition :

Sales are stated net of returns and sales tax/value added tax. Excise duty related to sales turnover is presented as a reduction from gross sales. Revenue from sale of built bodies and other components are recognised when products are despatched and all significant risks and rewards of ownership of the products are transferred to the customers.

Revenue from service contract is recognized when the services are completed.

Dividend from investments is recognized as and when a right to receive payment is established.

Revenue is recognised when no significant uncertainty as to its determination or realisation exists.

(g) Inventories :

Inventories are valued at lower of cost and net realisable value. The cost of inventories is arrived at on the following basis:

- Raw materials : On FIFO basis (net of Cenvat)
- Work-in-progress : On weighted average basis including Appropriate proportion of direct factory overheads.

Notes forming part of the financial statements

Finished goods : On weighted average basis including appropriate proportion of direct factory overheads and Excise duty

Stores and spares : On FIFO basis.

(h) Foreign currency transactions:

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transactions.
- b. Monetary items denominated in foreign currencies at the year-end are restated at the year-end rates. In case of monetary items, which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contracts is recognised as exchange difference and premium/discount on forward exchange contract is recognised over the life of the contract.
- c. 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 recognised in the profit and loss account.

(i) Derivative Contracts :

Pursuant to the announcement on accounting for derivatives issued by the Institute of Chartered Accountants of India (ICAI), the Company in accordance with the principle of prudence as enunciated in Accounting Standard 1 on 'Disclosure of Accounting Policies' provides for losses in respect of all outstanding derivative contracts at the Balance Sheet date by marking them to market. Any gains arising on such mark to market are not recognized as income.

(j) Employee Benefits :

(a) Post-Employment Benefits and Other Long Term Benefit:

i) Defined contribution Plan :

Contributions under Defined Contribution Plans in the form of Provident Fund are recognized in the Statement of Profit and Loss Account in the period in which the employee has rendered the service.

ii) Defined Benefit Plan :

The Company's Liability towards Defined Benefit Plan in the form of Gratuity is funded through schemes administered by the Life Insurance Corporation of India (LIC). The liability determined on the basis of actuarial valuation being carried out

Notes forming part of the financial statements

at each Balance Sheet date using the Projected Unit Credit Method. The retirement benefit obligation recognized in the Balance Sheet represents the total of present value of the defined benefit obligation as reduced by unrecognized past service cost and the fair value of plan assets as at the balance sheet date. Any asset resulting from this calculation is restricted the present value of available refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss Account in the period of occurrence of such gains and losses. Past service cost is recognized as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, past service cost is recognized immediately.

(b) Short Term Employee Benefits :

Short-term employee benefits are recognized as expenses at the undiscounted amount in the Statement of Profit and Loss Account of the period in which the related services are rendered.

Leave encashment is provided for on the basis of actual costs the Company expects to pay for the compensated absences.

(k) Borrowing costs :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

(l) Income tax :

- a. Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities, using the applicable tax rates.
- b. Deferred income tax reflect the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future income will be available except that

Notes forming part of the financial statements

deferred tax assets, in case there are unabsorbed depreciation and losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realise the same.

- c. Tax on distributed profits payable in accordance with the provisions of Section 115-O of the Income-tax Act, 1961, is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the Institute of Chartered Accountants of India (ICAI).
- d. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

(m) Investments :

Investments classified as long-term (non-current) investments are stated at costs. Provision is made to recognize a diminution, other than temporary, in the value of such investments. Investments classified as current investments are stated at lower of cost and fair value.

(n) Operating Leases

Assets taken on Lease under which all significant risks and rewards of ownership are effectively retained by the lesser are classified as Operating Leases. Lease payments under Operating Leases are recognized as expenses as incurred in accordance with the respective Lease Agreements.

(o) Provisions and contingencies :

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Notes forming part of the financial statements

Note 3: Share Capital

(₹ in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
<u>Authorised :</u>		
55,050,000 Equity Shares of ₹ 10/- each	5,505.00	5,505.00
2,000,000 Preference Shares of ₹ 100/- each	2,000.00	2,000.00
	7,505.00	7,505.00
<u>Issued</u>		
54,942,964 Equity Shares of ₹ 10/- each	5,494.30	5,494.30
2,000,000 Non-Convertible Cumulative Redeemable Preference Shares (NCRPS) of ₹ 100/- each	2,000.00	2,000.00
	7,494.30	5,494.30
<u>Subscribed and Fully Paid-up :</u>		
54,942,964 Equity Shares of ₹ 10/- each	5,494.30	5,494.30
<u>Subscribed and Not Fully Paid-up :</u>		
2,000,000 Non-Convertible Cumulative Redeemable Preference Shares (NCRPS) of ₹ 100/- each, ₹ 35 not paid-up (Previous Year ₹ 55 not paidup)	1,300.00	900.00
Total	6,794.30	6,394.30

Notes:

- All Equity Shares carry similar voting rights and have an equal right to dividend and in case of repayment of capital.
- Preference shares are non-convertible, cumulative, redeemable and does not carry any voting rights. Preference shares carry preferential dividend of 0.0001% per annum. These are redeemable only on completion of 10 years from the date of allotment and are non-transferable unless fully paid-up.

Notes forming part of the financial statements

c) Reconciliation of the number of shares outstanding as at beginning and end of the year: (₹ in Lacs)

Particulars	Opening Balance	Fresh Issue	Closing Balance
Equity Shares			
Year ended 31 March, 2016			
- Number of shares	54,942,964	-	54,942,964
- Amount (₹) Lacs	5,494.30	-	5,494.30
Year ended 31 March, 2015			
- Number of shares	54,942,964	-	54,942,964
- Amount (₹) Lacs	5,494.30	-	5,494.30

(₹ in Lacs)

Particulars	Opening Balance	Fresh Issue/ Call Paid	Closing Balance
Redeemable Preference Shares			
Year ended 31 March, 2016			
- Number of shares	2,000,000	-	2,000,000
- Amount (₹) Lacs	900.00	400.00	1,300.00
Year ended 31 March, 2015			
- Number of shares	-	2,000,000	2,000,000
- Amount (₹) Lacs	-	900.00	900.00

d) Details of Equity Shares held by each shareholder holding more than 5% of shares:

(₹ in Lacs)

Class of shares / Name of shareholder	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares held	% holding	Number of shares held	% holding
Equity Shares of ₹ 10/- Each Fully Paid-up				
Dr. Kailash Gupta	23,609,495	42.97%	23,927,050	43.55%
Ms. Nandini Malpani				
(On behalf of Jashn Beneficiary Trust)	3,213,443	5.85%	3,213,443	5.85%
Mrs. Rekha Gupta	3,439,590	6.26%	3,439,590	6.26%
Tata Capital Growth Fund (I)	6,005,401	10.93%	6,005,401	10.93%

