



G. G. DANDEKAR MACHINE WORKS LIMITED

77th Annual Report 2015-2016

Cover Back

Annual Report for the year ended on 31st March 2016**BOARD OF DIRECTORS**

Mr. Nihal G. Kulkarni	Chairman
Mr. Mangesh S. Joshi	Executive Director (Appointed w.e.f. 25 th July, 2015)
Mr. Pranav V. Deshpande	Executive Director (Resigned w.e.f. 25 th July, 2015)
Mr. Madhav R. Chandrachud	Non-Executive Non-Independent Director
Mr. Rajesh D. Phadke	Non-Executive Independent Director (Audit Committee Chairman)
Mr. Saurabh B. Patwardhan	Non-Executive Independent Director
Mrs. Savita P. Sahasrabudhe	Non-Executive Independent Director

COMPANY SECRETARY

Mr. Saurabh S. Somani

CHIEF FINANCIAL OFFICER

Mr. Sanket S. Gunjekar

STATUTORY AUDITORS

M/s. Joshi & Kulkarni,
Chartered Accountants

SECRETARIAL AUDITORS

M/s. KANJ & Associates
Practicing Company Secretary

BANKERS

Punjab National Bank
HDFC Bank

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
'Akshay Complex' Block No.202, 2nd Floor,
Near Ganesh Temple, Off Dhole Patil Road,
Pune 411001
Tel.: +91 (20) 26161629/ 26160084
Fax: +91 (20) 26163503;
Email: pune@linkintime.co.in

REGISTERED OFFICE

211/A, MIDC, Butibori Industrial Area,
Village Kinhi, Tal. Hingana Dist. Nagpur 441122.
Tel.: +91 (07104) 667300 ; Fax: +91 (07104) 667302
E-mail: ir@ggdandekar.com
Website: www.ggdandekar.com
CIN : L99999MH1938PLC002869

LOCATION OF FACTORY

Nagpur

Information for shareholders'**Annual General Meeting**

Day and Date : Tuesday, 9th August, 2016
Time : 11.00 a.m
Venue : 211/A, MIDC, Butibori Industrial Area,
Village Kinhi, Tal. Hingana Dist.
Nagpur-441122

Date of Book Closure : 5th August 2016 to 9th August 2016

Contents	Page Nos.
Notice	2
Directors' Report	8
Form A	34
Report on Corporate Governance	35
Independent Auditor's Report	47
Balance Sheet	53
Statement of Profit & Loss	54
Cash Flow Statement	55
Notes to Accounts (Part A to C)	56

G. G. DANDEKAR MACHINE WORKS LIMITED

NOTICE

Notice is hereby given that the 77th Annual General Meeting of G. G. Dandekar Machine Works Limited will be held on Tuesday 9th day of August, 2016 at 11:00 a.m. at 211/A, MIDC Butibori Industrial Area, Kinhi Village, Tah. Hingna, Dist. Nagpur - 441122, Maharashtra to transact the following business:

ORDINARY BUSINESS:

ITEM NO.1:

To receive, 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.

ITEM NO.2:

To appoint a director in place of Mr. Nihal G. Kulkarni, (holding DIN No. 01139147) who retires by rotation and being eligible, offers himself for re-appointment.

ITEM NO.3:

To ratify the appointment of Statutory Auditors of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:

“RESOLVED THAT, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the Annual General Meeting held on 11th September, 2014, the appointment of M/s Joshi & Kulkarni, Chartered Accountants, Pune (Firm Reg. No. 115751W) as the Statutory Auditors of the Company to hold office till the conclusion of the 80th Annual General Meeting to be held in the calendar year 2019 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2017 as may be determined by the audit committee in consultation with the auditors.”

By Order of the Board of Directors

Sd/-

Saurabh S. Somani
Company Secretary
A 30051

Place: Pune
Date: 24th May, 2016

NOTES:

- I. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- ii. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours before the time fixed for holding the meeting. Proxies shall not have any right to speak at 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.
- iii. The Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013, ("the Act") in respect of Ordinary Business No. 2 to be transacted at this Annual General Meeting is annexed hereto.
- iv. Details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking appointment / re-appointment at this Annual General Meeting forms part of the notice.
- v. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 5th August, 2016 to Tuesday, 9th August, 2016, both days inclusive.
- vi. Pursuant to provisions of Section 124 of Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956) any money transferred to the unpaid dividend account, which remains unpaid or unclaimed for a period of 7 years from the date of such transfer is required to be transferred to the 'Investor Education and Protection Fund' set up by the Central Government. Once the amount is so transferred, no claim shall lie against the Fund or the Company in respect of dividend amount thereafter. Shareholders are requested to send their claims, if any, for the financial year 2008-09 onwards, before the amount becomes due for transfer to the above Fund. Shareholders are requested to encash the dividend warrants immediately on their receipts by them.
- vii. Members are requested to inform change in address or bank mandate to their respective depository participants with whom they are maintaining their demat accounts and to the Registrar and Transfer Agent i.e., M/s Link Intime India Private Limited or the Company Secretary of the Company for the shares held in physical form by a written request duly signed by the member for receiving all communication in future.
- viii. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting so that the information can be made available at the time of the meeting.
- ix. Members may avail of the facility of dematerialisation by opening depository accounts with the Depository Participants of either National Securities Depository Limited OR Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised.
- x. Members are requested to bring their attendance slip and copy of the Annual Report at the meeting.
- xi. Members are requested to register their e-mail addresses with Company / Registrar and Share Transfer Agent in case of holding of shares in physical form and with concerned Depository Participants in case of shares held in dematerialised form.
- xii. All documents referred to in the Notice or in the accompanying Explanatory Statement are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 10.00 a.m. to 12.00 noon, prior to the date of the Annual General Meeting and also available for inspection at the meeting.
- xiii. Pursuant to Section 72 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH - 13 in duplicate (which will be made available on request) to the Registrar and Transfer Agent of the Company.
- xiv. The Notice along with Annual Report will be sent electronically indicating the process and manner of E-voting to the members whose e-mail addresses are registered with the depository participants / Company. The physical copy of Notice along with Annual Report will be sent to those members whose email addresses are not registered with the depository participants / Company indicating the process and manner of E-voting.

G. G. DANDEKAR MACHINE WORKS LIMITED

The members will be entitled to receive physical copy of Annual Reports for the financial year ended 31st March 2016, free of cost, upon sending a request to the Registrar and Transfer Agent or the Company Secretary of the Company. The Notice along with Annual Report will also be available on the Company's website www.ggdandekar.com

xv. Voting through electronic means:-

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM) ("remote e-voting") is provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 6th August, 2016 (9:00 am) and ends on 8th August, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd August, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/ the R & T Agent viz. Link Intime India Private Limited / D-depository Participants(s)]:
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder –Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "G. G. Dandekar Machine Works Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to maresh.athavale@kanjcs.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ the R & T Agent viz. Link Intime India Private Limited / Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD / PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up Equity share capital of the Company as on the cut-off date of 2nd August, 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 2nd August, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Mahesh Athavale, Company Secretary in Practice, (Membership No. FCS 2412 CP No. 1488) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ggdandekar.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- XVII. For members who wish to vote through Ballot Forms
- The Ballot Form is provided for the benefit of shareholders, who do not have access to E-voting facility.
 - Pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 members who do not have access to E-voting facility, may exercise their right to vote on business to be transacted at the Annual General Meeting of the Company by submitting the Ballot form enclosed to this Notice.

G. G. DANDEKAR MACHINE WORKS LIMITED

- iii. Shareholders may fill in the Ballot form enclosed with the Notice (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to the Scrutinizer, viz. Mr. Mahesh Athawale, Practicing Company Secretary c/o Link Intime India Private Limited (Unit: G. G. Dandekar Machine Works Limited), Block No. 202, Akshay Complex, 2nd Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune 411 001, so as to reach by 5 p.m. on 8th August, 2016. The Ballot Form received thereafter will be strictly treated as not received.
- iv. A shareholder can opt only one mode of voting either through remote e-voting or by Poll or by the Ballot. If a shareholder casts votes by all modes, then voting done through E-voting shall prevail and the Ballot Form shall be treated as invalid.
- v. Please follow the instructions as mentioned in the Ballot Form.

By Order of the Board of Directors

Sd/-

Saurabh S. Somani
Company Secretary
A 30051

Place: Pune
Date: 24th May, 2016

ANNEXURE TO THE NOTICE

As required by Section 102 (1) of the Companies Act, 2013 and pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following Statement sets out all material facts relating to Item No. 2 in the accompanying notice of 77th Annual General Meeting of the Company to be held on Tuesday, the 9th day of August, 2016 at 11.00 a.m. at 211/A, MIDC Butibori Industrial Area, Kinh Village, Tah. Hingna, Dist. Nagpur -441122, Maharashtra.

ITEM NO. 2 OF THE NOTICE:

Mr. Nihal G. Kulkarni is an A.B. in Economics from Brown University, USA. He has undergone extensive management training both in India (with the Kirloskar Group) and internationally with Toyota Motor Sales, USA and DSP Merrill Lynch

He has number of years of industry experience in the areas of finance and investments. He began his Indian career in senior management as Vice President at Kirloskar Pneumatic Company Limited from early 2005 until October 2010. This was followed by his first stint as Managing Director of Kirloskar Industries Limited (KIL) in October 2010

Mr. Nihal is Managing Director, Kirloskar Oil Engines Limited (KOEL). He is based out of the company's headquarters in Pune. Mr. Nihal took over this role since January 26th, 2012 leading the transformation of the organization both in India and its presence globally

Mr. Nihal G. Kulkarni is also Director in following other Companies:

Name of the Company	Board Position Held	Committee Membership
Kirloskar Oil Engines Limited	Managing Director	Corporate Social Responsibility Committee-Member
Kirloskar Industries Limited	Director	Audit Committee-Member
Kloudworks Consulting Services Limited	Director	-
Expert Quality Cloud Information Technology Pvt. Ltd.	Director	-

He does not hold any equity shares of the Company. He is not related to any other director on the Board of the Company.

Save and except, Mr. Nihal G. Kulkarni and his relatives, to the extent of their shareholding interest, if any, in the Company, none of other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 2 for approval by the shareholders'.

By Order of the Board of Directors

Sd/-

Saurabh S. Somani
Company Secretary
A 30051

Place: Pune
Date: 24th May, 2016

G. G. DANDEKAR MACHINE WORKS LIMITED

Directors' Report

To The Members,

The Directors have pleasure in presenting the 77th Annual Report together with Audited Annual Accounts of the Company for the Financial Year ended 31st March 2016.

Financial Performance:

(Amount in ₹)

Particulars	2015-16	2014-15
Gross Income	129,285,471	66,242,694
Profit// (Loss) before interest and Depreciation	(24,748,374)	(36,782,576)
Less Finance charges	2,413,148	2,823,767
Gross profit/ (loss)	(27,161,522)	(39,606,343)
Less Provision for Depreciation	15,059,258	18,010,576
Net profit/ (Loss) before tax	(42,220,780)	(57,616,919)
Add/ Less Exceptional Items	-	(4,207,984)
Profit/ (Loss) before Extra-Ordinary Items	(42,220,780)	(61,824,903)
Add/ (Less) Extra Ordinary Items	-	-
Profit/ (Loss) before Taxes	(42,220,780)	(61,824,903)
Less Taxes	286,392	27,406,950
Profit / (Loss) before previous years' taxes	(42,507,172)	(89,231,853)
Add/ Less Provisions for previous year's tax not provided for	(592,697)	1,501,662
Profit/ (Loss) for the period from continuing operations	(41,914,475)	(90,733,515)
Profit/ (Loss) from discontinuing operations	-	-
Less tax expenses from discontinuing operations	-	-
Net profit/ (loss)	(41,914,475)	(90,733,515)
Less Provision for Proposed Dividend and Dividend Tax	-	-
Net profit/ (loss) carried forward to Balance-Sheet	(41,914,475)	(90,733,515)

DIVIDEND

Your Directors do not recommend dividend for the financial year 2015-16.

MANAGEMENT DISCUSSION & ANALYSIS

1. This section includes discussion on the following matters within the limits set by the Company's Competitive position:

(A) INDIAN ECONOMY

Light Engineering Industries: The \$41 bn Indian Capital Goods industry has seen production grow at just 1% CAGR (compound annual growth rate) over the last three years. Imports have grown at 10% CAGR over the last five years and the share of imports in the Indian Capital Goods market has increased from 34% in FY10 to 40% in FY15. Capacity utilization of domestic manufacturers is only 60-70% across sub-sectors. National Capital Goods Policy 2016 aims at increasing production of capital goods at CAGR of ~12.5% over FY15-25, growing share of exports from 27% to 40% of production and reducing import share from 40% to 20%.

The India Meteorological Department (IMD) has predicted monsoon for 2016-17 at 106% of the Long Period Average (LPA) with a model error of 5%, no doubt it will have a positive effect on economy in many ways. Inflation will come down, growth will increase, agriculture productivity will improve and rural consumption will increase. A lower inflation will lead to low interest rates. Overall good rainfall will be useful for rice production and in turn will improve demand for Rice Milling Machinery.

(B) INDUSTRY STRUCTURE AND DEVELOPMENT

The main business of the company is to manufacture Food Processing Machineries especially for Rice Milling. With over

a century of experience in Rice Milling, the company products are benchmark for the Rice Milling industry. The company also offers consolidated solutions for improving and modifying existing mills as well as Turn Key solutions Rice Milling Projects.

(C) OPPORTUNITIES AND THREATS

The company is working to extend its sales network and market coverage to access all major rice pockets in India. It has improve market reach and enquiries level for its products. It has also helped to minimize dependency on traditional markets giving opportunity to address larger growing markets.

The company through its continuous Research & Development activities has developed several new products in Cleaning, Polishing and Grading sections. Now with increased product range, company addresses complete mill business and customers gets one stop solution.

The company has noticed a change in buying pattern wherein customers are giving preference to machinery with higher milling capacity and improved automation. The market trend also shows a shift from un-organized local suppliers to organized manufacturers. Both changes are favorable and improves customer acceptance for the company products.

However continuous fall in rice price over last two years coupled with drop in exports has resulted in drop in investment plans by millers. It has lowered the overall market size for rice milling machinery and increased competition amongst manufacturers.

Due to increased competition company has to face dilution of commercial policies by competitors resulting in inferior business terms in the market.

(D) SEGMENT-WISE PERFORMANCE OR PRODUCT-WISE PERFORMANCE

The company has maintained its leadership in traditional flagship products like Dandekar Cone Polishers, Paddy Sheller and Dandekar type Paddy Separator. The company has also progressed well on its New Product Development plan and generated 20% business through new products. The company has done major business in Polishing and Grading section.

(E) OUTLOOK

For Rice industry, Asia is expected to drive the 2016 global production recovery, spearheaded by an upturn in India. An expected above normal monsoon in 2016 is likely to boost rice production in the country. On the export side, the modest recovery in 2016 would reflect a general tightening of supplies, as various important rice origins have faced successive poor harvests. India, in particular, may witness a sharp contraction. It will have a mixed effect on rice milling machinery industry wherein investment budgets will be squeezed putting pressure on machinery prices.

(F) RISK AND CONCERNS

Risks of critical importance have been identified over a period of time. These risks are ranked on the basis of their impact on company's business and likelihood of their occurrence. A cross functional team takes stock of these risks and calls for necessary measures to mitigate the risks from the concerned risk owners. The risk owners then produce action plans for risk mitigation which is then evaluated by the team. New risks are added with the changes in economic and market scenarios and undergo the same process.

Identified risks include:

- Stagnating market growth: As domestic rice production lags a rise in consumption, overall stock levels are expected to de-cline. Production is highly dependent on rainfall and new crop is expected from 3rd quarter onward. A fall in exports due to ban by Iran on rice shipments from India will largely pull down India's rice exports. The government is also not expected to intervene in the export market, as its buffer stocks are well above minimum requirements.
- Effect of inadequate rainfall and unfavorable weather conditions in last two years: Output of food-grain is reduced and has hampered the overall growth in this sector. There is a significant reduction in Kharif output as well.
- Steady growth of Chinese products contributed by both organized and un-organized Rice Mill Manufacturers.

(G) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. An Internal Auditor has been appointed for this

purpose. The Audit Committee of the Board reviews the Internal Audit Report and the adequacy and effectiveness of internal controls periodically.

(H) COMPANY'S FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the financial year under review, your company has achieved turnover of ₹ 1051.12 Lacs (previous year ₹ 512.69 Lacs). The net loss is ₹ 419.14 Lacs (as against net loss after taxes ₹ 907.33 Lacs during FY 2014-15).

(I) MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FORMAT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company seeks to recruit and retain quality industry professionals and provide them with a high performance environment.

During the financial year, total workforce of the Company was 70 as compared to 95 in FY 2014-15.

(J) ENVIRONMENT

The Company has obtained certification of ISO 9001:2008, for the purpose of standardization. The Company takes due care in the selection and usage of appropriate material and methods in order to avoid violation of norms formulated to safeguard the environment.

(K) CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

(L) LISTING FEES

The annual listing fees for the year under review have been paid to BSE Limited, where your Company's shares are listed.

(M) COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

As on 31st March 2016, the Company has no subsidiary company.

The Board presents Audited standalone Financial Statements as prepared in compliance with the Accounting Standards and the Listing Regulations.

2. Disclosure of Accounting Treatment:

There is no deviation in accounting treatment, since the Financial Statement has been prepared in line with Accounting Standards.

PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013, RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT - 9 is annexed herewith as '**Annexure I**' to this Report.

NUMBER OF MEETINGS OF THE BOARD:

During the year under review, Six Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Act, in respect of Directors' Responsibility Statement, your Directors state that:

- a) in the preparation of the annual financial statements for the year ended 31st March 2016, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b) accounting policies as mentioned in Part-B to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2016 and of the profit/loss of the Company for the year ended on that date;

- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;
- e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

DECLARATION BY THE INDEPENDENT DIRECTORS

The Company has received necessary declaration from all Independent Directors under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 that they meet the criteria of independence as laid down.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Board had on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The policy is appended as '**Annexure II**' to this Report.

AUDITORS

a. Statutory Auditors

At the Annual General Meeting held on September 11th, 2014, M/s Joshi & Kulkarni, Chartered Accountants, Pune (Firm Reg. No. 115751W), were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 80th Annual General Meeting to be held in the calendar year 2019. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Joshi & Kulkarni, Chartered Accountants, Pune (Firm Reg. No. 115751W), as Statutory Auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

b. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Mahesh Athavale, Practising Company Secretary (Membership No. FCS 2412 CP No. 1488), to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as '**Annexure III**'.

c. Cost Auditor

Being the manufacturers of Engineering Machinery pursuant to Chapter 85 of the Central Excise Tariff Act, 1985 the Company has appointed Harshad S. Deshpande, Cost Accountant (Membership No. 25054) Pune as Cost Auditor for maintenance of Cost records.

EXPLANATION ON COMMENTS ON STATUTORY AUDITORS' AND SECRETARIAL AUDIT REPORT:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s Joshi & Kulkarni, Statutory Auditors, in their Audit report and by Mr. Mahesh Athavale, Company Secretary in Practice, in his Secretarial Audit Report.

However both the auditors had made observations regarding delay in transfer of un-claimed / un-paid dividend amount to IEPF and filing form INV 5.

The members are informed that delay in transfer of un-claimed / un-paid dividend amount to IEPF was due to reconciliation issue with the bank, further form INV 5 is not filed as the same is yet to be notified by the Ministry of Corporate Affairs.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186:

Your Company has not given any loan or guarantee or security or made any investment during the year.

G. G. DANDEKAR MACHINE WORKS LIMITED

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188:

Pursuant to the provisions of Section 134 of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business. Hence, no particulars are being provided in Form AOC-2. Related Party disclosures as per AS -18 have been provided in Note No. C-3 to the Financial Statements.

STATE OF COMPANY'S AFFAIRS

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis.

AMOUNTS PROPOSED TO BE CARRIED TO RESERVES

Particulars of the amounts proposed to be carried to reserves have been covered as part of the financial performance of the Company.

MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

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

Sr. No.	Particulars	Amount in ₹
i)	Foreign Exchange earned in terms of actual inflows during the year	Nil
ii)	Foreign Exchange outgo during the year in terms of actual outflows	49,771

RISK MANAGEMENT POLICY:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to provisions of section 135 of the Companies Act, 2013 the Company was not required to constitute the Corporate Social Responsibility (CSR) Committee.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013 and rules thereunder, the Board has carried out performance evaluation of its own, its Committees and individual Directors.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

Company does not have any subsidiary during the financial year under review.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business during the financial year under review.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

Directors appointed during the year

Name of Director/KMP	Designation	Term of appointment
Mr. Mangesh S. Joshi	Executive Director	Appointed for Three consecutive years commencing from 25 th July 2015 up to 24 th July 2018
Mr. Madhav R. Chandrachud	Non-Executive Director	Re-appointed with effect from 4 th September 2015, subject to retirement by rotation

Key Managerial Personnel (KMP) designated during the year

Name of KMP	Designation
Mr. Mangesh S. Joshi	Executive Director
Mr. Sanket S. Gunjkar	Chief Financial Officer

Directors and KMP's resigned during the year

Name of Director / KMP	Designation	Date of Resignation
Mr. Pranav V. Deshpande	Executive Director	25.07.2015
Mr. Pankaj A. Parkhi	Chief Financial Officer	15.07.2015

The Board places on record its sincere appreciation for the valuable services rendered by the Director and Chief Financial Officer.

Director(s) proposed to be re-appointed at the ensuing Annual General Meeting

The brief resumes and other details relating to Director(s) who is/are proposed to be appointed / re-appointed, as required to be disclosed under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, form part of the Explanatory Statement to the Notice of the Annual General Meeting.

DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE ACT:

None

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

To the best of our knowledge, the Company has neither received nor is aware of any such order from Regulators, Courts or Tribunals during the year, which may impact the Going Concern Status or the Company's operations in future.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements.

Regular management oversight and rigorous periodic testing of internal controls makes the internal controls environment strong at the Company. The Audit Committee along with Management oversees results of the internal audit and reviews implementation on a regular basis.

COMPOSITION OF AUDIT COMMITTEE:

The composition of the Audit Committee has been mentioned in the Corporate Governance Report annexed to this Report.

INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The relevant information pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed at '**Annexure V**' to this report

VIGIL MECHANISM

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism ('the Policy'). This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The policy has also been uploaded on the Company's website.

CASH FLOW

A cash flow statement for the year ended 31st March 2016 is attached to the Balance Sheet.

CORPORATE GOVERNANCE:

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on the Corporate Governance, along with the certificate of compliance from the Auditors, forms part of the Annual Report.

G. G. DANDEKAR MACHINE WORKS LIMITED

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

There were no complaints received for sexual harassment during the year 2015-16

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Particulars of employees pursuant to section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

ACKNOWLEDGMENTS

Your Directors wish to place on record, their appreciation for the contribution made and support provided to the Company by the shareholders, employees and bankers, during the year under the report.

For and on behalf of the Board of Directors

Sd/-

**NIHAL G. KULKARNI
CHAIRMAN**

Place: Pune

Date: 24th May, 2016

ANNEXURE I TO THE DIRECTORS' REPORT**EXTRACT OF ANNUAL RETURN:**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L99999MH1938PLC002869
Registration Date	8 th December 1938
Name of the Company	G. G. Dandekar Machine Works Limited
Category / Sub-Category of the Company	Company limited by shares
Address of the Registered Office and contact details	211/A, MIDC Butibori Industrial Area, Kinho Village, Tah. Hingna, Dist. Nagpur 441122 Tel: +91(07104) 667300 Fax: +91(07104) 667302 Website: www.ggdandekar.com
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited "Akshay" Complex, Block No. 202, 2nd Floor, Near Ganesh Temple, Off. Dhole Patil Road, Pune 411 001 Tel: +91(20) 26161629 / 26160084 Fax: +91(20) 26163503 Email: pune@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and description of main products / services	NIC code of the product / service	% to total turnover of the Company
1	Food Processing Machinery	28252	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	NA	NA	NA	NA	NA

G. G. DANDEKAR MACHINE WORKS LIMITED

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

i) Category-wise Shareholding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual / Hindu Undivided Family	28,66,320	0	28,66,320	60.20	28,66,320	0	28,66,320	60.20	0
b. Central Government	0	0	0	0	0	0	0	0	0
c. State Government (s)	0	0	0	0	0	0	0	0	0
d. Bodies Corporates	150	0	150	0.00	150	0	150	0.00	0
e. Bank / Financial Institutions	0	0	0	0	0	0	0	0	0
f. Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1) :-	28,66,470	0	28,66,470	60.20	28,66,470	0	28,66,470	60.20	0
(2) Foreign									
a. Non Resident Indians - Individuals	0	0	0	0	0	0	0	0	0
b. Other - Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corporates	0	0	0	0	0	0	0	0	0
d. Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
e. Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	28,66,470	0	28,66,470	60.20	28,66,470	0	28,66,470	60.20	0
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
c. Central Government	0	0	0	0	0	0	0	0	0
d. State Government (s)	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0

f. Insurance Companies	1,35,680	0	1,35,680	2.85	1,35,680	0	1,35,680	2.85	0
g. Foreign Institutional Investors	0	0	0	0	0	00	0	0	0
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1)	1,35,680	0	1,35,680	2.85	1,35,680	0	1,35,680	2.85	0
2. Non - Institutions									
a. Individuals									
i. Individual shareholders holding nominal share capital up to ₹ 2 Lakh	10,59,173	3,00,810	13,59,983	28.56	9,86,038	2,96,120	12,82,158	26.93	1.64
ii. Individual shareholders holding nominal share capital in excess of ₹ 2 Lakh	0	0	0	0	0	0	0	0	0
b. Others (Specify)									
a. Bodies Corporate	3,02,507	6,300	3,08,807	6.49	3,03,201	6,300	3,09,501	6.50	0.01
b. HUF	0	0	0	0	68,908	0	68,908	1.45	1.45
c. Clearing Members	1,23,713	0	1,23,713	2.60	10,727	0	10,727	0.23	(2.37)
d. NRI (Repatriate)	72,961	0	72,961	1.53	68,745	0	68,745	1.44	(0.09)
e. NRI (Non-Repatriate)	8,758	6,300	15,058	0.32	12,898	6,300	19,198	0.40	0.08
Sub-total (B)(2)-	15,67,112	3,13,410	18,80,522	39.50	14,50,517	3,08,720	17,59,237	10.02	(0.72)
Total Public Shareholding (B) = (B) (1)+ (B) (2)	17,02,792	3,13,410	20,16,202	42.34	15,86,197	3,08,720	18,94,917	36.95	4.00
C. Shares held by custodian for GDRs and ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	45,69,262	3,13,410	47,61,387	100.00	44,52,667	3,08,720	47,61,387	100.00	0

G. G. DANDEKAR MACHINE WORKS LIMITED

(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	
1	Atul C. Kirloskar	5,61,140	11.79	0	5,61,140	11.79	0	0
2	Sanjay C. Kirloskar	360	0	0	360	0.00	0	0
3	Rahul C. Kirloskar	5,50,180	11.56	0	5,50,180	11.56	0	0
4	Arti A. Kirloskar	4,00,000	8.40	0	4,00,000	8.40	0	0
5	Alpana R. Kirloskar	4,00,000	8.40	0	4,00,000	8.40	0	0
6	Gautam A. Kulkarni	5,54,280	11.64	0	5,54,280	11.64	0	0
7	Jyotsna G. Kulkarni	4,00,000	8.40	0	4,00,000	8.40	0	0
8	Mrinalini S. Kirloskar	180	0.00	0	180	0.00	0	0
9	Vikram S. Kirloskar	90	0.00	0	90	0.00	0	0
10	Roopa J. Gupta	90	0.00	0	90	0.00	0	0
11	Alpak Investments Pvt. Ltd..	50	0.00	0	50	0.00	0	0
12	Navsai Investments Pvt. Ltd.	50	0.00	0	50	0.00	0	0
13	Achyut and Neeta Holding and Finance Pvt. Ltd.	50	0.00	0	50	0.00	0	0
Total		28,66,470	60.20	0	28,66,470	60.20	0	0

Note: In case of Joint holding, name of first holder is considered.

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

Sr. No		Shareholding at the beginning of the year		Shareholding at the end of 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	28,66,470	60.20		
	Date wise increase / decrease in promoters' shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	Date Name of Promoter Reason				
1	- - -	0	0	-	-
At the end of the year				28,66,470	60.20

Note: There has been no change in the shareholding of promoters

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR and ADRs)

Sr. No	For each of the Top 10 Shareholders	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	7,28,450	15.27		
1	K.V. Development and Investment Co Pvt. Ltd	2,68,664	5.64	-	-
2	The Oriental Insurance Co. Ltd	1,35,680	2.85	-	-
3	Anvil Share and Stock Broking Pvt. Ltd	1,00,613	2.11	-	-
4	Krishna Kumar Dharamshi Somaiya	61,200	1.28	-	-
5	K V Deodhar	42,840	0.90	-	-
6	Minoo Babu	40,501	0.85	-	-
7	Shivanand Ramkrishna Prabhu	21,650	0.45	-	-
8	Asha Ramesh Tolat	21,600	0.45	-	-
9	Devkishan Chitangia	18,202	0.38	-	-
10	Mita Dipak Shah	17,500	0.37	-	-
	At the end of the year (or on the date of separation, if separated during the year)				
1	K.V. Development and Investment Co Pvt. Ltd	2,68,664	5.64	-	-
2	The Oriental Insurance Co. Ltd	1,35,680	2.85	-	-
3	Krishna Kumar Dharamshi Somaiya	61,200	1.28		
4	Minoo Babu	44,000	0.92	3499	0.07
5	K V Deodhar	42,840	0.90	-	-
6	Shivanand Ramkrishna Prabhu	22,750	0.48	100	0.00
7	Asha Ramesh Tolat	21,600	0.45	-	-
8	Devkishan Chitangia	19,684	0.41	1482	0.03
9	Mita Dipak Shah	17,500	0.37	-	-
10	Sunita Girish Bakre	16,615	0.35	16,615	0.35
	At the end of the year	6,50,533	13.67	21,686	0.45

Note:

- In cases of joint holding, the name of the first holder is considered.
- The shareholding details given above are based on the legal ownership and not beneficial ownership and is derived on the folio number listing provided by the Registrar and Transfer Agent of the Company.
- Since the shareholding of top ten shareholders are held in electronic form, it is not feasible to provide date-wise increase or decrease in the shareholding pattern of top ten shareholders during the financial year.