Note: The NCRPS have been fully allotted during the previous year, jointly to the promoters (Dr. Kailash Gupta and Mrs. Rekha Gupta).

e) Details of Call unpaid:

(₹ in Lacs)

Class of shares / Name of shareholder	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	Total Amount	Number of shares	Total Amount
Non-Convertible Cumulative Redeemable preference shares				
Aggregate of calls unpaid				
- by directors	2,000,000	700	-	-

Notes forming part of the financial statements

Note 4: Reserves and Surplus

(` in Lacs)

	Particulars	As at 31st March 2016	As at 31st March 2015
(a)	Capital Reserve As per Last Balance Sheet	8.72	8.72
(b)	Securities Premium Account As per Last Balance Sheet	12,837.80	12,837.80
(c)	General Reserve As per Last Balance Sheet	9.80	9.80
(d)	Balance in Statement of Profit and Loss Opening Balance	(7,988.00)	2,266.61
	Add: (Loss) for the year	(10,476.21)	(10,254.61)
	Closing balance	(18,464.21)	(7,988.00)
	Total	(5,607.89)	4,868.32

Note 5: Long-term Borrowings

(` in Lacs)

	Particulars	Note No.	As at 31st March 2016	As at 31st March 2015
	Secured			
a)	From Banks			
	Corporate Loan		-	1,700.00
	Rupee Term Loan		2,300.00	1,625.00
	External Commercial Borrowing (ECB)		1,950.44	3,105.45
b)	From Others			
	Term Loan (Refer Note Below)		1,923.96	457.99
	Total		6,174.40	6,888.44

i) Nature of Security
a) Corporate Loan is secured by: -

Primary Security- Equitable mortgage on certain properties of group concerns and director.

Collateral Security -

1. Subservient charge without no objection certificate on entire fixed assets of the company, present and future.
2. Pledge of 26.74% shareholding of the promoters in the company.
3. Personal guarantees of two directors and partners of group concerns.

Notes forming part of the financial statements

b) ECB Loan is secured by: -

Primary Security: - Exclusive First charge on the entire fixed assets of the company, both present and future, except on specific equipments which are exclusively and specifically charged to banks/ financial institutions and factory land & building situated at Plot Nos. 21,22,33,34 at Industrial Estate, Richhai, Jabalpur.

Collateral Security: - Second pari passu charge on the entire current assets of the company, both present and future.

c) RupeeTerm Loan: -

Primary Security :- Extension of first charge on entire fixed asset of the company except factory land and building situated at industrial estate Richahai, Jabalpur, factory land and building situated at Jamshedpur and specific equipments which are exclusively and specifically charged to banks/financial institutions.

Collateral Security: - Pari passu second charge on the entire current assets of the company, both present and future, except on specific equipments which are exclusively and specifically charged to Banks / Financial Institutions.

Guarantee:

Personal guarantee of Mr.Kailash Gupta, Mrs. Rekha Gupta and Mrs. Nandini Malpani.

d) Term Loans from Others : -

Primary Security: - Extension of First pari passu charge along with Axis Bank on:

1. Factory land and building at Jamshedpur unit
2. Factory land and building situated at plot Nos. 21, 22 (area measuring 90,000 square feet) and Plot Nos. 33, 34 (area measuring 126,000 square feet) at Industrial Estate, Richhai, Jabalpur.

Extension of second charge on all other fixed assets of the company along with Axis Bank and HDFC Bank.

Collateral Security: - Pledge of 15,889,914 unencumbered shares of the Company held by Jashn Beneficiary Trust and Mr. Kailash Gupta.

Cash flow: - Extension of charges/ escrow on the MAN receivables within 30 days of 1st tranche disbursal

Guarantee: -

1. Irrevocable and unconditional personal guarantee of Mr. Kailash Gupta and Mrs. Rekha Gupta

Notes forming part of the financial statements

2. Irrevocable and unconditional personal guarantee of Mrs. Nandini Malpani to the extent value of shares (3,213,443 nos.)
3. Irrevocable and unconditional corporate guarantee of Jashn Benificiary Trust

ii) Terms of Repayment

a) **Corporate Loan: -**

Corporate Loan is repayable in 9 quarterly instalments commencing from the end of 12 months from the date of first disbursment i.e. 13th December, 2013 and carries fixed interest rate of 14.50% p.a.

b) **ECB Loan: -**

ECB loan is repayable in quarterly 20 equal installments starting from 21st month from the date of 1st disbursement i.e 17th February, 2012 and carries variable interest rate @ 6 months LIBOR + 3.50 bps margin.

c) **Rupee Term Loan: -**

in 21 unequal monthly installment starting from 31st December, 2016 as under :-

1st - 3rd Installment Rs. 333 lacs each

4th -15th Installment Rs. 100 lacs each

16th - 21st Installment Rs. 200 lacs each

And it carries interest rate of 14.15% p.a.

d) **Term Loans from Others:-**

First Term Loan

Interest - it carries interest rate of 14.50% p.a. to be paid on monthly basis till maturity.

Principal - 6 month moratorium starts from date of first tranche disbursement made in various installments from 16th December, 2014 to 25th February, 2015, thereafter payable in a structured manner as mentioned below

1. Next 6 months : Rs. 25 lacs per month

2. Next 12 months : Rs. 41.67 lacs per month

3. Next 12 months : Rs. 50 lacs per month

Second Term Loan

Is repayable in bullet at the end of 3 years from the date of disbursement i.e. 3rd June 2015 or mandatory repayment in event of Equity Infusion and carries floating interest rate of 14.50% p.a.

Notes forming part of the financial statements

(iii) The Company has defaulted in repayment of loans and interest in respect of the following:

(` in Lacs)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Period of Default	Amount	Period of Default	Amount
Corporate Loan				
Principal	18 Days	500.00	-	-
Interest	1-60 Days	77.87	-	-
Rupee Term Loan				
Interest	1-60 Days	86.14	-	-
External Commercial Borrowings (ECB)				
Principal	52 Days	397.71	-	-
Interest	52 Days	51.64	-	-
Other Term Loans				
Principal	21-81 Days	129.00	-	-
Interest	1-31 Days	58.90	-	-

Note 6: Deferred Tax Liability (Net)

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Tax effect of items constituting deferred tax liability		
On difference between book balance (including impairment) and tax balance of fixed assets	-	725.60
	-	725.60
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts and advances	-	398.67
Unabsorbed depreciation carried forward	-	326.93
	-	725.60
Total	-	-
Net Deferred Tax Liability	-	-

Note:

"Deferred Tax Assets on account of difference between book balance and tax balance of Fixed Assets and other items have not been recognised in the absence of virtual certainty that sufficient Future Income will be available."