G. G. DANDEKAR MACHINE WORKS LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	For each of the Directors and KMP	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	46	0.00		
1	Mr. Nihal G. Kulkarni, Chairman	0	0.00	-	-
2	Mr. Pranav V. Deshpande, Executive Director *	40	0.00	-	-
3	Mr. Madhav R. Chandrachud	0	0.00		
4	Mr. Rajesh D. Phadke	0	0.00	-	-
5	Mr. Saurabh B. Patwardhan	0	0.00	-	-
6	Mrs. Savita P. Sahasrabudhe	0	0.00	-	-
7	Mr. Saurabh Somani	1	0.00	-	-
8	Mr. Pankaj Parkhi \$	5	0.00	-	-
	At the end of the year				
1	Mr. Nihal G. Kulkarni, Chairman	-	-	0	0.00
2	Mr. Mangesh S. Joshi Executive Director#	-	-	1	0.00
3	Mr. Madhav R. Chandrachud	-	-	0	0.00
4	Mr. Rajesh D. Phadke	-	-	0	0.00
5	Mr. Saurabh B. Patwardhan	-	-	0	0.00
6	Mrs. Savita P. Sahasrabudhe	-	-	0	0.00
7	Mr. Saurabh Somani	-	-	1	0.00
8	Mr. Sanket S. Gunjekar@	-	-	0	0.00
				2	0.00

* Resigned as Executive Director of the Company with effect from 25th July 2015

\$ Resigned as Chief Financial Officer and KMP of the Company with effect from 15th July 2015

Appointed as Executive Director with effect from 25th July 2015

@ Appointed as Chief Financial Officer and KMP of the Company with effect from 15th July 2015

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment as on 31st March, 2016 was ₹ 2,00,31,597/-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL*A. Remuneration of Managing Director, Whole-time Directors and / or Manager:*

Sr. No	Particulars of Remuneration	Name of Managing Director / Whole Time Director / Manager	Name of Managing Director / Whole Time Director / Manager
		Mr. Mangesh S. Joshi* Executive Director	Mr. Pranav V. Deshpande** Executive Director
1	Gross Salary	(Amount in ₹)	(Amount in ₹)
	a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	29,11,595	6,02,819
	b) Value of perquisites under Section 17 (2) of the Income Tax Act, 1961	40,981	-
	c) Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others, specify		
5	Others, please specify (Company's contribution towards PF and Superannuation)	98,710	18,256
	Total (A)	30,51,286	6,21,075
	Ceiling as per the Act is ₹ 42 Lacs, however if approved by special resolution the limit is double i.e. ₹ 84 Lacs		

* Appointed as Executive Director of the Company with effect from 25th July 2015

** Resigned as Executive Director of the Company with effect from 25th July 2015

G. G. DANDEKAR MACHINE WORKS LIMITED

B. Remuneration to other Directors:

(Amount in ₹)

Particulars of Remuneration		Name of Director		Total Amount
Independent Directors	Mr. Rajesh D. Phadke	Mr. Saurabh B. Patwardhan	Mrs. Savita P. Sahasrabudhe	
Fee for attending board / committee meetings	70,000	40,000	55,000	165,000
Commission	-	-	-	-
Others, please specify	-	-	-	-
Total (1)	70,000	45,000	55,000	165,000
Other Non-Executive Directors	Mr. Nihal Kulkarni	Mr. Madhav R. Chandrachud		
Fee for attending board / committee meetings	45,000	75,000	-	120,000
Commission	-	-	-	-
Others, please specify	-	-	-	-
Total (2)	45,000	75,000	-	120,000
Total (B) = (1 + 2)	1,15,000	1,20,000	55,000	2,85,000
Total Managerial Remuneration				2,85,000
Overall Ceiling as per the Companies Act, 2013	₹1.00 lac sitting fees per meeting for each Director. However Board has approved ₹5000 as sitting fees per meeting for each Director.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR / MANAGER / WHOLE TIME DIRECTOR

Sr. No	Particulars of Remuneration	Mr. Saurabh S. Somani	Mr. Sanket S. Gunjekar*	Mr. Pankaj A. Parkhi**	Total
		Company Secretary	Chief Financial Officer	Chief Financial Officer	
1	Gross Salary				
a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4,40,558	6,13,454	1,93,633	12,47,645
b)	Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-	-
c)	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify (contribution towards PF & FPF)	17,437	20,350	7,200	44,987
	Total	4,57,995	6,33,804	2,00,833	12,92,632

* Appointed as Chief Financial Officer of the Company with effect from 15th July 2015

** Resigned as Chief Financial Officer of the Company with effect from 15th July 2015

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

1. Company - NONE
2. Directors - NONE
3. other officers in Default - NONE

ANNEXURE II TO THE DIRECTORS' REPORT THE NOMINATION AND REMUNERATION POLICY

(As recommended by Nomination and Remuneration Committee and approved by Board)

PHILOSOPHY:

The Company strongly believes that the system of Corporate Governance protects the interest of all the stakeholders by inculcating transparent business operations and accountability from management towards fulfilling the consistently high standard of Corporate Governance in all facets of the Company's operations.

The Company is committed to provide employment to all eligible applicants on the principles of equality without any discrimination.

The employees have to strictly follow code of ethics and the management practices a zero tolerance for the same.

OBJECTIVE:

- To strike the right balance in the composition of the Board of Directors by ensuring experts from different spectrum of the existing and/or future business environment are co-opted on the Board to help the Company achieve its objectives, aspirations and growth potential.
- To implement a transparent process of determining remuneration at Board and Senior Management level of the Company that would strengthen confidence of stakeholders in the Company and its management and help in creation of long - term value for them.
- To strike appropriate balance between the elements comprising the remuneration so as to attract and retain potential high performing candidates for critical position in the Company for attaining continual growth in business.
- To ensure a direct relationship with the Key Result Areas and individual achievements considering short as well as long term performance objectives appropriate to the working of the Company and its goals.

COVERAGE:

A. Policy on Board Diversity and Term of Appointment of Independent Directors:

The Board of Directors shall comprise of persons who have expertise in the areas of business that the Company operates in and of such persons having expertise to help the Company to diversify its business at the appropriate times.

The Nomination and Remuneration Committee of the Board shall recommend persons with the requisite expertise to the Board of Directors for co-option on the Board, at its discretion.

The Independent Directors shall be appointed for two terms as follows:

- a. Existing or new Independent Directors below the age of 70, for one term of 5 consecutive years;
- b. Existing or new Independent Directors above the age of 70, for one term of such number of years as may be required for the said Independent Director to be 75 years of age;
- c. Existing Independent Directors between the age of 74 – 75 years, for one term of 2 consecutive years;
- d. New Independent Directors not falling under a to c above, for the first term of 5 consecutive years and for a second term of five consecutive years, subject to the result of the evaluation of their performance and also subject to the approval of the shareholders in the general meeting.

B. Guidelines of determining remuneration of:

- i. Executive Directors
- ii. Non Executive Directors
- iii. Key Managerial Personnel
- iv. Senior Management Personnel

I. DIRECTORS

i. Executive Directors:

The Board of Directors of the Company shall decide the remuneration of Executive Directors on the basis of recommendation from Nomination and Remuneration Committee (N&RC) subject to the overall limits provided under the Companies Act, 2013 and rules made thereunder, including any amendments, modifications and re-enactments thereto

('the Act') and in compliance with the provisions of the Listing Agreement as applicable from time to time. The remuneration shall be approved by the shareholders of the Company, as and when required.

The Company shall enter into a contract with every executive director, which will set out the terms and conditions of the appointment. The contract shall be recommended by the N&RC and approved by the Board. The contract shall be maximum for such tenure as may be provided in the Act subject to such approvals as may be required.

The Board may vary any terms and conditions of the contract subject to such approvals, as may be required under the Act.

Every notice sent to the shareholder for seeking their approval for appointment / re-appointment / remuneration of the executive directors shall contain the gist of terms and conditions of the contract.

The remuneration components shall include inter alia:

a. Fixed salary:

Each Executive Director shall be paid fixed salary consisting of basic salary and such allowances and perquisites as may be decided by Board on the recommendation of the Nomination and Remuneration Committee.

OPTION 1: The revision in the salary may be annually done and shall be determined by the Board as per the appraisal of the performance of each executive director by the Board, subject to overall limit approved by the shareholders.

OPTION 2: The salary shall remain fixed for the term of the Executive Director.

b. Commission:

The Board may approve payment of commission subject to the provisions of the Act. The amount of commission to be paid to each of the executive director(s), shall be as recommended by the N&RC on the basis of performance evaluation carried out in respect of such executive director(s) under Section 178 of the Act and Clause 49 of the Listing Agreement.

c. Non-monetary benefits:

Executive directors may be entitled to club membership, company vehicle with driver, petrol reimbursement, vehicle maintenance, telephone, fax, internet at residence, reimbursement of mobile phone bill, fully furnished accommodation (in case of use of own residential property for accommodation, house rent allowance shall be paid), furnishings, reimbursement of house maintenance expenditure, reimbursement of gas, electricity bill, water and other utilities and repairs at residence, reimbursement of medical expenditure, including domestic hospitalization expenses for self and family and leave travel assistance.

The executive directors may also be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance etc. or any other benefit as per Company policy.

d. Stock options:

Executive directors except promoter directors may be granted stock options as may be approved by the Board, if they are eligible as per existing or any scheme of stock options by the Company.

e. Compensation for loss of office may be paid as may be approved by the Board subject to the provisions of Section 202 of the Act.

f. Separation / Retirement benefits:

Executive Director shall be eligible to the following perquisites which shall be included in the computation of the ceiling on remuneration provided in the Act:

- (a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961 or any amendment thereof;
- (b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service and
- (c) Encashment of leave at the end of the tenure.

In case of loss or inadequacy of profits of the Company, the aforesaid perquisites shall not be included in computation of the ceiling on remuneration provided in the Act.

ii. **Non Executive Directors:**

The Company shall issue a letter of engagement or appointment to every non executive director. The components of payment of remuneration to non-executive directors shall be as follows:

a. Sitting fees :

Sitting fees shall be paid for Board and / or any Committee meetings as well as for separate meeting of independent directors, attended by the directors. Different amount of sitting fees may be paid for different types of meetings.

Sitting fees shall be over and above the limits prescribed in the Act for payment of remuneration but shall not exceed the amount as may be prescribed in the Rules for independent and non independent directors.

The disclosure of the payment of sitting fees for all types of meetings shall be made in the Annual Report of the Company.

Committees shall include Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, or such other committees as may be constituted by the Board from time to time.

b. Commission

The Board may approve payment of commission subject to the provisions of the Act. The amount of commission to be paid to each of the non-executive director(s), shall be as recommended by the N&RC on the basis of performance evaluation carried out in respect of such non-executive director(s) under Section 178 of the Act and Clause 49 of the Listing Agreement.

c. Stock Options:

Independent Directors and Promoter Directors shall not be entitled for stock options of the Company.

N&RC may recommend issue of stock options to other directors which may be granted by the Board subject to the compliance of the provisions of relevant laws.

d. Professional fees:

Non independent directors may be paid fees for services of professional nature, if in the opinion of N&RC, the director possesses the requisite qualification for the practice of the profession. The following professionals shall be deemed to be possessing requisite qualification and the N&RC is not required to give their opinion, if the director is any of the following professional and renders his services to the company in that capacity:

- (a) Journalist
- (b) Editor of a magazine but not the publisher or the proprietor
- (c) Man of letters writing numerous articles
- (d) Author
- (e) Engineer
- (f) Architect
- (g) Solicitor
- (h) Stock broker
- (i) Film actor
- (j) Optician
- (k) Commission Agent
- (l) Auctioneer, valuer or an estate agent
- (m) Chartered Accountant
- (n) Advocate

Such professional fees shall not be considered as remuneration for the purpose of Act.

EXCESS REMUNERATION:

The Board of Directors may decide to remunerate the Director/s beyond the overall limits provided under the Act, subject to compliance of provisions in this regard including obtaining approval of Central Government, if required, owing to loss incurred by the Company or inadequacy of profits and situation entails providing such remuneration.

WAIVING OF EXCESS REMUNERATION:

Any remuneration or sitting fees paid, whether directly or indirectly, to any director whether executive or not beyond the limits prescribed under the Act and for which approval of the shareholders or Central Government is not obtained, if required to be obtained, the same shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

Company shall not, in any case, waive the recovery of any such sum unless specific permission is obtained from Central Government for waiving such excess payment.

II. KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

i. Key Managerial Personnel:

Key Managerial Personnel (KMP) means Chief Executive Officer, Chief Financial Officer and Company Secretary.

The Company shall issue an appointment letter to every KMP to be signed by the reporting executive director. The letter shall detail the expectation from the role, remuneration package and other other terms and conditions.

The remuneration components may be:

a. Fixed salary:

Each KMP shall be paid fixed salary consisting of basic salary and such allowances and perquisites as per service rules of the Company. The band of the salary shall be determined according to the industry standards, market conditions, scale of Company's business relating to the position, educational qualification parameters and personal experience in the industry as detailed in the service rules of the Company and such other factors as may be prescribed therein.

The same shall be reviewed annually based on the Company's annual appraisal policy.

b. Variable pay:

Variable pay, if any, to every KMP shall be as per the responsibility of the position, organization and individual performance.

The variable pay shall be payable at the end of financial year based on absolute and relative performance evaluation of the Company as well as that individual.

c. Non monetary benefits:

Non monetary benefits to KMP may include club membership, company vehicle with driver, petrol reimbursement, vehicle maintenance, telephone, fax, internet at residence, reimbursement of mobile phone bill, fully furnished accommodation (in case of use of own residential property for accommodation, house rent allowance shall be paid), furnishings, reimbursement of house maintenance expenditure, reimbursement of gas, electricity bill, water and other utilities and repairs at residence, reimbursement of medical expenditure for self and family and leave travel assistance.

KMP may be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance etc. as per Company policy.

d. Stock options:

To motivate executives to pursue long term growth and objectives of the Company, the executive directors may nominate KMP for receiving stock options on the basis of the eligibility criterion of any scheme of stock options declared by the Company.

e. Separation / Retirement benefits:

Separation / retirement benefits as per Company policy which shall include contribution to provident fund, superannuation, gratuity and leave encashment.

DIRECTORS AND OFFICERS LIABILITY INSURANCE:

The Company may take Directors and Officers liability insurance or such insurance of like nature for indemnifying any of the Directors or its KMP against any liability in respect of any negligence, default, misfeasance, breach of duty or trust for which they may be guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of remuneration payable to such personnel. Provided that if such person is proved to be guilty, the premium paid shall be treated as part of remuneration.

CONSULTANTS AND ADVISORS:

The N&RC may take services of such consultants and advisors as may be required to assist in determination of optimum remuneration structure and evaluation of the same for the Company's Directors and senior management and shall have the authority to approve the fees payable to such consultants and advisors.

The N&RC shall have access to data of the Company relating to annual operating plan, management and leadership programs, employee survey, initiatives, operational reviews for purpose of undertaking their terms of reference and providing such recommendations as are required under the policy and take such assistance from Executive Director as may be required for assessing the effectiveness and performance of any employee covered under the policy.

sd/-

Atul C. Kirloskar

Chairman of the Board

DIN : 00007387

sd/-

Rajesh D. Phadke

Chairman of the Nomination &
Remuneration Committee

DIN : 02749329

G. G. DANDEKAR MACHINE WORKS LIMITED

ANNEXURE III TO THE DIRECTORS' REPORT SECRETARIAL AUDIT REPORT

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

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

To,
The Members
G. G. DANDEKAR MACHINE WORKS LIMITED
211/A, MIDC, Buti Bori Industrial Area
Village Kinh, Tal, Hingana
Dist. Nagpur (M.H.)-441122

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by G. G. DANDEKAR MACHINE WORKS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us as 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 audit period covering the financial year ended on 31st March 2016 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 ;
- 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 SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.
 - (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.
 - e. 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;
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable and.

g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There are no events occurred during the period which attracts provisions of these guidelines hence not applicable.

vi. As informed to us there are no other laws which are specifically applicable to the company.

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 Agreement entered into by the Company with BSE Limited;

During the period under review the Company has generally complied with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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 except for the Board Meeting held on 28.01.2016, 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 the decisions were taken by majority, while there were no dissenting views expressed in the meetings and hence not captured and recorded in the minutes

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that there has been delay in filing form INV 5 with respect to transfer of funds to IEPF due to reconciliation related issues with the banks. As informed to us, the company is in process of filing form INV 5 during the audit period the company has shifted the location of plant from Bhivandi to Nagpur.

Place :Pune
Date : 17th May 2016

Sd/-
Signature:
Mahesh A. Athavale
Partner
KANJ & ASSOCIATES
FCS No. 2412
CP No. 1488

G. G. DANDEKAR MACHINE WORKS LIMITED

ANNEXURE - A

To,
The Members
G. G. DANDEKAR MACHINE WORKS LIMITED
211/A, MIDC, Buti Bori Industrial Area
Village Kinh, Tal, Hingana
Dist. Nagpur (M.H.)-441122

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place :Pune
Date : 17th May 2016

Sd/-
Signature:
Mahesh A. Athavale
Partner
KANJ & ASSOCIATES
FCS No. 2412
CP No. 1488

ANNEXURE IV TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

- ā Steps taken or impact on conservation of energy.
We have rationalised street lighting & have switched off 5 bulbs resulting in saving of (5 fittings x 1 bulb per fitting x 11 hrs per day x 150 Watt x 365/1000 = 3011.25 kWh) 3011 units of electricity per year valued at about ₹ 30,110 approximately annually. (assuming Rs 10/unit)
- At Bhiwandi unit all extra connections & extra street lights fitting disconnected & only bare minimum required for maintaining security is being utilised/illuminated.*
- ā Steps taken by the company for utilizing alternate sources of energy.
Shop floor temperature crosses 45 deg C during summer and is comparatively warm during the year. As such the company has installed Air ventilator to utilize natural air draft to maintain necessary ventilation on shop floor to reduce the temperature.
- ā Capital investment on energy conservation equipment.
No major capital investment on energy conservation equipment was made.

B. TECHNOLOGY ABSORPTION

- ā Efforts made towards technology absorption.
Use of latest LASER cutting & Water Jet cutting technology for sheet metal parts of VC VD Polisher etc to improve product aesthetics and quality. Use of upgraded design software like Pro-E Creo in R&D.
- ā Benefits derived like product improvement, cost reduction, product development.
Product improvement: By putting efforts we could get better products aesthetically and functionally. Resulting in more efficient machines with improved life.
- Cost reduction: Changing source of supplier, disconnecting industrial supply of electricity at Bhiwandi & shifting to commercial connection with reduced demand load, rationalizing security system etc, installing CCTV for security management, contributing towards reduction in operating cost. Rationalising contract workers & Managers in operation.*
- Product development: New products were developed & introduced in the market in Polishing section. & existing products were modified as per market requirement. Vibro feeder, geared motor drive in grader with multiple deck, Husk Box with sieve, polisher with top bearing support are some example.*
- ā In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)
The company has not imported any technology in last financial year.
- Details of technology imported.
Not applicable since it has not imported any technology in last financial year.
 - Year of import.
Not applicable
 - Whether the technology has been fully absorbed.
Not applicable
 - If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
Not applicable
 - Expenditure incurred on research & development.
No significant expenditure was incurred on research & development.

G. G. DANDEKAR MACHINE WORKS LIMITED

ANNEXURE V TO THE DIRECTORS' REPORT

INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No	Particulars		After considering commission
I	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year	Ratio	Ratio
		Mr. Nihal G. Kulkarni, Chairman	0.25
		Mr. Pranav V. Deshpande, Executive Director *	3.47
		Mr. Mangesh Joshi Executive Director @#	17.04
		Mr. Madhav R. Chandrachud	0.42
		Mr. Rajesh D. Phadke	0.39
		Mr. Saurabh B. Patwardhan	0.22
		Mrs. Savita P. Sahasrabudhe	0.31
II	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name of Director	Percentage +/- in the remuneration
		Mr. Nihal G. Kulkarni, Chairman	-
		Mr. Pranav V. Deshpande, Executive Director *	-
		Mr. Mangesh Joshi Executive Director @#	12.98
		Mr. Madhav R. Chandrachud	-
		Mr. Rajesh D. Phadke	-
		Mr. Saurabh B. Patwardhan	-
		Mrs. Savita P. Sahasrabudhe	-
		Mr. Saurabh Somani	-
		Mr. Sanket Gunjekar^	-
		Mr. Pankaj Parkhi **	-
III	The percentage increase in the median remuneration of employees in the financial year	NIL	
IV	The number of permanent employees on the rolls of Company	45 including Executive Director	
V	The Explanation on the relationship between average increase in remuneration and company performance	There was no increase in remuneration during the year	
VI	Comparison on the remuneration of the Key Managerial Personnel against the performance of the Company	There was increase in remuneration of only Executive Director on account of his relocation to Nagpur	

		As on 31 st March	
		2016	2015
VII	Variation in the market capitalizations of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies	Market Capitalization (₹ In Lakhs)	2494.97 3,432.96
		PE Ratio*	(6.01) (3.78)
		*Source- BSE Ltd The Company had not made any public offer.	
VIII	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	NIL	
		NIL	
		There was increase in remuneration of only Executive Director on account of his relocation to Nagpur	
IX	Comparison of the each remuneration of the KMP against the performance of the Company	The remuneration is not solely based on company performance but also includes various other factors like individual performance, industry trends, economic situation, future growth prospects, etc. The Board believes that the remuneration is in line with industry.	
X	key parameters for any variable component of remuneration availed by the Directors	Commission is the variable component in the remuneration of Director's. As per the Nomination and Remuneration Policy of the Company, the amount of commission is calculated on the basis of performance evaluation of the directors. However no commission was paid to Directors during the FY 2015-16	
XI	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable	
XII	Affirmation	The Board affirms that the remuneration is as per the remuneration policy of the Company.	

appointed as Key Managerial Personnel with effect from 25th July 2015

* Resigned as a Director of the Company with effect from 25th July 2015

@ Appointed as Executive Directors with effect from 25th July, 2015

^ Appointed as Chief Financial Officer and nominated as Key Managerial Person with effect from 15th July, 2015

** Resigned as Chief Financial Officer with effect from 15th July, 2015

G. G. DANDEKAR MACHINE WORKS LIMITED

FORM A

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of the Company	G.G. Dandekar Machine Works Ltd.
2.	Annual Financial Statements for the year ended	31st March 2016
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not Applicable

For Joshi & Kulkarni
Chartered Accountants
[F.R. No. 115751-W]

Sd/-

Shantanu Ghanekar
Partner
M.No. 102133
Place : Pune
Date : 24.05.2016

For G. G. Dandekar Machine Works Ltd.

Sd/-

Nihal Kulkarni
Chairman
DIN : 01139147

For G. G. Dandekar Machine Works Ltd.

Sd/-

Mangesh Joshi
Executive Director
DIN : 07244555

For G. G. Dandekar Machine Works Ltd.

Sd/-

Sanket Gujkar
Chief Financial Officer
PAN : ALMPG0286B

For G. G. Dandekar Machine Works Ltd.

Sd/-

Rajesh Phadke
Audit Committee Chairman
DIN: 02749329

Report on Corporate Governance
(Pursuant to Regulation 72 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. The Company's philosophy on Code of Corporate Governance

The Company's philosophy on Corporate Governance is to conduct its affairs in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, lenders, creditors, and employees. To this end, the Company's philosophy on Corporate Governance is to Endeavour to ensure:

- That systems and procedures which monitor compliance with laws, rules, and regulations are in place in each area of its business.
- That relevant information regarding the Company and its operation is disclosed, disseminated and easily available to its stakeholders.

Your Company's policy is aimed at adhering to all the laws, rules, regulations meant for Corporate Governance at all times and have the best management team that can also effectively monitor corporate decisions for sustained growth.

2. Board of Directors

The Company's policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board.

a. Composition of the Board

As at 31st March 2016, the Board comprised of six Directors. The Composition of the Board is as under:

Category of Directors	No. of Directors
Executive	1
Non-Executive and Independent	3
Non-Executive and Non Independent	2
Total	6

b. Number of Board Meetings

During the financial year under review, six Board Meetings were held on 29th May, 2015, 15th July, 2015, 25th July, 2015, 4th September, 2015, 13th November, 2015, 28th January, 2016.

c. Director's attendance record and directorships held

The information on composition and category of the Board of Directors as on 31st March 2016, attendance of each Director at Board Meetings held during the financial year 2015-16 and the Annual General Meeting (AGM) held on 4th September, 2015, directorships and committee positions in other public companies of which the Director is a Member/ Chairman and the shareholding of Non-Executive Directors is as follows:

Sr. No.	Name of Director	No. of Shares held by Non Executive Directors	No of Directorships held in other Public Ltd Co.**	No. of Committee positions held in other Public Ltd. Co.***		Attendance at the Meetings	
				Chairman	Member	Board	AGM
Executive Directors							
1.	Mr. Pranav Deshpande#	N.A.	-	-	-	3	-
2.	Mr. Mangesh S. Joshi@	N.A.	-	-	-	3	Present
Non Executive Directors							
3.	Mr. Madhav Chandrachud	NIL	-	-	-	6	Present
4.	Mr. Nihal G. Kulkarni *	NIL	3	N.A.	1	5	Leave
Independent & Non Executive Directors							
5.	Mr. Rajesh D. Phadke	NIL	1	-	-	6	Present
6.	Mr. Saurabh B. Patwardhan	NIL	-	-	-	6	Present
7.	Mrs. Savita P. Sahasrabudhe	NIL	2	-	2	5	Present

Note:

- * Deemed as Promoters within the meaning of Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares & Takeover) Regulations, 2011.
- ** Other Directorships excludes directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
- *** For this purpose only Audit and Stakeholders' Relationship Committee of the Public Limited Companies has been considered as per Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- # Resigned as a Director of the Company with effect from 25th July, 2015.
- @ Appointed as Directors with effect from 25th July, 2015.

d. Criteria for performance evaluation:

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of Directors. The annual evaluation of Directors is made on the following criteria:

- i. Attendance for the meetings, participation and independence during the meetings;
- ii. Interaction with Management;
- iii. Role and accountability of the Board and
- iv. Knowledge and proficiency

e. Meeting of Independent Directors

The meeting of Independent Directors' was held on Thursday, 31st March 2016 to discuss, inter-alia:

- (a) the performance of Non Independent Directors and the Board as a whole;
- (b) the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- (c) the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

f. Familiarisation program for Independent Directors

- Independent Directors of the Company are made aware of their role, rights and responsibilities at the time of their appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement. Further copies of Code of Conduct and Policies adopted by the Board as per regulatory provisions are made available to Independent Director at the time of joining.
- During quarterly Board Meetings, all Board Members are updated on regular basis, by way of presentations where Directors have an opportunity to interact with senior management personnel. Presentations cover, inter alia, quarterly and annual results, budgets, review of internal audit report, information on business performance, operations, financial parameters, senior management change, major litigations, compliances, risk management and regulatory scenarios and such other areas as may arise from time to time.
- The same is available on company's website www.ggdandekar.com

g. Code of Conduct

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel. The Code of Conduct is available on the Company's website viz., www.ggdandekar.com. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by the Executive Director forms part to this Report.

h. Information supplied to the Board

Among others, this includes:

- Review of annual operating plans of business, capital budgets, updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Material important show cause, demand, prosecution and penalty notices;

- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property
- Significant labour problems and their proposed solutions;
- Significant development in human resources and industrial relation fronts;
- Non-compliance of any regulatory, statutory provision or listing requirements as well as shareholders service such as non-payment of dividend and delay in share transfer.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer or Company Secretary.

3. Audit Committee

a. Composition

As at 31st March, 2016, the Audit Committee comprises of Four Non-Executive Directors, among which 3/4th of the members are Independent. The Company Secretary acts as the Secretary to the Committee. The Executive Director also attends the Audit Committee Meetings. The representatives of the Internal Auditors and Statutory Auditors are also invited to the meetings.

During the financial year under review, four meetings of the Committee were held on 29th May 2015, 15th July 2015, 13th November 2015 and 28th January 2016.

The composition of the Committee and attendance at its meetings is given below:

Sr. No.	Name of the member Director	Category	Number of meetings attended
1.	Mr. Nihal G. Kulkarni*	Non- Independent	2
2.	Mr. Madhav R. Chandrachud	Non- Independent	4
3.	Mr. Rajesh D. Phadke (Chairman)	Independent	4
4.	Ms. Savita P. Sahasrabudhe	Independent	3
5.	Mr. Saurabh B. Patwardhan#	Independent	2

*Resigned as Member of the Committee with effect from 15th July 2015

#Appointed as Member of the Committee with effect from 15th July 2015

b. Terms of Reference

The terms of reference of the Audit Committee include the matters specified under Regulation 18 read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as those in Section 177 of the Companies Act, 2013 and inter-alia includes the following:

1. Oversight of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board, for approval, with particular reference to:
 - a) 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.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualification in Draft Audit Report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. 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.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approving or any subsequently modifying transactions of the company with related parties.
9. Scrutinizing inter-corporate loans and investments.
10. Ensuring valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluating internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. 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.
14. Discussing with internal auditors any significant findings and follow up there on.
15. 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.
16. Discussing with statutory auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. Looking 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.
18. Reviewing the functioning of the Whistle Blower mechanism.
19. 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.
20. Mandatorily reviewing the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee) submitted by the management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Internal Auditor.
21. Carrying out any other function as is mentioned in the terms of reference of Audit Committee as amended from time to time by the Listing Regulations and Companies Act, 2013.

c. Powers of Audit Committee

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

4. Nomination and Remuneration Committee

a. Composition

As at 31st March, 2016, the Nomination and Remuneration Committee comprises of three Non-Executive Directors, majority of whom are Independent. The composition is in conformity with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year under review, four meetings of the Committee were held on 29th May, 2015, 15th July 2015, 25th July 2015 and 13th November 2015.

The composition of the Committee and attendance at its meetings is given below:

Sr. No.	Name of the member Director	Category	Number of meetings attended
1.	Mr. Rajesh D. Phadke (Chairman)	Non-Executive Independent	4
2.	Mr. Madhav R. Chandrachud	Non-Executive Non Independent	4
3.	Mrs. Savita P. Sahasrabudhe	Non-Executive Independent	3

b) Terms of Reference

The terms of reference of the Nomination and Remuneration Committee include the matters specified under Regulation 19 read with Schedule II Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as those in Section 178 of the Companies Act, 2013 and inter-alia includes the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- v. Formulation of policy relating to the remuneration for the directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

c) Remuneration to Directors

1. Remuneration to Directors

The Board has, on the recommendation of the Nomination and Remuneration Committee adopted the Nomination and Remuneration Policy for selection and appointment of Directors, Senior Management and their remuneration. The copy of the same has been attached as Annexure II to the Directors' Report.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to its Executive Director. The commission to the Executive Director is decided by the Nomination and Remuneration Committee on determination of the profits for the financial year and is also approved by the Board of Directors. The remuneration to the Executive Director is in accordance with the provisions of the Companies Act, 2013 and rules thereof and within ceiling prescribed thereunder.

Upon the recommendation of the Nomination and Remuneration Committee and based on the performance of the Company, the Board of Directors decide the remuneration to Non-Executive Directors by way of commission.

The sitting fee of ₹ 5,000/- per meeting of the Board and any committee thereof, attended by the Non-Executive Directors is payable to them.

G. G. DANDEKAR MACHINE WORKS LIMITED

Details of the remuneration paid to Directors during Financial Year 2014-15

(Amount in ₹)

Sr. No.	Name of Director	Salary (₹)	Perquisites & Other Benefits (₹)	Contribution to Statutory Funds (₹)	Sitting Fees (₹)	Commission (₹)	Total (₹)
	Executive Director						
1	Mr. Pranav V. Deshpande*	6,02,819	-	18,256	NA	-	6,21,075
2	Mr. Mangesh S. Joshi#	29,11,595	40,981	98,710	NA	-	30,51,286
	Non-Executive Directors						
3	Mr. Nihal G. Kulkarni	-	-	-	45,000	-	45,000
4	Mr. Madhav R. Chandrachud	-	-	-	75,000	-	75,000
5	Mr. Rajesh D. Phadke	-	-	-	70,000	-	70,000
6	Mr. Saurabh B. Patwardhan	-	-	-	40,000	-	40,000
7	Mrs. Savita P. Sahasrabudhe	-	-	-	55,000	-	55,000
	Total				2,85,000		39,57,361

*Resigned as Executive Director with effect from 25th July 2015

#Appointed as Executive Director with effect from 25th July 2015

5. Share Transfers Cum Shareholders' / Investors' Grievance and Stake Holders Relationship Committee

The Share Transfers Cum Shareholders' / Investors' Grievance and Stake Holders Relationship Committee has been constituted to look into investor's complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends, etc. and redressal thereof. The Committee is headed by Mr. Madhav R. Chandrachud, Non-executive and Non - Independent Director, with Mr. Nihal G. Kulkarni, Non-Executive Director and Mr. Mangesh S. Joshi, Executive Director, being the other members of the Committee.

During the financial year under review, two meeting of Transfers Cum Shareholders' / Investors' Grievance and Stake Holders Relationship Committee Meeting were held on 29th May, 2015 and 25th July, 2015.

Mr. Saurabh Somani, Company Secretary is the Compliance Officer.

The Compliance Officer can be contacted at:

G. G. Dandekar Machine Works Limited

211/A, MIDC Butibori Industrial Area, Kinhi Village, Tah. Hingna, Dist. Nagpur 441122

Tel.: (07104) 667300; Fax: (07104) 667302 E-mail: saurabh.somani@ggdandekar.com

With reference to Regulation 6(2)(d) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the Company has designated exclusive e-mail id for the investors as ir@ggdandekar.com to register their grievances, if any. This has been initiated by the Company to resolve such Investors' grievances immediately. The Company has displayed the said e-mail id on its website for the use of investors.