Note 7: Other Long-term Liabilities

(` in Lacs)

Particulars	Note No.	As at 31st March 2016	As at 31st March 2015
Security Deposits Received		5.00	39.14
Unutilized Cenvat Payable		2,419.44	1,786.55
Total		2,424.44	1,825.69

Notes forming part of the financial statements

Note 8: Short-Term Borrowings

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Secured		
a) From Banks		
Cash Credit Facilities	2,538.88	2,499.05
Working Capital Loans	-	662.42
Short Term Loan	-	183.76
Unsecured		
a) From Banks		
Working Capital Loans	934.95	949.62
b) From Others		
Loans and Advances from Related Parties (Refer Note 34)	208.55	147.40
Short Term loans from Companies	270.51	492.11
Total	3,952.89	4,934.36

(i) Nature of Security

Cash Credit Facilities are secured by either one or more of the following as per terms of Arrangement with respective banks:

Primary Security:

Pari-passu First charge on the entire current assets of the company, both present and future.

Collateral Security:

Second Pari passu charge on entire fixed assets of the company, both present and future.

(ii) The Company has defaulted in repayment of loans and interest in respect of the following:

(` in Lacs)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Period of Default	Amount	Period of Default	Amount
Working capital loans				
Principal	-	-	611 - 665 Days	662.41
Interest	-	-	611 - 665 Days	184.75
Short term loan from Company				
Principal	-	-	182 Days	150.00
Interest	-	-	-	-

Notes forming part of the financial statements

Note 9: Other Current Liabilities

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
(a) Current maturities of long-term debt (Refer Note (i) below)	4,624.32	2,152.18
(b) Interest accrued but not due on borrowings	95.54	35.11
(c) Interest accrued but not due on forward currency contract	29.28	39.35
(d) Interest accrued and due on borrowings	215.21	257.79
(e) <u>Other payables</u>		
(i) Statutory Liabilities	427.57	327.96
(ii) Payables on purchase of fixed assets	99.84	135.66
(iii) Interest on Statutory Payments	17.30	17.30
(iv) Advances from customers	495.01	392.60
(v) security Deposit Received	11.59	-
Total	6,015.66	3,357.95

Note (i): Current maturities of long-term debt (Refer Notes 5 (i)(a), (b) and (d) for details of securities for Corporate Loan, ECB Loan and Term Loan from others):

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Secured		
From Banks		
Corporate Loan	2,200.00	800.00
Rupee Term Loan	200.00	-
External Commercial Borrowing	1,552.73	1,242.18
From Others		
Term Loan	671.59	110.00
Total	4,624.32	2,152.18

Note 10: Short-term Provisions

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
(a) Provision for Employee Benefits:		
(i) Provision for Compensated Absences	29.06	34.92
(ii) Provision for Gratuity (Refer Note 32(b))	30.73	29.37
	59.79	64.29
(b) Other Provisions		
(i) Provision for Income-tax (Net of Advance Tax of Rs. 665.09 lacs (Previous year of Rs. 665.09 Lacs))	259.16	259.16
Total	318.95	323.45

Notes forming part of the financial statements

Note 11: Fixed Assets

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			ACCUMULATED IMPAIRMENT OF ASSETS (Refer Note 38)	NET BLOCK As at 31st March, 2016
	As at 1st April, 2015	Additions	Deductions	As at 31st March, 2016	Up to 1st April, 2015	For the Year	Deductions / Adjustment	Up to 31st March, 2016
(i) Tangible Assets								
<u>Land</u>								
Leasehold Land (Previous Year)	133.01 (133.01)	- (-)	- (-)	133.01 (133.01)	31.19 (26.76)	4.44 (4.43)	- (-)	97.41 (101.82)
Free Hold Land (Previous Year)	1,739.02 (927.71)	4.50 (811.31)	- (-)	1,743.52 (1,739.02)	- (-)	- (-)	- (-)	1,743.52 (1,739.02)
<u>Buildings</u>								
Factory Building (Previous Year)	6,814.74 (6,814.74)	- (-)	- (-)	6,814.74 (6,814.74)	1,157.31 (904.05)	248.02 (253.26)	- (-)	5,408.87 (5,657.43)
Non Factory Building (Previous Year)	14.82 (14.82)	- (-)	- (-)	14.82 (14.82)	11.98 (11.62)	0.35 (0.36)	- (-)	2.49 (2.84)
Residential Flat (Previous Year)	6.39 (6.39)	- (-)	- (-)	6.39 (6.39)	5.66 (5.57)	0.08 (0.09)	- (-)	0.65 (0.73)
Plant And Machinery (Previous Year)	27,079.72 (27,015.38)	1.02 (95.85)	(31.51)	27,080.74 (27,079.72)	7,092.09 (5,404.80)	1,143.98 (1,691.74)	(4.45)	8,343.77 (13,687.63)
Electrical Installations (Previous Year)	468.45 (458.31)	- (10.14)	- (-)	468.45 (468.45)	215.23 (174.87)	37.86 (40.36)	- (-)	215.36 (253.22)
Furniture and Fixtures (Previous Year)	63.08 (62.76)	- (0.32)	- (-)	63.08 (63.08)	42.58 (38.33)	3.39 (4.25)	- (-)	17.11 (20.50)
Office Appliances, Canteen and Other Equipment (Previous Year)	60.94 (60.36)	0.49 (0.82)	0.20 (0.24)	61.23 (60.94)	52.34 (40.78)	4.58 (11.68)	0.13 (0.12)	5.52 (8.60)
Vehicles (Previous Year)	67.07 (67.07)	- (-)	4.90 (-)	62.17 (67.07)	55.00 (48.90)	3.81 (6.10)	4.63 (-)	7.99 (12.07)
Computers (Previous Year)	99.68 (98.54)	1.28 (1.14)	- (-)	100.96 (99.68)	97.39 (93.27)	2.34 (4.12)	- (-)	1.82 (2.29)
Total(A)	36,546.92 (35,659.09)	7.29 (919.58)	5.10 (31.75)	36,549.11 (36,546.92)	8,760.77 (6,748.95)	1,448.85 (2,016.39)	4.76 (4.57)	15,844.51 (21,486.15)
(ii) Intangible Assets (Acquired)								
Computer Software (Previous Year)	54.26 (54.26)	- (-)	- (-)	54.26 (54.26)	44.37 (34.47)	2.41 (9.90)	- (-)	7.48 (9.89)
TOTAL(B)	54.26 (54.26)	- (-)	- (-)	54.26 (54.26)	44.37 (34.47)	2.41 (9.90)	- (-)	7.48 (9.89)
(iii) Capital Work In Progress (C) (Refer note 1 below)								
Previous Year								200.39 (1,381.78)
Total (A+B+C)								16,052.38 (22,877.82)

Note:

1. Capital work in progress as at March 31, 2016 is net of impairment provision of Rs. 1167.32 Lakhs.

Notes forming part of the financial statements

Note 12: Non-current Investments

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Other Investments (at Cost unless stated otherwise)		
Investment in Equity Shares of Associates (Unquoted)		
1,000 Equity Share of Kailash Motors Private Limited of `10/- each fully Paid-up	0.10	0.10
Total	0.10	0.10

Aggregate Amount of Un-quoted investments

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Cost	0.10	0.10

Note 13: Long-term Loans and Advances

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Unsecured, considered good		
Capital advances	17.80	17.95
Security deposits	99.25	114.17
MAT credit entitlement	-	389.87
Statutory Dues paid under Protest (Refer Note 28)	1,792.96	1,191.76
Total	1,910.01	1,713.75

Note 14: Other Non-current Assets

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
(a) Earnest Money Deposits	-	32.93
(b) Prepaid Expenses	64.37	65.70
(c) Long Term Trade Receivables	-	918.12
Total	64.37	1,016.75

Note 15: Inventories (At lower of cost and net realisable value)

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Raw materials	451.25	656.87
Work-in-progress	419.41	889.16
Stores and spares	69.92	93.21
Finished Goods	30.77	-
Scrap	8.20	17.61
Total	979.55	1,656.85

Notes forming part of the financial statements

Note 16: Trade Receivables

(` in Lacs)

Particulars	Note No.	As at 31st March 2016	As at 31st March 2015
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		122.47	189.20
Unsecured, considered good		685.98	227.18
Unsecured, considered doubtful		808.46	416.38
Less: Provision		685.98	227.18
Total (A)		122.47	189.20
Other Trade receivables			
Unsecured, considered good		1,111.15	1,414.36
Unsecured, considered doubtful		941.47	-
		2,052.62	1,414.36
Less: Provision		941.47	-
Total (B)		1,111.15	1,414.36
Total (A+B)		1,233.63	1,603.56

Note: Trade Receivables include amounts due from:

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Firms/Companies in which any Director is a Partner/Director:		
J.N. Auto Limited	11.35	13.35
Commercial Motors Sales Private Limited	1.29	1.83
Total	12.64	15.18

Note 17: Cash and Cash Equivalents

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
(a) Cash on hand	1.32	8.08
(b) Balances with banks		
(i) In Current Accounts	3.91	186.85
(ii) In Term Deposit Accounts	247.13	273.90
Total	252.36	468.83

Notes:

- Deposit receipts aggregating ` 247.13 Lacs (previous Year ` 273.90 Lacs) are under lien with bank against performance guarantee and credit facilities from bank/ given as earnest money deposits.
- Balance in current account includes Nil (previous year ` 95.18 lacs) which is under escrow with a lender.

Notes forming part of the financial statements

Note 18: Short-term Loans and Advances

(` in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Unsecured, considered good		
Loan to Employees	3.27	9.72
Advances to Suppliers	111.37	151.20
Prepaid Expenses	67.51	64.78
Balances with Government Authorities	1,767.36	2,017.14
Advance Income-tax	60.48	53.37
Excise duty refund claim (Refer Note 42)	259.17	259.17
Debt Service Reserve Account	49.23	-
Sales Tax Incentive Receivable	496.64	-
Accrued Income	0.29	0.51
	2,815.32	2,555.89
Unsecured, considered Doubtful		
Inter-corporate deposits (Refer Note 38)	1,000.00	1,000.00
Provident Fund Receivable	63.00	63.00
Advances to Suppliers	34.00	-
	1,097.00	1,063.00
Less: Provision	1,097.00	1,063.00
	-	-
Total	2,815.32	2,555.89

Note 19: Other current assets

(` in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Unsecured, considered good		
Interest accrued but not due on bank deposits	7.58	11.78
Security deposits	235.85	367.79
Total	243.43	379.57

Note 20: Revenue from Operations

(` in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Sale of Manufactured Goods (Refer Note (i) below)	14,133.35	14,399.16
Sale of Services (Refer Note (ii) below)	55.80	70.94
Other Operating Revenues (Refer Note (iii) below)	697.91	768.36
	14,887.06	15,238.46
Less:		
Excise duty	4,071.06	3,394.08
Total	10,816.00	11,844.38

Notes forming part of the financial statements

Note:

(i) Sale of Manufactured Goods:

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Sale of Built Bodies	13,306.36	13,485.00
Other Component Sales	826.99	914.16
Total	14,133.35	14,399.16

(ii) Sales of Services

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Job Work Charges	55.80	70.94
Total	55.80	70.94

(iii) Other Operating Revenues:

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Sale of Scrap	184.18	627.19
Sales Tax Incentive	496.64	132.82
Income from Transportation	17.09	8.35
Total	697.91	768.36

Note 21: Other Income

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Interest Income (Refer Note (i) below)	28.59	63.83
Other non-operating income (Refer Note (ii) below)	84.13	176.15
Total	112.72	239.98

Note

(i) Interest Income comprises of:

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Interest on bank deposits	25.28	61.30
Interest on other deposits	3.31	2.53
Total	28.59	63.83

Notes forming part of the financial statements

ii) Other Non-operating Income comprises of:

(₹ in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Rental income	0.78	0.77
Profit on sale of fixed assets (net)	0.85	4.54
Liabilities / provisions no longer required written back	33.27	21.89
Other Scrap Sale	-	111.30
Discount received	1.20	0.35
Miscellaneous income	48.03	37.30
Total	84.13	176.15

Note 22a: Cost of Materials Consumed

(₹ in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Opening stock	750.08	1,142.45
Add: Purchases	7,834.61	8,712.96
Less: Sale of Raw Material	123.15	324.73
	8,461.54	9,530.68
Less: Closing stock	521.17	750.08
Cost of Material Consumed	7,940.37	8,780.60
Material consumed comprises:		
Iron and Steel (Sheets and Components)	5,189.30	5,677.40
Hydraulic Jacks	1,332.31	1,762.62
Other items	1,418.76	1,340.58
Total	7,940.37	8,780.60

Note 22b: Changes in Inventories of Finished Goods and Work-in-Progress

(₹ in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
<u>Inventories at the end of the year:</u>		
Finished Goods	30.77	-
Work-in-progress	419.41	889.16
Scrap	8.20	17.61
	458.38	906.77
<u>Inventories at the beginning of the year:</u>		
Work-in-progress	889.16	2,608.60
Scrap	17.61	11.27
	906.77	2,619.87
Net decrease	448.39	1,713.10

Note: Work-in-progress mainly consists of Iron and Steel Components used in manufacture of Built Bodies.