During the year ended 31st March 2016, one complaint was received and replied to the satisfaction of the shareholders and there were no complaints outstanding as on 31st March 2016.

6. General Body Meeting

Previous General Meetings of the shareholders of the Company were held as under-

Financial Year	Date	Type of Meeting	Venue	Time
2014-15	4 th September 2015	Annual General Meeting	211/A, MIDC Butibori Industrial Area, Kinhi Village, Tah. Hingna, Dist. Nagpur 441122	11.00 a.m
2013-14	11 th September 2014	Annual General Meeting	211/A, MIDC Butibori Industrial Area, Kinhi Village, Tah. Hingna, Dist. Nagpur 441122	11.00 a.m.
2012-13	31 st July 2013	Annual General Meeting	211/A, MIDC Butibori Industrial Area, Kinhi Village, Tah. Hingna, Dist. Nagpur 441122	11.30 a.m.

In the previous General Meetings, one Special Resolution was passed by the shareholders as below:

Appointment of Mr. Mangesh S. Joshi as Executive Director for the period of 3 years commencing from 25th July, 2015 along with remuneration payable to him.

During the year, Company had not passed any special resolution by postal ballot.

At present, no special resolution is proposed to be passed by postal ballot at the ensuing Annual General Meeting.

7. MEANS OF COMMUNICATION

a. Quarterly results

The Quarterly and Half Yearly results are published in national and local dailies, namely Financial Express (English) and Loksahi Varta (Marathi), having wide circulation. Since the results of the Company are published in the newspapers, half yearly reports are not sent individually to the shareholders.

The Company's results and official news releases are displayed on the Company's website namely www.ggdandekar.com

b. The BSE Corporate Compliance and Listing Centre (the 'Listing Centre')

The Listing Centre of BSE is web based application designed by BSE respectively for the Corporate. All periodicals compliance filings like shareholding pattern, corporate governance report, quarterly results etc. are filed electronically on the Listing Centre of BSE.

c. The Management Discussion and Analysis Report forms part of this Annual Report.

8. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Corporate Identification Number (CIN)	L99999MH1938PLC002869
Annual General Meeting	Date and Day : Tuesday, 9 th August 2016 Time : 11:00 am Venue : 211/A, MIDC Butibori Industrial Area, Kinho Village, Tah. Hingna, Dist. Nagpur 441122
Book Closure	5 th August 2016 to 9 th August 2016 (Both days inclusive)
Last date of receipt of proxy forms	7 th August 2016
Financial Year 2015-16	During the year the financial results were announced as under: First quarter : 15 th July, 2015 Second quarter : 13 th November, 2015 Third quarter : 28 th January, 2016 Annual : 24 th May, 2016
International Security Identification Number (ISIN)	INE631D01026
Name and address of stock exchange where shares are listed	BSE Limited (BSE), Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
Stock Code	505250
Designated E-mail address for investor services	ir@ggdandekar.com

G. G. DANDEKAR MACHINE WORKS LIMITED

b. Shareholding Pattern as on 31st March 2016

Sr. No.	Category	No. of shares	% of Share holding
1	Promoters	28,66,470	60.20
3	Clearing Members	10,727	0.23
4	Other Bodies Corporate	3,09,501	6.50
5	Hindu Undivided Family	68,908	1.45
6	NRI (Repatriable)	68,745	1.44
7	NRI (Non- Repatriable)	19,198	0.40
8	General Public	12,82,158	26.93
9	GIC & Its Subsidiaries	1,35,680	2.85
	TOTAL	47,61,387	100.00

c. Distribution of Shareholding as on 31st March 2016

Shareholding of nominal value of		Shareholders		No. of Shares (Nominal Value @ ₹ 1)	
₹	₹	Number	% to Total	Number	% to Total
(1)		(2)	(3)	(4)	(5)
1	10,000	2825	99.19	11,62,363	24.41
10,001	20,000	10	0.35	1,37,410	2.89
20,001	30,000	2	0.07	44,350	0.93
40,001	50,000	2	0.07	86,840	1.82
50,001 and above		9	0.32	33,30,424	69.95
TOTAL		2,848	100	47,61,387	100.00

d. Dematerialization of Shares and Liquidity

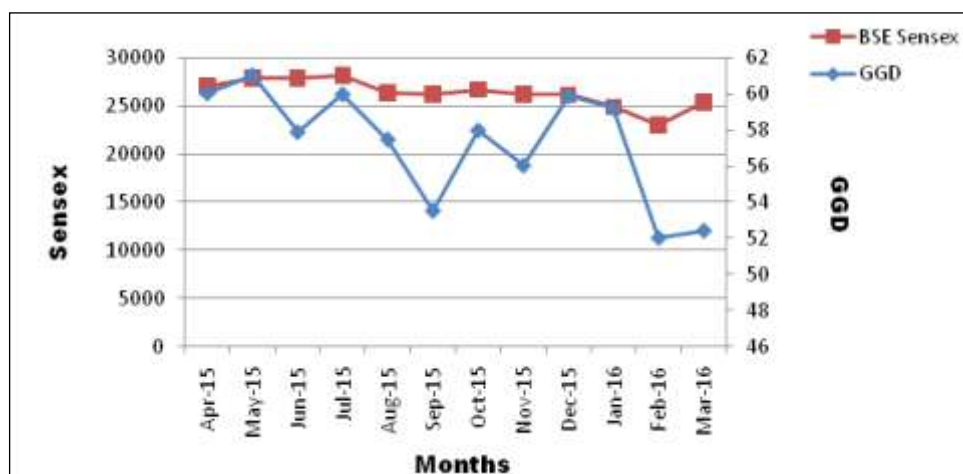
Dematerialisation of shares and liquidity (as on 31 st March 2016)	44,52,667
Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company has not issued GDRs / ADRs / Warrants or any Convertible instruments.

e. Market Price Data

Monthly high / low during the year 2015-16 on the BSE are as under:

Stock Exchange	BSE	
Month	High (₹)	Low (₹)
April 2015	75.70	56.10
May 2015	74.00	56.35
June 2015	62.90	54.00
July 2015	63.50	55.55
August 2015	65.00	48.60
September 2015	59.90	49.30
October 2015	60.00	51.25
November 2015	61.80	52.60
December 2015	62.00	55.00
January 2016	63.90	50.50
February 2016	63.60	49.00
March 2016	58.70	49.50

f. Performance of Company's scrip on the BSE as compared to BSE Sensex (in Rupees)



g. Share Transfer System

- I. The applications for transfer of shares lodged at the Company's Registrar and Share Transfer Agents in physical form are processed within 15 days of receipt of the valid and complete documents in all respects. After such processing, the Registrar and Share Transfer Agent will issue share certificate to the concerned shareholder within 15 days of receipt of certificate for transfer. Shares under objection are returned within a stipulated period of time. The transfer applications are approved periodically by the senior management of the Company.
- II. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half yearly basis is issued by the Practicing Company Secretary for compliance with share transfer formalities by the Company.

III. Registrar and Share Transfer Agent (R & T Agent)

The entire work of the Company, relating to processing of transfer of shares has been given to an outside agency i.e., Link Intime India Private Limited being a SEBI Registered R & T Agent. The contact details are as follows –

Link Intime India Private Limited	'Akshay' Complex, Block No. 202, 2nd Floor, Off Dhole Patil Road, Pune – 411 001 Tel: (020) 2616 1629 / 2616 0084 Email: pune@linkintime.co.in
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IV. Shareholder References

- Permanent Account Number (PAN)

Shareholders holding shares in the physical form are informed that as per SEBI's guidelines, it is mandatory to furnish copy of PAN Card in the following cases:

- a) Transferees' PAN Cards for transfer of shares,
- b) Surviving joint holders' PAN Cards for deletion of name of deceased shareholder,
- c) Legal heirs' PAN Cards for transmission of shares,
- d) Joint holders' PAN Cards for transposition of shares.

- Email Address

In order to enable us to further extend our support towards paperless compliance as a part of Green Initiative in the Corporate Governance, which was introduced by the Ministry of Corporate Affairs (MCA) in the year 2011, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

In respect of shares held in physical form, shareholders are requested to register their e-mail addresses with the Company / R & T Agent (with Depository Participants in case of shares held in dematerialized form).

- Dematerialization of shares

Shareholders are requested to dematerialize their physical share holdings through any of the nearest Depository Participants (DPs) in order to avoid hassles involved with physical shares such as possibility of loss / mutilation of share certificate(s), and to ensure safe and speedy transaction in securities.

- **Register Your National Electronic Clearing Services (NECS) Mandate**

The Reserve Bank of India (RBI) has initiated NECS for credit of Dividend directly to the Bank Account of shareholders. Shareholders holding shares in electronic mode are requested to register their latest Bank Account details with their Depository Participant and in physical form with the Company's R & T Agent viz. Link Intime India Private Limited.

- **Address for correspondence**

Shareholders' correspondence should be addressed to Link Intime India Private Limited, Registrar and Share Transfer Agent, at the address mentioned above. Shareholders can also email their queries / grievances to the following email address: ir@ggdandekar.com

- **CEO / CFO Certification**

The CEO/CFO certificate signed by Mr. Mangesh S. Joshi, Executive Director and Mr. Sanket S. Gunjekar, Chief Financial Officer was placed before the meeting of the Board of Directors held on 24th May 2016.

9. **OTHER DISCLOSURES**

The Company has complied with the other disclosure requirements of Schedule V of the Regulations.

a. **Related Party Transactions**

During the Financial Year under review, there was no materially significant related party transaction made by the Company, as defined in Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that may have potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in Note no. C-3 to the Financial Statements in the Annual Report.

b. **Details of capital market non-compliance, if any**

There have been no instances of non-compliances by the Company on any matters related to capital markets, during the last three years. Neither penalties have been imposed nor any strictures imposed on the Company by the Stock Exchanges, The Securities Exchange Board of India (SEBI) or any other statutory authority, on any matter related to capital markets.

c. **Whistle Blower Policy / Vigil Mechanism**

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism ('the Policy'). This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.

The policy has also been uploaded on the Company's website at http://www.ggdandekar.com/Code_Of_Conduct/Whistle_Blower_Policy.pdf

d. **Policy for determining 'material' subsidiaries**

Since Company does not have any subsidiary during the year under review, it was not required to formulate policy for determining 'material' subsidiaries and accordingly disseminate the information about the same on website of the Company as required under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. **Related Party Transactions Policy**

Company was not required to formulate policy for Related Party Transactions.

10. **Listing Fees**

The Annual Listing Fees for the year under review have been paid to BSE Limited, where the Company's shares are listed.

Further the correspondence address of the Stock Exchanges is as follows:

BSE Limited	BSE Limited, 1st Floor, P. J. Towers, Dalal Street, Fort, Mumbai 400 001
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11. Commodity price risk or foreign exchange risk and hedging activities

The Company is not having any Commodity price risk or foreign exchange risk and not involved in hedging activities.

12. Disclosures of the compliance with corporate governance

The requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-Regulation (2) of Regulation 46 have been complied in the section on corporate governance of the annual report.

13. DISCRETIONARY REQUIREMENTS**1. Shareholder Rights**

Since the Company publishes its quarterly results in newspapers (English and Marathi) having wide circulation, and since the results are also displayed on the website of the Company and the Stock Exchanges, the Company does not send any communication of half yearly performance to the shareholders.

2. Statutory Auditors qualifications

There are no qualifications on the Financial Statements of the Company for the year ended 31st March 2016.

3. Disclosure under Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of unclaimed shares

Pursuant Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has sent reminders to those shareholders, whose share certificates have returned undelivered by the postal authorities due to insufficient / incorrect information and are lying with the Company. These share certificates will be sent to eligible shareholders, if these shareholders submit necessary documents to the Company.

As on 31st March 2016, the total unclaimed equity shares are 31,530

14. PARTICULARS OF APPOINTMENT / RE-APPOINTMENT OF NON – EXECUTIVE DIRECTORS

The brief resumes and other details relating to the Directors who are proposed to be appointed / re-appointed, as required to be disclosed under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, form part of the Explanatory Statement to the Notice of the Annual General Meeting.

G. G. DANDEKAR MACHINE WORKS LIMITED

DECLARATION UNDER SCHEDULE V(D) OF THE LISTING REGULATIONS BY THE EXECUTIVE DIRECTOR OF AFFIRMATION BY THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT OF COMPLIANCE WITH THE CODE OF CONDUCT

To the members of G. G. Dandekar Machine Works Limited

Pursuant to Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board Members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board as made effective from 1st April 2007.

All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

For G. G. Dandekar Machine Works Limited

Sd/-

Date: 24th May 2016

Place: Pune

Mangesh S. Joshi

Executive Director

REPORT OF THE AUDITORS ON CORPORATE GOVERNANCE TO THE MEMBERS

To

The Members of

G.G. DANDEKAR MACHINE WORKS LIMITED

MIDC, Buti Bori Industrial Area,

Village Kinh, Tal. Hingana,

Dist. Nagpur 441122.

We have examined the compliance of conditions of Corporate Governance by G. G. Dandekar Machine Works Limited for the year ended on 31st March 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with Bombay Stock Exchange Limited for the period 1st April 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable for the period 1st December 2015 to 31st March 2016.

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

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

**For KANJ & ASSOCIATES,
Company Secretaries**

Sd/-

**MAHESH A. ATHAVALA
Partner**

Place: Pune

Date: 17th May 2016

Independent Auditor's Report

To the Members of
G. G. Dandekar Machine Works Limited,
Nagpur.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of G. G. Dandekar Machine Works Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, 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 sub-section 5 of Section 134 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("the Rules"). 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 judgements 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.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 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 judgement, 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 controls relevant to the Company's preparation of the financial statements that give a true and fairview 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 31 March 2016 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ('the Order'), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section 3 of Section 143 of the Act, we report that :

G. G. DANDEKAR MACHINE WORKS LIMITED

- 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Rules.
- e) On the basis of the written representations received from the Directors as on 31 March 2016 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March 2016 from being appointed as a Director in terms of sub-section 2 of Section 164 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 B" and
- 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 – Refer Note C-1 to the financial statements;
- ii. The company did not have any long term contract including derivative contract for which there were any material foreseeable losses; and
- iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Sr. No	Nature of dues	Amount (₹)	Due for transfer in the FY	Date of payment
1.	Unpaid Dividend for F.Y. 2006-07	2,12,700	2014-15	22/01/2016
2.	Unpaid Dividend for F.Y. 2007-08	2,69,328	2015-16	Yet to be paid

Place: Pune
Date: 24th May, 2016

For Joshi & Kulkarni,
Chartered Accountants,
(F. R. No.: 115751-W)

Sd/-
Shantanu R. Ghanekar
Partner
M. No. : 102133

Annexure A to Independent Auditor's Report

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The Company has physically verified all of its fixed assets during the year. No material discrepancies have been noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note A-11 to the standalone financial statements, are held in the name of the Company, except land located at Plot no. 59, Dandekarwadi, Bhiwandi.
- (ii) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have been confirmed by them. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) In our opinion and according to information and explanations given to us, 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 Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to information and explanations given to us, the Company has not given loans, made investments or given guarantees which are covered by the provisions of Section 185 and Section 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under sub section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and records of the company examined by us, the company generally is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income- tax, sales-tax, service tax, value added tax, cess and any other material statutory dues with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, value added tax, Service tax, duty of customs, duty of excise which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in Annexure I to this report.
- (viii) The Company has not defaulted in repayment of loans or borrowings to the banks. The Company does not have any loans or borrowings from any financial institution or Government, nor has it issued any debentures, as at the balance sheet date.
- (ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

G. G. DANDEKAR MACHINE WORKS LIMITED

- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations give to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of paragraph 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Place: Pune
Date: 24th May, 2016

For Joshi & Kulkarni,
Chartered Accountants,
(F. R. No.: 115751-W)

Sd/-
Shantanu R. Ghanekar
Partner
M. No. : 102133

Annexure I

Statute	Forum with Dispute is pending	Amount (₹ in lacs)
Income Tax Act, 1961	High Court (Mumbai)	394.34
Income Tax Act, 1961	Commissioner of Income Tax (Appeals)	41.15
Income Tax Act, 1961	Assistant Commissioner of Income Tax	583.29
Income Tax Act, 1961	Deputy Commissioner of Income Tax	14.62
Wealth Tax Act, 1957	Commissioner of Wealth Tax (Appeals)	22.64
Maharashtra Value Added Tax, 2002	Joint Commissioner of Sales Tax	177.40
Maharashtra Value Added Tax, 2002	Deputy Commissioner of Sales Tax	297.16
Maharashtra Value Added Tax, 2002	Commissioner of Sales Tax (Appeals)	129.09

ANNEXURE -B to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of G. G. Dandekar Machine Works Limited ("the Company") as of 31st March, 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 controls 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013 ("the Act").

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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 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 controls 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 control system over financial reporting

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls 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 controls 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 controls 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

G. G. DANDEKAR MACHINE WORKS LIMITED

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

Place: Pune
Date: 24th May, 2016

For Joshi & Kulkarni,
Chartered Accountants,
(F. R. No.: 115751-W)

Sd/-
Shantanu R. Ghanekar
Partner
M. No. : 102133

G. G. DANDEKAR MACHINE WORKS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2016

Sr.No.	PARTICULARS	Note No.	AS AT 31.03.2016		AS AT 31.03.2015	
			₹	₹	₹	₹
A.	EQUITY AND LIABILITIES					
1.	Shareholders' funds					
	(a) Share Capital	A-1	4,761,387		4,761,387	
	(b) Reserves and Surplus	A-2	164,027,135	168,788,522	205,941,610	210,702,997
2.	Non- Current Liabilities					
	(a) Long Term Borrowings	A-3	-		68,934	
	(b) Deferred Tax Liabilities (Net)	A-4	4,105,686		3,819,294	
	(c) Other Long Term Liabilities	A-5	117,000		85,000	
	(d) Long Term Provisions	A-6	1,009,771	5,232,457	1,026,051	4,999,279
3.	Current Liabilities					
	(a) Short Term Borrowings	A-7	19,982,201		19,839,476	
	(b) Trade Payables	A-8	27,224,341		13,302,243	
	(c) Other Current Liabilities	A-9	16,841,690		19,133,566	
	(d) Short Term Provisions	A-10	21,449,470	85,497,702	111,107	52,386,392
				259,518,681		268,088,668
	ASSETS					
1.	Non-Current Assets					
	(a) Fixed Assets	A-11				
	(i) Tangible Assets		151,307,137		163,807,984	
	(ii) Intangible Assets		1,206,303		708,066	
	(b) Non-Current Investments	A-12	39,640,560		43,584,062	
	(c) Long-Term Loans and Advances	A-13	2,854,199	195,008,199	3,708,085	211,808,197
2.	Current Assets					
	(a) Inventories	A-14	21,694,800		19,752,815	
	(b) Trade Receivables	A-15	1,506,244		6,647,514	
	(c) Cash & Cash Equivalents	A-16	6,107,770		3,138,108	
	(d) Short Term Loans & Advances	A-17	14,063,769		13,825,992	
	(e) Other Current Assets	A-18	21,137,899	64,510,482	12,916,042	56,280,471
				259,518,681		268,088,668
	Notes to Accounts	Part B & C				

As per our report of even date attached

For and on behalf of the Board of Directors

For Joshi & Kulkarni
Chartered Accountants
[F.R. No. 115751-W]

Sd/-
Shantanu Ghanekar
Partner
M.No. 102133
Place : Pune
Date : 24.05.2016

Sd/-
Saurabh Somani
Company Secretary

Sd/-
Sanket Gunjekar
Chief Financial Officer

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Sr.No.	PARTICULARS	Note No.	2015-16		2014-15	
			₹	₹	₹	₹
I	INCOME					
1	Revenue from Operations	A-19	105,352,997		51,654,637	
2	Other Income	A-20	23,932,474	129,285,471	14,588,057	66,242,694
II	EXPENSES					
1	Cost of Materials Consumed & Direct Expenses	A-21	60,098,485		35,533,882	
2	Changes In Inventories (Of Work In Progress & Stock-in-trade)	A-22	(1,061,302)		(471,947)	
3	Employee Benefits	A-23	34,572,299		31,914,889	
4	Finance Costs	A-24	2,413,148		2,823,767	
5	Depreciation and Amortization Expenses	A-11	15,059,258		18,010,576	
6	Selling & Distribution Expenses	A-25	9,199,615		3,440,120	
7	Other Expenses	A-26	51,224,748		32,608,326	
				171,506,251		123,859,613
III	Profit / (Loss) before exceptional and extraordinary items and tax			(42,220,780)		(57,616,919)
	Less/(Add): Exceptional Items			-		(4,207,984)
IV	Profit/(Loss) Before Tax			(42,220,780)		(61,824,903)
	Less: Tax expenses:					
1	Current tax			-		-
2	Tax relating to prior period			(592,697)		1,501,662
3	Deferred tax			286,392		27,406,950
V	Profit/ (Loss) After Tax			(41,914,475)		(90,733,515)
	Earnings per equity share:					
	Basic & Diluted			(8.80)		(19.06)
	Notes to Accounts	Part B & C				

As per our report of even date attached

For and on behalf of the Board of Directors

For Joshi & Kulkarni
Chartered Accountants
[F.R. No. 115751-W]

Sd/-
Shantanu Ghanekar
Partner
M.No. 102133
Place : Pune
Date : 24.05.2016

Sd/-
Saurabh Somani
Company Secretary

Sd/-
Sanket Gunjekar
Chief Financial Officer

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

G. G. DANDEKAR MACHINE WORKS LIMITED
CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	For the Year Ended on 31.03.16	For the Year Ended on 31.03.15
	₹	₹
Cash Flow from Operating Activities		
Profit before Tax (PBT)	(42,220,780)	(61,824,903)
Adjustments for:		
Depreciation and Amortisation	15,059,258	18,010,576
Interest paid	2,355,798	2,721,692
Dividend Received	(2,687,334)	(2,218,650)
Interest Received	-	(224,753)
(profit)/loss on sale of Assets	(1,153,895)	(38,575)
(profit)/loss on sale of Investments	(19,630,144)	(11,727,790)
Sundry Credit Balances Written Back	(57,907)	(718,703)
Sundry Debit Balances Written off	5,724,999	1,949,869
Provision for bad & doubtful debts / Bad debts	2,466,000	94,860
Provision for sales tax liability	17,700,000	-
Provision for warranty	529,500	-
Fixed assets written off	492,546	-
Provision for Differential Gratuity	812,453	939,362
	21,611,274	8,787,888
Operating Profit Before Working Capital changes	(20,609,506)	(53,037,015)
Adjustments for:		
Trade & Other Receivables	(7,596,780)	14,985,690
Inventories	(1,941,984)	717,268
Trade & Other Payables	11,747,003	1,148,883
	2,208,239	16,851,841
Cash Generated from Operations	(18,401,267)	(36,185,174)
Direct Taxes	-	-
Cash Used in Operating Activities (A)	(18,401,267)	(36,185,174)
Cash Flow from Investment Activities		
Purchase of Fixed Assets	(3,595,469)	(13,294,582)
Sale of Fixed Assets	1,200,174	157,333
Sale of Investments	23,573,647	15,133,265
Dividend received	2,687,334	2,218,650
Interest Received	-	224,753
Cash Generated From Investing Activities (B)	23,865,686	4,439,419
Cash Flow from Financing Activities		
Long Term Borrowings	(68,934)	(164,772)
Short Term Borrowings	142,725	545,650
Interest paid	(2,355,798)	(2,721,692)
Cash Used In Financial Activities (C)	(2,282,007)	(2,340,814)
Net Increase / (Decrease) In Cash and Cash Equivalent (A+B+C)	3,182,412	(34,086,569)
Cash & Cash Equivalents :(Opening Balances)	1,827,409	35,913,978
Cash & Cash Equivalents :(Closing Balances)*	5,009,821	1,827,409

* Excludes ₹ 10,97,949/- (PY ₹ 13,10,649/-) on account of un-claimed dividend.

As per our report of even date attached

For and on behalf of the Board of Directors

For Joshi & Kulkarni
Chartered Accountants
[F.R. No. 115751-W]

Sd/-
Shantanu Ghanekar
Partner
M.No. 102133
Place : Pune
Date : 24.05.2016

Sd/-
Saurabh Somani
Company Secretary

Sd/-
Sanket Gunjikar
Chief Financial Officer

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED

NOTES TO ACCOUNTS (Part A) :

Note No.	PARTICULARS	AS AT 31.03.2016		AS AT 31.03.2015	
		No. of Shares	₹	No. of Shares	₹
A-1.0	SHARE CAPITAL				
	AUTHORISED Equity Shares of ₹ 1/- each	20,000,000	20,000,000	20,000,000	20,000,000
	ISSUED, SUBSCRIBED & PAID-UP Equity Shares of ₹ 1/- each fully paid up	4,761,387	4,761,387	4,761,387	4,761,387
A-1.1	Reconciliation of shares : The Company has neither issued nor bought back any shares in the capital of the company during the year.				
A-1.2	Rights, preferences and restrictions attached to equity shares : The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.				
A-1.3	Details of shares held by each shareholder holding more than 5% shares:				
	PARTICULARS	AS AT 31.03.2016		AS AT 31.03.2015	
	Name of the Shareholder	No. of Shares	%	No. of Shares	%
	a) Atul C. Kirloskar	561,140	11.79%	520,626	10.93%
	b) Rahul C. Kirloskar	550,180	11.56%	509,767	10.71%
	c) Arti A. Kirloskar	400,000	8.40%	400,000	8.40%
	d) Alpana R. Kirloskar	400,000	8.40%	400,000	8.40%
	e) Gautam A. Kulkarni	554,280	11.64%	513,922	10.79%
	f) Jyotsna G. Kulkarni	400,000	8.40%	400,000	8.40%
	g) K. V. Development & Investment Company Pvt. Ltd.	268,664	5.64%	268,664	5.64%
Note No.	PARTICULARS	AS AT 31.03.2016		AS AT 31.03.2015	
		₹	₹	₹	₹
A-2.0	RESERVES & SURPLUS				
	a) General Reserve				
	Balance as per last Financial Statement	97,760,971		97,760,971	
	Add: Transferred from Surplus in Statement of Profit & Loss A/c during the year	-	97,760,971	-	97,760,971
	b) Surplus in Statement of Profit & Loss				
	Balance as per last Financial Statement	108,180,639		199,015,440	
	Add : Profit /(Loss) for the year as per Statement of Profit & Loss A/c	(41,914,475)		(90,733,515)	
		66,266,164		108,281,925	
	Less: Difference between Written Down Value and Residual Value of those assets whose remaining useful life is 'nil' as at 1st April, 2014	-		101,286	
	Less: Appropriations				
	Transferred to General Reserve	-	66,266,164	-	108,180,639
	Balance at the end of the year		164,027,135		205,941,610

G. G. DANDEKAR MACHINE WORKS LIMITED

Note No.	PARTICULARS	AS AT 31.03.2016		AS AT 31.03.2015	
		Non Current	Current Maturities	Non Current	Current Maturities
		₹	₹	₹	₹
A-3.0	LONG TERM BORROWINGS				
	Term Loans (Secured):				
	From Banks	-	49,396	68,934	164,771
	Less: Considered under Note No. A-9 below.	-	(49,396)	-	(164,771)
		-	-	68,934	-
A-3.1	Out of the Term Loans From Banks : a) Company had paid off entire outstanding term loan before 31.03.2015 which was secured by hypothecation of Plant & Machinery as well as factory building at Nagpur and collaterally secured by mortgage of land and building of the company at Bhiwandi. Procedure for removal of the charge of Bank was under progress in FY 2014-15 and is completed in current financial year. b) Term loan amounting to ₹ 49,396/- (Current as well as Non-Current Liability) (Previous Year ₹ 2,33,704/-) is secured by vehicle purchased out of the said term loan.				
Note No.	PARTICULARS	AS AT 31.03.2016		AS AT 31.03.2015	
		₹		₹	
A-4.0	DEFERRED TAX ASSETS/LIABILITIES (NET)				
	Deferred Tax Liability On account of timing difference in depreciation		4,105,686		3,819,294
			4,105,686		3,819,294
A-5.0	OTHER LONG TERM LIABILITIES				
	Trade & Security Deposits		117,000		85,000
			117,000		85,000
A-6.0	LONG TERM PROVISIONS				
	Provisions for Employee Benefits				
	Leave Encashment		1,009,771		1,026,051
			1,009,771		1,026,051

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED

Note No.	PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
		₹	₹
A-7.0	SHORT TERM BORROWINGS		
	From Banks		
	Secured		
	Cash Credit Account	19,982,201	19,839,476
	TOTAL	19,982,201	19,839,476
A-7.1	Cash Credit amounting to ₹ 1,99,82,201/- (Previous Year ₹ 1,98,39,476/-) is secured by hypothecation of inventory and book debts and collaterally secured by mortgage of land and building of the company at Nagpur.		
Note No.	PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
		₹	₹
A-8.0	TRADE PAYABLES		
	Under MSMED Act, 2006	-	-
	Others for Goods and Services	27,224,341	13,302,243
		27,224,341	13,302,243
A-9.0	OTHER CURRENT LIABILITIES		
	a) Current Maturities of Long Term Borrowings		
	From Banks	49,396	164,771
	b) Expenses Payable	8,027,570	9,776,633
	c) Other Payable	2,211,368	1,663,085
	d) Advance from Customers	5,508,562	6,367,744
	e) Ex-gratia & Superannuation Payable	1,044,794	1,161,333
		16,841,690	19,133,566
A-10.0	SHORT TERM PROVISIONS		
	Provision for Employee Benefits		
	Leave Encashment	113,112	111,107
	Gratuity	311,603	-
	Other Provisions		
	Sales tax (Refer note no. C-10)	20,495,255	-
	Warranty (Refer note no. C-8)	529,500	-
		21,449,470	111,107

G. G. DANDEKAR MACHINE WORKS LIMITED

NOTE NO - A-11.0 FIXED ASSETS SCHEDULE

PARTICULARS	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	As on 01.04.2015	Additions during the Year	Deductions during the Year	Write off during the Year	Total as on 31.03.2016	Written off in Previous yrs (till last yr)	Deductions during the Year	Write off during the Year	For the Year	Total as on 31.03.2015	As on 31.03.2016	As on 31.03.2015
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
TANGIBLE ASSETS												
FREEHOLD LAND	46,852	-	-	-	46,852	-	-	-	-	-	46,852	46,852
LEASEHOLD LAND	23,703,452	-	-	-	23,703,452	1,318,523	-	-	284,196	1,602,719	22,100,733	22,384,929
FACTORY BUILDING	75,838,951	-	-	-	75,838,951	20,952,660	-	-	5,204,544	26,157,204	49,681,747	54,886,291
OTHER BUILDING	65,795,619	-	-	-	65,795,619	10,022,368	-	-	2,810,880	12,833,248	52,962,371	55,773,251
PLANT & MACHINERY	46,591,611	273,497	661,704	881,749	45,321,655	20,905,473	654,602	661,717	4,776,606	24,365,760	20,955,895	25,686,138
PATTERNS, JIGS & MOULDS	2,832,077	1,588,107	-	183,599	4,236,585	842,014	-	134,699	418,635	1,125,950	3,110,635	1,990,062
COMPUTER MACHINERY	6,522,702	57,250	-	310,292	6,269,660	5,762,547	-	292,828	359,435	5,829,154	440,506	760,155
FURNITURE, FIXTURE & OFFICE EQUIPMENTS	6,813,078	800,359	215,840	1,870,767	5,526,830	4,805,086	176,663	1,675,576	738,118	3,690,965	1,835,865	2,007,992
VEHICLES	974,795	-	-	-	974,795	702,478	-	-	99,784	802,262	172,533	272,318
INTANGIBLE ASSET												
COMPUTER SOFTWARE	3,995,237	876,256	-	1,288,286	3,583,207	3,287,171	-	1,277,327	367,060	2,376,904	1,206,303	708,066
TOTAL	233,114,374	3,595,469	877,544	4,534,693	231,297,606	68,598,320	831,265	4,042,147	15,059,258	78,784,166	152,513,440	164,516,054
Previous Year	220,242,773	13,293,737	422,136	-	233,114,374	50,789,841	303,378	-	18,111,857	68,598,320	164,516,054	169,452,136

Note : Out of above assets, the company has classified certain Land, Building and Vehicle having Net block value of ₹ 6.92 Lacs as 'Assets held for sale'.