Notes forming part of the financial statements

Note 23: Other Manufacturing Expenses

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Labour charges	559.80	526.06
Power and fuel	196.36	184.52
Entry Tax	22.14	29.51
<u>Repairs and Maintenance :</u>		
Machinery	13.82	18.54
Buildings	7.72	3.41
Others	31.69	37.81
Excise duty	52.47	59.96
Total	884.00	859.81

Note 24: Employee Benefits Expense

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Salaries and wages	622.93	751.99
Contributions to provident and other funds	34.41	36.50
Staff welfare expenses	63.35	64.13
Total	720.69	852.62

Note 25: Finance Costs

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
(a) Interest expense on:		
(i) On Borrowings	1,881.11	1,704.34
(ii) On Bill Discounting	97.73	55.12
(iii) Others		
-On Letter of Credit	4.46	5.45
-On Statutory Payments	33.43	350.00
-To Others	14.25	21.00
	2,030.98	2,135.91
(b) Other borrowing costs		
Expenses for loan arrangement, bill discounting and bank charges	64.41	21.48
	64.41	21.48
Total	2,095.39	2,157.39

Notes forming part of the financial statements

Note 26: Other Expenses

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Rent including lease rentals (Refer note 29)	8.76	119.32
Entry Tax (Refer note 44)	-	547.89
Insurance	14.22	23.36
Rates and taxes	31.45	233.83
Postage and Telephone Expenses	11.63	13.95
Travelling and conveyance	56.91	59.46
Vehicle Running Expenses	16.35	18.05
Printing and stationery	6.22	5.26
Freight Charges	40.80	64.39
Discount given	66.59	78.38
Sales Expenses	81.48	284.30
Security Charges	55.53	54.39
Donation	0.27	0.08
Legal and professional fees	162.93	101.88
Director Sitting Expense	11.60	7.55
Filing Fees	-	0.06
Exchange Fluctuation Loss (Net)	17.67	-
Advances written off	25.92	-
Less : Adjusted against provision	-	-
	25.92	-
Provision for doubtful Debts/Advances	1,434.27	19.49
Bad debts written off	-	11.36
Miscellaneous Expenses*	65.36	87.63
Total	2,107.96	1,730.63

* Miscellaneous expenses include office expenses, garden expenses, electricity, water charges and audit fees, etc.

Note (i) Payment to Auditors (Excluding Service Tax)

(` in Lacs)

Particulars	As at 31st March 2016	As at 31st March 2015
Audit Fees - Statutory audit	16.50	16.50
Out of Pocket Expenses	0.46	0.82
Any other matters (Certification etc.)	5.50	1.50
Total	22.46	18.82

Notes forming part of the financial statements

Note 27: Capital Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) as at 31st March 2016 aggregate `116.10 Lacs (Previous Year - `116.10Lacs).

Note 28: Contingent liabilities

(`inLacs)

	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a)	Disputed demands of following authorities:		
(i)	Income-tax	21.62	15.93
(ii)	Excise duty related to Rule 10A matter (see note below)	-	-
(iii)	Other Excise duty & Service Tax Matter (`9.02Lacs (Previous Year `12.83Lacs) paid under protest)	2576.59	2520.38
	Sales tax/ Entry Tax (`70.46Lacs( Previous Year `48.06Lacs) paid under protest)	1822.55	1584.32
(iv)	(The Company has contested all the abovedemands before various authorities and is hopeful of success in the respective matters)		
b)	Claims against the Company not acknowledged as debt	65.43	24.63
	Total	4486.19	4145.26

Note:

Pursuant to the Rule 10(A) of Central Excise Rules, 2002 which was inserted vide Notification no. 9/2007-CE(N.T) dated 1st March, 2007, the Company has started paying differential Excise Duty on behalf of customer on sales made to them since September' 2010 under protest. The Excise department has issued demand notices in respect of this matter aggregating `2967.51 Lacs (previous year `2962.70 Lacs) for the period up to 31st March, 2016. The aggregate of total payment made under protest up to the year-end is `1713.48 Lacs (Previous year - `1130.87 Lacs).

Since, the liability, if any in this regard is recoverable from the customer, there will be no impact on Statement of Profit and Loss as consequence of the outcome of this case.

Notes forming part of the financial statements

Note 29:

Operating lease rent expenses for the period in respect of lease agreements entered from 1st April, 2008.

(`inLacs)

Particular	31 st March, 2016	31 st March, 2015
Lease rent for FactoryLand	5.06	5.06

Future Minimum Lease Payments under Non-Cancellable Operating Lease:

(`inLacs)

Particular	31 st March, 2016	31 st March, 2015
Due not later than one year	5.06	5.06
Due later than one year and not later than five year	20.23	20.23
Due later than five year	85.98	91.04

Note 30:

A) Expenditure in foreign currency

	31 st March, 2016	31 st March, 2015
Professional and Consultancy fees	-	2.80
Interest on ECB Loan	439.30	561.37
Total	439.30	564.17

B) Value of material consumed including stores and spares

	31 st March, 2016	31 st March, 2015
Imported	-	-
Indigenous	7940.37	8780.60
Total	7940.37	8780.60

Note 31:

As per the information available with the company, the following are the details of dues to the creditors who have confirmed their registration under the Micro, Small and Medium Enterprises Development Act, 2006. (MSMED Act)

- Dues remaining unpaid as at the year-end
Principal - `19.97 Lacs (Previous Year `9.08Lacs)
Interest- `19.48Lacs (Previous Year `18.18Lacs)
- Interest paid in terms of Section 16 of the MSMED Act - Nil (Previous Year -Nil)
- Amount of interest due and payable for the year of delay in making Payments - `2.21 Lacs (Previous Year `1.79 Lacs)

Notes forming part of the financial statements

- iv) Amount of interest accrued and remaining unpaid as at the year-end - `19.48 Lacs (Previous Year `18.18Lacs)
- v) Amount of interest due and payable on previous year's outstanding amount - `18.18 Lacs. (Previous Year `16.39 Lacs)

Note 32:

- (a) Contributions are made to Provident Funds which covers all regular employees. Amount recognized as expense in respect of these defined contribution plans, aggregate to `30.18 Lacs (Previous year `31.50 Lacs).

Provision is made for gratuity based upon actuarial valuation done at the end of every financial year using 'Projected Unit Credit' method and it covers all regular employees. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss account.