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED

Note No.	PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
		₹	₹
A-12.0	INVESTMENTS		
A-12.1	NON CURRENT INVESTMENTS		
	A) INVESTMENTS IN EQUITY INSTRUMENTS (VALUED AT COST)		
	I) Trade, Unquoted and fully paid up	10,121	10,121
	a) 1,000 (Previous Year 1,000) Equity Shares of ₹ 10/- each in Saraswat Co operative bank Limited.	10,000	10,000
	b) 121 (Previous Year 121) Equity Shares of ₹ 1/- each in M. S. Co operative bank Ltd.	121	121
	II) Non Trade, Quoted and fully paid up	39,630,439	43,573,941
	a) 20,662 (Previous Year 22,958) Equity Shares of ₹ 2/- each in Gujarat Gas Limited [Market Value ₹ 11,354,802/- (Previous Year ₹ 14,472,723/-)]	2,742,326	3,042,215
	b) 58,275 (Previous Year 64,750) Equity Shares of ₹ 10/- each in Indraprastha Gas Limited [Market Value ₹ 33,184,699/- (Previous Year ₹ 27,159,388/-)]	7,038,671	7,689,967
	c) 49,950 (Previous Year 27,750) Equity Shares of ₹ 1/- each in Marico Limited [Market Value ₹ 12,112,875/- (Previous Year ₹ 10,740,638/-)]	1,283,316	1,425,907
	d) 540 (Previous Year 600) Equity Shares of ₹ 10/- each in Marico Kaya Enterprise Limited [Market Value ₹ 4,64,940/- (Previous Year ₹ 9,12,450/-)]	243,487	270,541
	e) 6,951 (Previous Year 7,729) Equity Shares of ₹ 10/- each in Lakshmi Machine Works Limited [Market Value ₹ 23,182,975/- (Previous Year ₹ 29,552,446/-)]	5,501,040	5,862,254
	f) 7,200 (Previous Year 8,000) Equity Shares of ₹ 10/- each in ICRA Limited [Market Value ₹ 27,900,000/- (Previous Year ₹ 32,031,600/-)]	3,259,444	3,616,635
	g) 16,650 (Previous Year 18,500) Equity Shares of ₹ 10/- each in CRISIL Limited [Market Value ₹ 29,973,330/- (Previous Year ₹ 37,316,350/-)]	4,232,026	4,668,330
	h) 1,67,220 (Previous Year 1,85,800 Equity Shares of ₹ 10/- each) Equity Shares of ₹ 2/- each in Gruh Finance Limited [Market Value ₹ 39,990,663/- (Previous Year ₹ 45,167,980/-)]	3,242,792	3,605,025
	i) 4,320 (Previous Year 4,800) Equity Shares of ₹ 10/- each in Bajaj Holdings & Investments limited [Market Value ₹ 63,11,520/- (Previous Year ₹ 6,248,260/-)]	3,191,038	3,543,278
	j) 4,495 (Previous Year 4,995) Equity Shares of ₹ 10/- each in Bajaj Auto Limited [Market Value ₹ 10,815,420/- (Previous Year ₹ 10,076,663/-)]	5,806,344	6,418,426
	k) 11,655 (Previous Year 11,655) Equity Shares of ₹ 10/- each in Balmer lawrie & Company Limited [Market Value ₹ 63,22,948/- (Previous Year ₹ 6,586,823/-)]	3,089,955	3,431,365
	TOTAL	39,640,560	43,584,062

Sr. No.	PARTICULARS	AS AT 31.03.2016		AS AT 31.03.2015	
		Cost	Market Value	Cost	Market Value
		₹	₹	₹	₹
1	Aggregate Value of Non Trade & Quoted Investment	39,630,439	201,614,171	43,573,941	220,265,220
2	Aggregate Value of Trade & Unquoted Investment	10,121	10,121	10,121	10,121
	Total	39,640,560	201,624,292	43,584,062	220,275,341

G. G. DANDEKAR MACHINE WORKS LIMITED

Note No.	PARTICULARS	AS AT 31.03.2016	AS AT 31.03.2015
		₹	₹
A-13.0	LONG TERM LOANS AND ADVANCES (Un-secured and considered good)		
	Security Deposits	2,854,199	3,708,085
		2,854,199	3,708,085
A-14.0	INVENTORIES		
	a) Raw Materials (at cost, net of provision)	10,326,497	9,445,814
	b) Work-in-progress (at cost or net realisable value, whichever is lower)	4,016,805	2,449,816
	c) Finished Goods (at cost or net realisable value, whichever is lower)	7,351,498	7,857,185
		21,694,800	19,752,815
A-15.0	TRADE RECEIVABLES (Unsecured and considered good)		
	Debts Outstanding for a period exceeding six months	7,830,430	7,684,367
	Other debts	1,403,919	1,353,998
	Less : Provision for bad & doubtful debts	(7,728,105)	(2,390,851)
		1,506,244	6,647,514
A-16.0	CASH AND CASH EQUIVALENTS		
	a) Cash in hand	11,756	136,645
	b) Balances with Banks		
	In Current Accounts	4,998,065	1,690,814
	In Unpaid Dividend Accounts	1,097,949	1,310,649
		6,107,770	3,138,108
A-17.0	SHORT TERM LOANS AND ADVANCES (Unsecured and considered good)		
	a) Advances to suppliers	585,122	940,043
	b) Advance Income Tax (Including TDS) (Net of Provision for Tax)	13,478,646	12,885,949
		14,063,768	13,825,992
A-18.0	OTHER CURRENT ASSETS		
	a) Receivable against Sale of Land	10,687,634	10,687,634
	Less: Provision for doubtful receivables (Refer note no. C-9)	(2,400,000)	-
		8,287,634	10,687,634
	b) Prepaid Expenses	531,340	412,452
	d) Other Receivables	12,318,925	1,815,956
		21,137,899	12,916,042

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED

Note No.	PARTICULARS	2015-16	2014-15
		₹	₹
A-19.0	REVENUE FROM OPERATIONS		
	Sale of Products*	105,111,971	51,269,112
	Other Operating Revenue	241,026	385,525
		105,352,997	51,654,637
	* Company products are exempt from Excise Duty		
A-20.0	OTHER INCOME		
	a) Interest Received on Fixed Deposits	-	224,753
	b) Other Interest Received	202,992	204,287
	c) Profit on Sale of Fixed Assets	1,153,895	38,525
	d) Advances from customers written back	57,907	-
	e) Dividend	2,687,334	2,218,650
	f) Profit on Sale of Investment (Net)	19,630,144	11,727,790
	g) Miscellaneous Income	200,202	174,052
		23,932,474	14,588,057

G. G. DANDEKAR MACHINE WORKS LIMITED

Note No.	PARTICULARS	2015-16		2014-15	
		₹	₹	₹	₹
A-21.0	COST OF MATERIALS CONSUMED				
	a) Raw Materials				
	Opening Stock	9,445,814		10,702,863	
	Add : Purchases	60,979,167		34,276,833	
		70,424,981		44,979,696	
	Less : Closing Stock	10,326,496		9,445,814	
		10,326,496		9,445,814	
			60,098,485		35,533,882
A-22.0	CHANGES IN INVENTORIES OF WORK IN PROGRESS & FINISHED GOODS				
	OPENING STOCK				
	Work-in-progress	2,449,816		2,623,150	
	Finished Goods	7,857,185		7,211,905	
		10,307,001		9,835,055	
	Less: CLOSING STOCK				
	Work-in-progress	4,016,805		2,449,816	
	Finished Goods	7,351,498		7,857,185	
		11,368,303		10,307,001	
	(INCREASE) / DECREASE		(1,061,302)		(471,947)
A-23.0	EMPLOYEE BENEFIT EXPENSES				
	a) Salaries, Wages, Bonus & Other Allowances	30,224,032		27,611,385	
	b) Gratuity	812,453		968,517	
	c) Contribution to PF / ESI & Other Funds	889,897		804,712	
	d) Staff / Labour Welfare	2,645,917		2,530,275	
			34,572,299		31,914,889

G. G. DANDEKAR MACHINE WORKS LIMITED

G. G. DANDEKAR MACHINE WORKS LIMITED

Note No.	PARTICULARS	2015-16		2014-15	
		₹	₹	₹	₹
A-24.0	FINANCE COSTS				
	a) Interest to Banks		2,355,798		2,721,692
	b) Bank Charges		57,350		102,075
			2,413,148		2,823,767
A-25.0	SELLING & DISTRIBUTION EXPENSES				
	a) Commission on sales		5,993,091		1,855,588
	b) Sales Promotion		540,420		390,419
	c) Warranty		529,500		-
	d) After Sales Service Charges		477,810		675,000
	e) Carriage Outward		1,658,794		519,113
			9,199,615		3,440,120
A-26.0	OTHER EXPENSES				
	a) Rent		487,260		810,159
	b) Rates & Taxes		20,489,260		4,774,693
	c) Power & Fuel		2,193,704		2,349,059
	d) Insurance charges		820,398		822,449
	e) Repairs & Maintenance				
	i) Building	39,879		170,900	
	ii) Plant & Machinery	78,670		646,067	
	iii) Other Assets	1,408,909	1,527,458	1,309,824	2,126,791
	f) Payment to Auditors				
	i) Statutory Audit fees	372,125		365,172	
	ii) Tax Audit Fees	85,500		84,276	
	iii) Out of Pocket Expenses	193,393	651,018	4,539	453,987
	g) Travelling & Conveyance		4,641,786		4,743,486
	h) Communication Expenses		704,554		1,068,047
	i) Legal & Professional Fees		4,973,555		7,383,568
	j) Directors Sitting Fees		285,000		260,000
	k) Security Expenses		2,170,885		2,782,826
	l) Office & Miscellaneous Expenses		3,596,325		3,707,237
	m) Bad Debt Expenses		5,724,999		94,860
	n) Provision / Sundry Balances written off		66,000		1,231,166
	o) Provision for receivable against sale of land (Refer note no. C-9)		2,400,000		-
	p) Fixed Assets written off		492,546		-
			51,224,748		32,608,326

Note B: NOTES FORMING PART OF ACCOUNTS- SIGNIFICANT ACCOUNTING POLICIES:**1. Method of accounting :**

These Financial Statements have been prepared under the historical cost convention on accrual basis, in accordance with the Generally Accepted Accounting Principles in India (GAAP), which includes mandatory accounting standards as prescribed u/s133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and in compliance with the provisions of the Act to the extent notified. The accounting policies discussed below are consistent with those used in the previous year, unless otherwise stated.

2. 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 reported amounts of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

3. Fixed Assets:

Fixed assets are stated at cost, less accumulated depreciation or amortization. Cost is inclusive of freight, duties, taxes (to the extent of credit not availed) and incidental expenses related to acquisition, installation, erection and commissioning. Financing costs relating to acquisition of qualifying fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

4. Depreciation and Amortization:

- a) Depreciation on fixed assets is charged on Written Down Value Method using the -useful lives and residual values of all the assets as prescribed under Part – C of Schedule II to the Companies Act, 2013, except as stated in para (b) & (c) below.
- b) Cost of Leasehold Land is amortized over remaining period of lease agreement.
- c) Computer Software are being amortised on Straight Line basis over a period of 6 years.

5. Investments:

Long term investments are stated at cost. Provision is made to recognize the decline, other than temporary in nature, in carrying amount of such investments. Current investments are stated at the lower of cost or fair value.

6. Inventories:

- a) Inventories are valued at lower of cost or estimated net realizable value.
- b) Cost of raw materials, components, consumables, tools, stores and spares is arrived at on weighted average cost basis.
- c) Cost of finished goods and Work in progress is arrived at on the basis of weighted average cost of raw material and other cost of conversion thereof for bringing the inventories up to their present location and condition.

7. Foreign Currency Transactions:

- a) Initial Recognition: Foreign Currency Transactions are translated into Indian Rupee at the exchange rates prevailing on the date of transactions.
- b) Conversion: At the end of accounting year, the monetary items denominated in foreign currencies are restated at the exchange rates prevailing on the last day of the accounting year.
- c) Exchange Differences: The exchange differences arising on settlement/ conversion of foreign currency transactions are recognized in Profit and Loss Account.

8. Research and Development Expenses

- a) Research and Development Expenses, other than Capital Expenses are charged to Profit and Loss Account as and when incurred.
- b) Capital expenditure incurred for research and development activities are included in respective Fixed Assets and Depreciation is provided as per rates specified, in Schedule II of the Companies Act, 2013.

9. Revenue Recognition:

- a) Sales are accounted for net of Central Sales Tax and Value Added Tax.
- b) Revenue from sale is recognized when the significant risks and rewards of ownership of goods have been passed to customers, which generally coincides with their removal from Factory.
- c) Revenue from erection and commissioning services is recognized on completion of contractual obligations.

- d) Interest income is recognized on accrual basis at applicable interest rate.
- e) Dividend income is recognized when the Company's right to receive dividend is established.

10. Warranty expenses:

The estimated liability for product warranties is recorded at the end of financial year. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to 2 to 3 years.

11. Employee Benefits:

a) Short Term Employee Benefits :

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus and other allowances and short term compensated absences etc. are recognized in the period in which the employee renders the related service.

b) Post-Employment Benefits:

i. Defined Contribution Plans:

The State governed Employee Pension Scheme, Employees State Insurance Scheme, the Company's Provident Fund administered by an independent Trust and the Company's Superannuation Scheme are the defined contribution plans. The liability on account of company's contribution paid or payable under these schemes is recognized during the period in which the employee renders the related service and is charged to the Profit and Loss account. The Company has no further obligation beyond these contributions.

ii. Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary. Actuarial gains and losses are recognized immediately in the Profit and Loss Account.

c) Long Term Employee Benefits:

The accruing liability on account of encashment of leave entitlement of employees as per the rules of the Company is determined and provided for on the basis of the actuarial valuation from an independent actuary. Actuarial gains and losses are recognized immediately in the Profit and Loss Account.

12. Provision for Current and Deferred Tax:

- a) Provision for Current Tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions of Income Tax Act, 1961.
- b) Provision for Deferred Tax resulting from 'Timing Difference' between books and taxable profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on balance Sheet date.
- c) Deferred tax assets for tax loss and depreciation carried forward are recognized to the extent that the realization of the related tax benefit through the future taxable profits is virtually certain and is supported by convincing evidence that sufficient future taxable profits can be realized.

13. Borrowing Cost:

Borrowing costs are charged to Profit and Loss Account, except in cases where borrowings are directly attributable to acquisition, construction or production of a qualifying asset. A qualifying asset is one which necessarily takes substantial period of time to get ready for intended use.

14. Impairment of Assets:

Provision for impairment loss, if any, is recognized to the extent by which the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is determined on the basis of the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

15. Provisions, Contingent Liabilities and Contingent Assets:

- a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if :
 - i. The company has a present obligation as a result of past event,
 - ii. The probable outflow of resources is expected to settle the obligation, and
 - iii. The amount of obligation can be reliably estimated.

- b) Contingent liabilities are disclosed in the case of:
- A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
 - A possible obligation unless the probability of outflow of resources is remote.
- c) Contingent Assets are neither recognized nor disclosed.

Provisions & Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed at each balance sheet date.

Note C: NOTES FORMING PART OF ACCOUNTS- Other Notes

1. Contingent Liabilities not provided for:

(Amount ₹)

Sr. No	Particulars	As at 31-03-2016	As at 31-03-2015
A.	Disputed Liabilities in respect of Income Tax	10,63,74,019	10,59,33,120
B.	Disputed Liabilities in respect of Sales Tax (also refer Note no. C-10)	5,02,35,938	6,53,96,732
C.	Disputed Liabilities in respect of Wealth Tax	22,63,846	11,02,612
D.	Receivable in respect of sale of land in previous years**	82,87,634	1,06,87,634
	** Apart from this certain parties have either filed cases against the company or the Company has been made a party in respect of certain transactions relating to sale of land. The Company has been legally advised that it is in a position to defend its stand and does not expect any material financial liability.		