- (b) The disclosure as required under AS 15 (Revised) regarding Company's gratuity plan is as follows:

Amount recognized in Balance sheet

(`inLacs)

Particulars	31 st March, 2016	31 st March, 2015
Present Value of Funded Obligations	87.83	136.08
Fair Value of Plan Assets	(57.10)	(106.71)
Net Liability	30.73	29.37
Amounts in the Balance Sheet		
Liabilities	30.73	29.37
Assets	-	-
Net Liability/(Asset)Refer Note below)	30.73	29.37

Expense recognized in Statement of Profit and Loss Account

(`inLacs)

Particulars	31 st March, 2016	31 st March, 2015
Current Service Cost	15.91	14.15
Interest on Defined Benefit Obligation	11.74	13.32
Expected Return on Plan Assets	(8.12)	(9.98)
Net Actuarial Losses / (Gains) Recognized in year	(8.77)	22.37
Total, included in "Employee Benefit Expense"	10.75	39.87

Notes forming part of the financial statements

Reconciliation of Benefit Obligations and Plan Assets for the period

(`inLacs)

Particulars	31 st March, 2016	31 st March, 2015
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	136.09	132.12
Current Service Cost	15.91	14.15
Interest Cost	11.74	13.32
Actuarial Losses / (Gain)	(11.85)	28.42
Benefits paid	(64.05)	(51.92)
Closing Defined Benefit Obligation	87.83	136.09
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	106.71	131.88
Expected Return on Plan Asset	8.12	9.98
Actuarial Gain / (Losses)	(3.08)	6.04
Contributions by Employer	9.39	10.73
Benefits paid	(64.05)	(51.92)
Closing Fair Value of Plan Assets	57.10	106.71

(c) Assumptions:

Particulars	31 st March, 2016	31 st March, 2015
Discount Rate (p.a.)	7.95%	7.90%
Expected Rate of Return on Assets (p.a.)	7.50%	7.50%
Salary Escalation Rate (p.a.)	7.00%	7.00%

(d) Experience Adjustments:

(`inLacs)

Particulars	31 st March, 2016	31 st March, 2015	31 st March, 2014	31 st March, 2013	31 st March, 2012
Defined benefit/obligation	87.83	136.08	132.12	147.64	130.11
Plan Assets	57.10	106.71	131.88	123.87	121.29
Surplus/Deficit	(30.73)	(29.37)	(0.23)	(23.78)	(8.83)
Experience Adjustment on Plan Liabilities	(11.37)	8.88	0.78	(6.21)	(16.37)
Experience Adjustment on Plan Assets	(3.08)	6.04	2.40	6.22	(8.41)

The Company is expected to contribute Rs.10 Lacs for the year ended March 31, 2017.

(e) Composition of plan assets:

Particulars	31 st March, 2016	31 st March, 2015
Insurer managed funds	100%	100%

Note 33:

The principal business of the Company is sheet metal fabrication and bodybuilding. All other activities of the Company revolve around its main business. Hence, there is only one reportable business segment as defined by Accounting Standard 17 on 'Segment Reporting' (AS 17).

Notes forming part of the financial statements

Note 34:

Disclosures as required by the Accounting Standard 18 (AS - 18) on 'Related Party Disclosures' are given below:

a) Names of related parties and description of relationship:

Sr. No.	Names of Related party	Nature of Relationship
1	Dr. Kailash Gupta	Director having significant influence through voting power
2	Mr. Deepak Tiwary	Key Management Personnel
3	Commercial Automobiles Private Limited	Enterprises over which Director with significant influence and their relatives are able to exercise significant influence.
4	Commercial Body Builders	
5	Commercial Motors	
6	Commercial Toyota	
7	Kailash Traders	
8	Shivam Motors Private Limited	
9	Anubha Engineering Limited	
10	Kailash Infratech Private Limited	
11	Commercial Installments	
12	Shubham MultiServices Private Limited	
13	J.N. Auto Limited (Unit Rekha Engineering)	
14	Jai Narayan Charitable Trust	
15	Kailash Motors	
16	Jashn Beneficiary Trust	
17	Commercial Motors (Dehradun) Private Limited	
18	Kailash Motors Private Limited	
19	Tirupati Services Private Limited	
20	Kailash Motors Finance Private Limited	
21	Narmada Autocare Services Private Limited	
22	Commercial Automobiles Jabalpur Private Limited	
23	Shri Crushtone Manufacturing Company Private Limited	

Notes forming part of the financial statements

b) Transactions with Related parties

(` inLacs)

Sr. No.	Particulars	Enterprises over which director with significant voting power and their relatives are able to exercise significant influence	Director having significant influence through voting power	Key Management Personnel	Total
1	Remuneration paid (including sitting fees)	- (-)	1.00 (0.80)	50.00 (50.00)	51.00 (50.80)
2	Purchase of Capital goods	- (4.08)	- (-)	- (-)	- (4.08)
3	Purchase of Raw Materials	- (5.38)	- (-)	- (-)	- (5.38)
4	Miscellaneous Income	1.11 (0.13)	- (-)	- (-)	1.11 (0.13)
5	Sale of raw material	7.93 (2.26)	- (-)	- (-)	7.93 (2.26)
6	Sale of Finished Goods	88.66 (43.62)	- (-)	- (-)	88.66 (43.62)
7	Reimbursement of Expenses – paid	4.10 (4.94)	- (-)	- (-)	4.10 (4.94)
8	Payment against Reimbursement of Expenses – received	0.57 (0.80)	0.46	- (-)	1.03 (0.80)
9	Advance given against purchases	0.96 (-)	- (-)	- (-)	0.96 (-)
10	Advance received back	0.96 (-)	- (-)	- (-)	0.96 (-)
11	Loan Taken	- (-)	61.15 (272.40)	- (-)	61.15 (272.40)
12	Advance Taken against sale of goods	90.47 (64.85)	- (-)	- (-)	90.47 (64.85)
13	Repayment of Advance Taken against sale of goods	13.00 (51.85)	- (-)	- (-)	13.00 (51.85)
14	Repayment of Loan Taken	- (-)	- (1167.00)	- (-)	- (1167.00)
15	Receipt against Issue of Non convertible redeemable Preference shares (NCRPS) (Also refer Note 3 (e) regarding calls unpaid against NCRPS)	- (-)	400.00 (900.00)	- (-)	400.00 (900.00)

Note:

As at 31st March, 2016, Dr. Kailash Gupta has pledged 30,262,528 equity shares (99.72% of promoter's shareholding) against various facilities availed by the company during the year.

Notes forming part of the financial statements

Previous year's figures are given in bracket.

Out of the above items, transactions with enterprises over which Directors and their relatives are able to exercise significant influence and in excess of 10% of total related party transactions are as under:

(` inLacs)

Transaction		31 st March, 2016	31 st March, 2015
1	<u>Sale of Raw Material</u> Commercial Automobiles Pvt. Ltd. J.N. Auto Limited Shivam Motors Pvt. Ltd.	0.66 - 7.26	0.08 - 2.18
2	<u>Remuneration Paid</u> Mr. Kailash Gupta (Director Sitting Fees) Mr. Deepak Tiwary	1.00 50.00	0.80 50.00
3	<u>Miscellaneous Income</u> Commercial Automobiles Pvt. Ltd.	1.11	0.13
4	<u>Purchase of Raw Material</u> Shivam Motors Pvt. Ltd.	-	5.38
5	<u>Reimbursement of Expenses– paid</u> Commercial Automobiles Pvt. Ltd. Kailash Motors Commercial Motors Sales Pvt. Ltd. Shivam Motors Pvt. Ltd. Kailash Gupta	1.84 0.55 0.54 0.00 1.17	3.12 0.61 0.91 0.30 -
6	<u>Payment against Reimbursement of Expenses-Received</u> Shivam Motors Pvt. Ltd. Kailash Motors Commercial Automobiles Pvt. Ltd. Kailash Gupta	- - 0.57 0.46	0.01 0.01 0.78 -
7	<u>Advance given against purchases</u> Commercial Automobiles Pvt. Ltd.	0.95	-
8	<u>Advance received back</u> Commercial Automobiles Pvt. Ltd.	0.95	-
9	<u>Loan taken</u> Kailash Gupta	61.15	272.40
10	<u>Repayment of Loan taken</u> Kailash Gupta	-	1167.00
11	<u>Advance taken against sale of goods</u> Commercial Automobiles Pvt. Ltd. Shivam Motors Pvt. Ltd. J.N. Auto Limited	88.47 - 2.00	- 64.85 -
12	<u>Repayment of advance taken</u> Shivam Motors Pvt. Ltd.	13.00	51.85
13	<u>Purchase of capital goods</u> Commercial Automobiles Pvt. Ltd.	-	4.08

Notes forming part of the financial statements

c) Closing Balances

Sr. No.	Particulars	Enterprises over which director with significant voting power and their relatives are able to exercise significant influence	Director having significant influence through voting power	Key Management Personnel	Total
1	Receivables	12.64 (15.18)	- (-)	- (-)	12.64 (15.18)
2	Payables	188.48 (208.91)	6.91 (-)	10.69 (-)	199.18 (208.91)
3	Loan taken	- (-)	208.55 (147.40)	- (-)	208.55 (147.40)
4	Investments	0.10 (0.10)	- (-)	- (-)	0.10 (0.10)

Note: Previous year figures are shown in bracket. Related party relationship and transactions are as identified by the Company and disclosed accordingly.

Note 35

Foreign Currency Balances

a) Derivatives

Outstanding derivatives:

	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
	` in Lacs		In Foreign Currency	
For ECB Loan Principal only Swap	3105.45	4347.63	USD 6.0mn	USD 8.4mn

b) The mark to market gain of outstanding derivative contracts as at the year-end has not been recognised.

Notes forming part of the financial statements

- c) The year-end foreign currency exposures that have not been specifically hedged by a derivative instrument or otherwise are given below:

Amounts payable in foreign currency on account of the following:

	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
	` in Lacs		In Foreign Currency	
For ECB Loan Principal only Swap	397.71	-	USD 0.6mn	-
Interest on ECB Loan	78.11	30.35	USD 0.12mn	USD 0.06mn

- d) Exchange Gain/ (Loss) (net) accounted during the year (` inLacs)

Particulars	31 st March, 2016	31 st March, 2015
On conversion of ECB loan liabilities from USD to INR value	17.67	-

Note 36:

Earnings per Share are calculated as follows: (` inLacs)

Particulars	31 st March, 2016	31 st March, 2015
a. Net (loss)available for distribution to equity shareholders (Refer note below)	(10,476.21)	(10254.61)
b. Weighted average number of Equity Shares for Basic EPS (In nos.)	54,942,964	54,942,964
c. Weighted average number of Equity Shares for Diluted EPS (In nos.)	54,942,964	54,942,964
d. Nominal value of Equity Share (`)	10.00	10.00
e. (Loss)/ earnings per share (Before Exceptional Items) : Basic and Diluted (in `)	(9.30)	(7.20)
e. (Loss)/ earnings per share (After Exceptional Items) : Basic and Diluted (in `)	(19.07)	(18.66)

Note: There are no arrears of dividend on non-convertible redeemable preference shares (NCRPS) as NCRPS are not yet fully paid-up at the year end.

Note 37:

Loans and Advances in the nature of Loans due from related parties (in accordance with clause 32 of Listing Agreement) (Refer Note 13 on 'Long term Loans and Advances' and Note 18 on 'Short term Loans and Advances')

Particulars	31 st March, 2016	31 st March, 2015
Others (Interest-free loans with no repayment schedule)		
Employees	3.25	9.72
Maximum balance outstanding at any time during the year	7.94	15.70

Notes forming part of the financial statements

Note 38:

"Long Term Loans and Advances" include Inter corporate deposits (ICD) of ` 1000 Lacs given to two Companies in an earlier year and which are outstanding as on 31st March 2016. These amounts have been fully provided for in an earlier year. The Company has, during the previous year filed a legal suit for recovery of the same (along with accumulated interest thereon). This case is lying before the Second Additional District Judge, Jabalpur.

Note 39:

During the previous year, the Company had provided for impairment of Rs. 6300 Lacs in the value of its plant & machinery relating to the cash generating unit located in a particular region in view of significant reduction in volumes mainly due to general economic slowdown. During the year, the Company has reviewed future business scenario and results achieved against budgeted forecasts of the previous year. Consequently and as required by the Accounting Standard (AS) 28 "Impairment of Assets", the Company has provided for further impairment of Rs. 5367 lacs in the value of its plant & machinery relating to the cash generating unit located in a particular region based on the assessment of its "value in use" with a weighted average cost of capital (WACC) in the range of 13% to 15%. The same has been disclosed as an exceptional item in the statement of Profit and & Loss.

Note 40:

Details of Loans given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

- (i) The company has not given any loans.
- (ii) Investments made by the company as at 31st March, 2016 (Refer note 12)
- (iii) The Company has not given any Corporate Guarantees in connection with a loan to any other body corporate or person

Note 41:

Over the past few years, the Company has been incurring losses due to which its net worth has significantly eroded. A significant portion of these losses are attributable to exceptional items of Impairment loss relating fixed assets and provision towards doubtful receivables. The Company had taken steps to raise term loans and working capital funds. Also the promoters have infused funds by way loan and preference shares. Additionally, various cost reduction measures have been taken by the Company which would improve profitability. The Company continues to get orders from existing customers. With funding support, the Company will be in a position to attain higher volumes. Toward this, the Company is in discussions with its bankers to restructure the loans which are repayable within one year and get further working capital support. The management is confident that restructuring of loans will be achieved and further working capital funds will be available, and Company will continue its operations as going concern. Accordingly, financial statements have been prepared by the Company on a going concern basis.

Notes forming part of the financial statements

Note 42:

The Company during an earlier year, had filed claim for refund of excise duty on sales made to customers which are exported under ARE-1 with Department of Customs and Excise aggregating to ` 259.17 Lacs (Previous year ` 259.17 Lacs). However, the Department has issued orders rejecting the claims based on certain technical grounds. The Company has preferred an appeal against the orders passed and is confident of succeeding in the matter.