2. The Company has single product, namely "Food Processing Machinery". Consequently, there are no Reportable Segments of the Company as per the Accounting Standard (AS) 17- "Segment Reporting" as prescribed by Companies' (Accounting Standards) Amendment Rules, 2007.
3. Related parties, as defined under clause 3 of Accounting Standard (AS 18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India.
- Key Management Personnel :
 - Pranav V. Deshpande- Executive Director (upto 25th July 2015)
 Relatives of Key Management Personnel:
 Wife: Vaidehi P. Deshpande
 Daughter: Ovee P. Deshpande
 - Pankaj A. Parkhi – Chief Financial Officer (upto 15th July 2015)
 Relatives of Key Management Personnel:
 Wife: Manik P. Parkhi
 - Mangesh S. Joshi - Executive Director (from 25th July 2015)
 Relatives of Key Management Personnel:
 Wife: Ruchira M. Joshi
 Son: Mayank M. Joshi
 Daughter: Mihika M. Joshi
 - Sanket S. Gunjekar – Chief Financial Officer (from 15th July 2015)
 Relatives of Key Management Personnel:
 Wife: Pooja S. Gunjekar
 Son: Aaditya S. Gunjekar
 - Saurabh S. Somani – Company Secretary
 Relatives of Key Management Personnel:
 Wife: Bhagyashree S. Somani
 - Enterprise in which Directors are interested:
 - Vasudha IT Solutions Private Limited
 - Kloudworks Consulting Services Limited

G. G. DANDEKAR MACHINE WORKS LIMITED

Details of transactions during the year with Related Party:

(Amount ₹)

Sr. No	Particulars	Key Management Personnel	Enterprise in which Directors are interested
1.	Remuneration to Executive Director & Key Managerial Personnel:		
	Pranav V. Deshpande (Upto 25th July 2015)	6,03,323	-
	Mangesh S. Joshi	29,52,576	-
	Pankaj A. Parkhi (Upto 15th July 2015)	2,54,277	-
	Sanket S. Gunjkar	6,13,417	-
	Saurabh S. Somani	4,40,495	-
	*Remuneration excludes statutory contributions made by Company such as Gratuity, PF, etc.		
2.	Software Subscription charges	-	1,92,784

4. Defined Benefit Plans for Employees (AS 15)

A. As per actuarial valuation as on March 31st, 2016 and recognised in financial statements in respect of Gratuity Schemes :

Sr. No.	Particulars		₹	₹
			F.Y. 2015-16	F.Y. 2014-15
I	Components of Employer expenses			
	A	Current service cost	3,09,829	2,87,145
	B	Interest Cost	1,63,794	1,29,581
	C	Expected Return on Plan Assets	(2,30,987)	(2,55,641)
	D	Actuarial (Gain) / Loss	5,69,817	4,76,635
	E	Total Expense recognised in the Profit and Loss Account	8,12,453	9,53,243
II	Net Assets / (Liability) recognised in Balance Sheet as at 31st March 2016			
	A	Present Value of Obligation	27,58,598	23,66,419
	B	Fair Value of Plan Assets	24,46,995	28,51,931
	C	(Asset) / Liability recognised in the Balance Sheet	3,11,603	(4,85,512)
III	Change in Gratuity Obligation during the year			
	A	Present Value of Obligation as at 31 st March 2015	23,66,419	16,20,243
	B	Current Service Cost	3,09,829	2,87,145
	C	Interest Cost	1,63,794	1,29,581
	D	Actuarial (Gain) / Loss	5,04,710	4,37,427
	E	Benefit Paid	(5,86,154)	(4,23,500)
	F	Present Value of Obligation as at 31 st March 2016	27,58,598	23,66,419
IV	Changes in Fair value of Plan Assets			
	A	Present Value of Plan Assets as at 31 st March 2015	28,51,931	30,45,404
	B	Expected Return on Plan Assets	2,30,987	2,55,641
	C	Actual Company Contribution	15,338	13,594
	D	Benefits Paid	(5,86,154)	(4,23,500)
	E	Actuarial (Gain) / Loss	(65,107)	(39,208)
	F	Present Value of Obligation as at 31 st March, 2016	24,46,995	28,51,931
V	Actuarial Assumption			
	A	Discount Rate	8.00%	7.90%
	B	Rate of increase in compensation levels	5.00%	5.00%
	C	Rate of Return on Plan Assets	9.00%	9.00%
	D	Expected Average remaining working lives of employees (Years)	20.90	20.90

B. As per actuarial valuation as on 31st March, 2016 and recognized in financial statements in respect of Leave Wages:

Sr. No.	Particulars	₹
I	Present Value of obligation	11,22,883
II	Fair Value of Plan Assets	Nil
III	(Asset) / Liability recognised in the Balance Sheet	11,22,883

5. As required by 'Accounting Standard 22- Accounting for Taxes on income' issued by The Institute of Chartered Accountants of India, which is mandatory in nature, the company has recognized deferred tax liability of ₹ 2,86,392/-, which results from timing differences between book profits and tax profits for the year.

(Amount ₹)

Particulars	As at 31-03-2015	Reversed during the year	Arising During the year	As at 31-03-2016
Deferred Tax Assets	Nil	Nil	Nil	Nil
Deferred Tax Liabilities	38,19,294	Nil	2,86,392	41,05,686
Net Effect	38,19,294	Nil	2,86,392	41,05,686

6. Additional information pursuant to the provisions of General Instructions of Part II of Revised Schedule III to the Companies Act, 2013.

a. Details of Raw Material consumed

Sr. No.	Particulars	2015-16	2014-15
		(₹)	(₹)
i.	Iron and Steel Materials	3,14,70,638	2,28,91,976
ii.	Wood	22,87,958	17,51,853
iii.	Bearing	18,24,873	14,05,429
iv.	Electric Motors and Spares	61,99,471	24,02,496
v.	Bought Out Finished Goods	1,51,45,076	45,22,424
vi.	Others Stores	21,09,166	20,87,757
	Total	5,90,37,182	3,50,61,935

b. Details of Raw Material purchased

Sr. No	Particulars	2015-16	2014-15
		(₹)	(₹)
i.	Iron and Steel Materials	3,25,82,748	2,03,75,044
ii.	Wood	20,33,687	20,24,231
iii.	Bearing	18,41,027	15,12,330
iv.	Electric Motors and Spares	60,85,642	29,37,015
v.	Bought Out Finished Goods	1,46,42,022	54,13,414
vi.	Others Stores	37,94,041	20,14,799
	Total	6,09,79,167	3,42,76,833

G. G. DANDEKAR MACHINE WORKS LIMITED

c. Value of Material Consumed

Sr. No.	Particulars	2015-16	2014-15
i.	Value of Imported Materials Consumed (including purchased locally) (₹)	Nil	Nil
ii.	Value of Indigenous Materials Consumed (₹)	5,90,37,182	3,50,61,935
iii.	Percentage of Imported Materials consumed to total consumption	Nil	Nil
iv.	Percentage of Indigenous Materials consumed to total consumption	100%	100%

7. Earnings Per Share (EPS) :

Earnings Per Share (EPS) calculated in accordance with Accounting Standard 20 issued by the Institute of Chartered Accountants of India.

Particulars	2015-16	2014-15
Profit After Tax (₹)	(4,19,14,475)	(9,07,33,515)
Weighted average number of Equity shares of ₹ 1 each	47,61,387	47,61,387
Basic & Diluted EPS (₹)	(8.80)	(19.06)

8. Till the financial year 2014-15, the company was accounting for warranty expenses as and when the expenses were incurred. During the current financial year the company has decided to change this policy and to make a provision for warranty expenses as per the estimates based on past experience. Accordingly, a provision of ₹ 5,29,500/- has been made in the books of account. In absence of this change in accounting, expenditure and loss for the current year would have been lower by ₹ 5,29,500/-.
9. Provision for 'receivable against sale of land' represents an amount of ₹ 24 lacs which was receivable for last few years from one of the parties to whom the company had sold a portion of its land in an earlier year. This amount was receivable on discharging certain contractual obligations. The management of the company has come to a conclusion that it is very difficult to discharge the contractual obligations and therefore, the possibility of receiving the amount is remote. The company has, therefore, decided to make a provision for this receivable.
10. Sales tax liability - The company received demand notices from the sales tax department for some of the earlier financial years demanding an aggregate tax liability, including interest and penalty, of ₹ 707.31 lacs. The tax liability has been demanded mainly on account of failure to submit 'C forms' and documents related to exports of the company during those years. The company has filed appeals against the notices. A stay has been granted to the Company on deposit of aggregate amount of ₹ 101 lacs for these years. The company is in the process of collecting the relevant documents and will submit the same to the sales tax department. However, as a matter of prudence, the company has made a provision of ₹ 204.95 lacs (net provision of ₹ 177 lacs after considering a credit for sales tax of ₹ 27.95 deposited and expensed out in earlier year, now considered as 'receivable' from the sales tax department), for tax liability and interest in respect of documents which are yet to be collected.
11. In cases where letters of confirmation have been received from parties, book balance have been generally reconciled and adjusted, if required. In other cases, balance in accounts of sundry debtors, sundry creditors and advances or deposits have been taken as per books of account.
12. The Company is in communication with its suppliers to ascertain the applicability of the provisions of "The Micro, Small and medium Enterprises Development Act, 2006". As on the date of this Balance Sheet, the Company has not received any communication from any of its suppliers regarding filling of necessary memorandum with the appointed authority. In view of this, information as required u/s 22 of the said Act is not given.
13. Previous year's figures have been regrouped and /or rearranged wherever necessary.

As per our report of even date attached

For and on behalf of the Board of Directors

For Joshi & Kulkarni
Chartered Accountants
[F.R. No. 115751-W]

Sd/-
Shantanu Ghanekar
Partner
M.No. 102133
Place : Pune
Date : 24.05.2016

Sd/-
Saurabh Somani
Company Secretary

Sd/-
Sanket Gunjekar
Chief Financial Officer

Sd/-
Mangesh Joshi
Executive Director
DIN 07244555

Sd/-
Nihal Kulkarni
Chairman
DIN 01139147

G. G. DANDEKAR MACHINE WORKS LIMITED

Registered Office: 211/A, MIDC, Butibori Industrial Area, Village Kinh, Tal. Hingana Dist. Nagpur-441122.
(CIN: L99999MH1938PLC002869)

Email: ir@ggdandekar.com **Website:** www.ggdandekar.com **Phone:** 07104-667300 **Fax:** 07104-667300

77th Annual General meeting on 9th August, 2016**PROXY FORM**

Name of the Member (s).....

Registered Address

E-mail Id.....

Folio/ DP ID / Client ID.....

I/We being member(s) of _____ shares of the above named company hereby appoint:

1. Name _____ Address _____
Email Id: _____ Signature _____ or falling him;
2. Name _____ Address _____
Email Id: _____ Signature _____ or falling him;
3. Name _____ Address _____
Email Id: _____ Signature _____ or falling him;

as my/our proxy to attend and vote (on a poll) for me /us on my /our behalf at 77th Annual General Meeting of the Company to be held on Tuesday, 9th August, 2016 and at any adjournment thereof in respect of following resolutions:

Resolution No.	Resolution	Equity Shares	No. of Optional	
			For	Against
ORDINARY BUSINESS				
1.	Adoption of Statement of Profit & Loss, Balance Sheet, Report of Board of Directors for Financial Year ended 31 st March, 2016			
2.	Re-appointment of Mr. Nihal G. Kulkarni, (holding DIN: 01139147) Director who retires by rotation.			
3.	Ratification of appointment of M/s Joshi & Kulkarni, Chartered Accountants as Statutory Auditor of the Company			

Signed this _____ day of _____ 2016.

Signature of Shareholder _____

Signature of Proxy holder _____

Affix
Revenue
Stamp
₹ 1

Note:

1. 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 commencement of the Meeting.
2. For the Resolution, Explanatory Statements and Notes, Please refer to the Notice of Annual General Meeting.
3. It is optional to put '✓' in the appropriate column against the Resolution indicated in box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. Please complete all the details including details of member(s) in above box before submission

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G. G. DANDEKAR MACHINE WORKS LIMITED

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Email: ir@ggdandekar.com **Website:** www.ggdandekar.com **Phone:** 07104-667300 **Fax:** 07104-667300

77th Annual General meeting on 9th August, 2016

BALLOT FORM

(For members who do not have access to e-voting facility)

Sr. No	Particulars	Details
1.	Name of the First named Member (in Block letters)	
2.	Postal Address	
3.	Registered Folio No. / Client Id No.* (*Applicable to Investors holding shares in Dematerialised form)	
4.	Class of Shares	

I/We hereby exercise my /our vote in respect of Resolution(s) to be passed for the business stated in Notice of the 77th Annual General Meeting of Company to be held on Tuesday, 9th August, 2016, by sending my / our assent or dissent to the said Resolution (s) by placing the tick mark at the appropriate box below:

Resolution No.	Resolution	Equity Shares	No. of Optional	
			For	Against
ORDINARY BUSINESS				
1.	Adoption of Statement of Profit & Loss, Balance Sheet, Report of Board of Directors for Financial Year ended 31 st March, 2016			
2.	Re-appointment of Mr. Nihal G. Kulkarni (holding DIN: 01139147) Director who retires by rotation.			
3.	Ratification of appointment of M/s Joshi & Kulkarni, Chartered Accountants as Statutory Auditor of the Company			

Place :

Date :

(Signature of Member)

Note: This Ballot Form is provided for the benefit of Members, who do not have access to e-voting facility.

G. G. DANDEKAR MACHINE WORKS LIMITED

INSTRUCTIONS

1. Members may fill up this Ballot form (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to scrutinizer Mr. Mahesh Athavale, Practicing Company Secretary c/o Link Intime India Private Limited, (Unit: G. G. Dandekar Machine Works Limited), Akshay Complex', Block No.202, 2nd Floor, Near Ganesh Temple, Off Dhole Patil Road, Pune 411001, so as to reach by 5 p.m on 8th August, 2016. The Ballot form received thereafter will be strictly treated as not received.
2. The Ballot Form should be signed by Members as per the specimen signature with the Company/ the Depositories. In case of joint holding, the Form should be completed and signed by the first named member and in his / her absence, by the next named Joint holder. The right of voting by Ballot form shall not be exercised by a Proxy.
3. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/ Authorisation.
4. **A Member can opt for only one mode of voting i.e. either through e-voting or by the Ballot. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Ballot form should be treated as invalid.**
5. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on 2nd August, 2016.
6. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms shall be rejected. The decision of the Scrutinizer on the validity of the Ballot Form will be final.
7. The Company will not be responsible, if the envelope containing the Ballot Form is lost in transit.

G. G. DANDEKAR MACHINE WORKS LIMITED

(CIN: L99999MH1938PLC002869)

Registered Office: 211/A, MIDC, Butibori Industrial Area, Village Kinh, Tal. Hingana Dist. Nagpur-441122.**Email:** ir@ggdandekar.com **Website:** www.ggdandekar.com **Phone:** 07104-667300 **Fax:** 07104-667300**77th Annual General meeting on 9th August, 2016****ATTENDANCE SLIP**

Registered Folio/ DP ID & Client ID	
Name and address of the shareholder(s) Joint Holder 1 Joint Holder 2	

I /We hereby record my/our presence at the 77th Annual General Meeting of the Company at 211/A, MIDC, Butibori Industrial Area, Village Kinh, Tal. Hingana Dist. Nagpur-441122 on Tuesday, August 9, 2016 at 11.00 a.m.

 Member's Folio/DP ID/ Client ID No.

 Member's/Proxy's name in block letters

 Member's/Proxy's Signature

Note: Please complete the Folio/ DP ID-Client No. and name, sign this attendance slip and hand it over at the Attendance Verification Counter at ENTRANCE OF THE MEETING HALL.

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DANDEKAR

Built to Last

Registered Office

G. G. DANDEKAR MACHINE WORKS LIMITED

CIN : L99999MH1938PLC002869

211/A, MIDC, Butibori Industrial Area, Village Kinhi, Tal. Hingana, Dist. Nagpur - 441 122 (India)

Phone : +91 - (7104) 667300 Fax: +91 (7104) 667302 website : www.ggdandekar.com