Note 43:

Since the accumulated losses of the company are more than 50% of its peak net worth, the company is a potentially sick company in accordance with Section 23 of Sick Industrial Companies (Special Provisions) Act, 1985.

Note 44:

Entry tax represents provision / payments made pursuant to completion of assessments in respect of entry tax on certain sales done by the Company in earlier years. The Company expects no further liability in subsequent years.

Note 45:

The figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

**Signatures to Notes 1 to 45
For and on behalf of the Board**

P.Y. Gurav
Director

Prabhakar Dalal
Director

Deepak Tiwary
Chief Executive Officer

P S Sastry
Chief Financial Officer

Anurag Misra
Company Secretary

Mumbai, Dated: May 30, 2016

Commercial Engineers & Body Builders Co Ltd

Registered Office: 84/105 A, GT Road, Kanpur-208 003

ATTENDANCE SLIP

Joint shareholders may obtain additional Attendance Slip on request at the venue of the meeting.

D.P. Id. *

Master Folio No.

Client Id. *

Name and address of the shareholder:

No. of Share(s) held:

I/We hereby record my/our presence at the THIRTY SIXTH ANNUAL GENERAL MEETING of the company on 24th September, 2016 at 3.00 P. M. at Auditorium OF U.P. Stock and Capital Limited, Padam Towers, 14/113, Civil Lines, Kanpur-208 001, (U.P.)

Signature of the shareholder or proxy

*Applicable for investors holding shares in electronic form.

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: L24231UP1979PLC004837

Name of the company : Commercial Engineers & Body Builders Co Ltd

Registered office : 84/105 A, GT Road, Kanpur-208 003

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

1. Name :

Address :

E-mail Id :

Signature:....., or failing him

1. Name :

Address :

E-mail Id :

Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Sixth Annual General Meeting of the company, to be held on the 24th September, 2016 at 3.00 P. M. at Auditorium of U.P. Stock and Capital Limited, Padam Towers, 14/113, Civil Lines, Kanpur-208 001, (U.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolutions	For	Against
<u>Ordinary Business</u>			
1	To consider and adopt the audited Financial Statements of the Company for the Financial year ended 31st March, 2016 and the Reports of the Board of Directors and Auditors thereon		
2	To appoint a Director in place of Mr. Kailash Gupta (DIN: 00004951) who retires by rotation and being eligible, offers himself for re-appointment		
3	To ratify the appointment of Auditors and to fix their remuneration		

Signed this..... day of..... 2016 Affix Re. 1/- Stamp

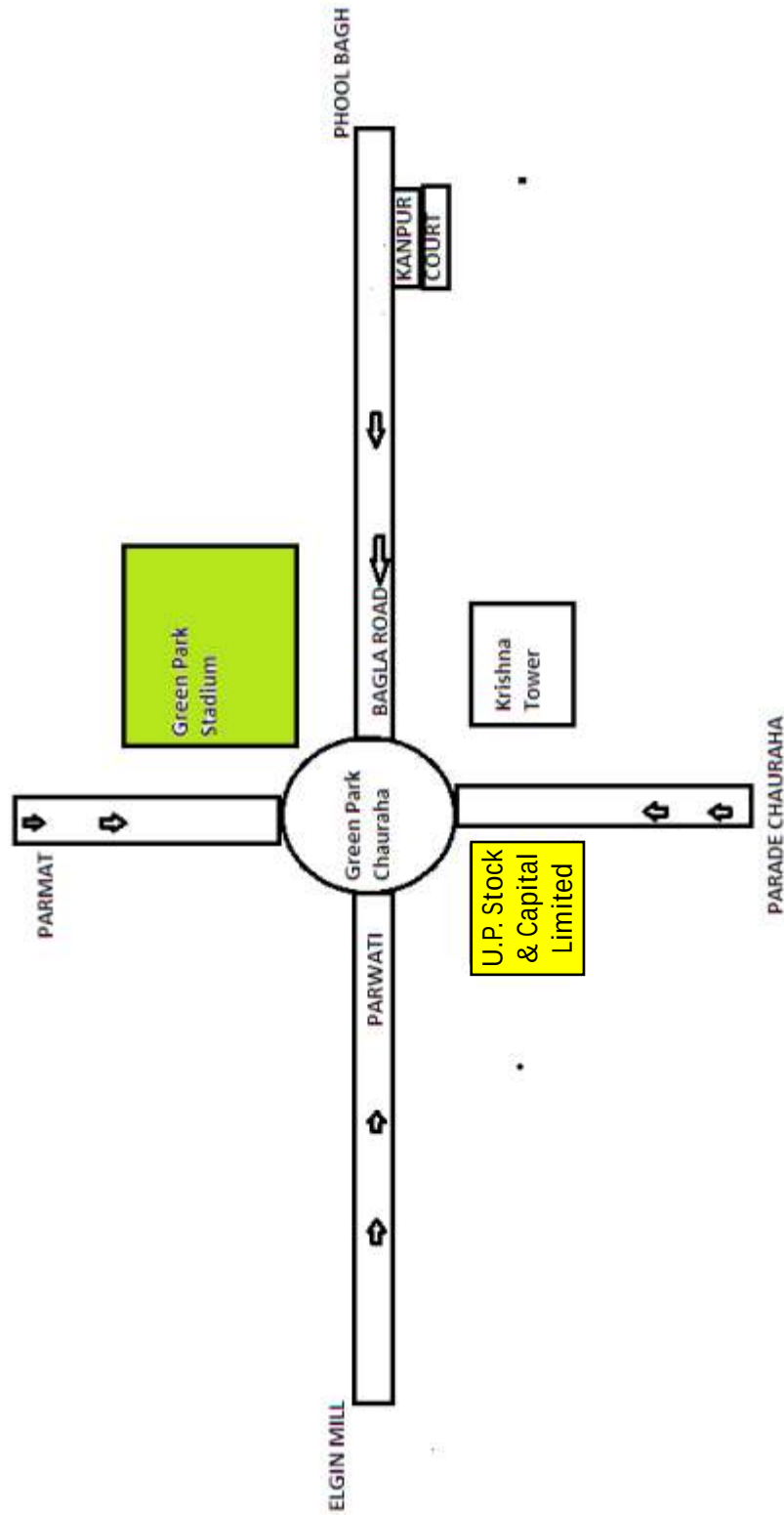
Signature of shareholder

Signature of Proxy holder(s)

REVENUE STAMP

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.

ROUTE MAP FOR THE VENUE OF THE AGM



Thank You



COMMERCIAL ENGINEERS & BODY BUILDERS CO. LTD.

Corporate Office: 124, Napier Town, Jabalpur - 482 001 Madhya Pradesh India

Tel.: +91 761 408 5924, Fax: +91 761 4037469, www.cebbsco.com