

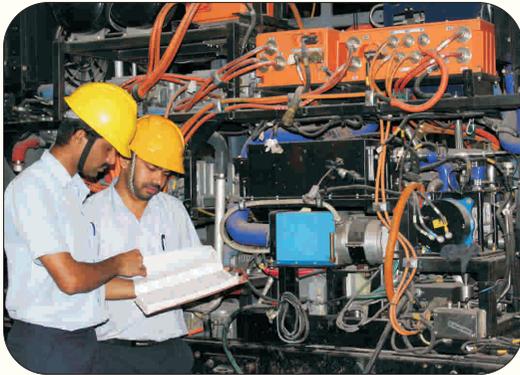


36th Annual Report
2015-2016

AUTOMOBILE CORPORATION OF GOA LIMITED

www.acglgoa.com

Employees at work



Transportation of Input Chassis - Chassis Yard - Final Product



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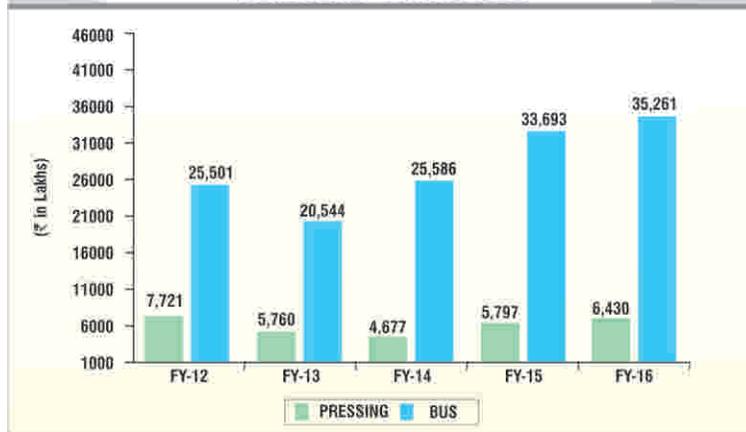


Classic Bus

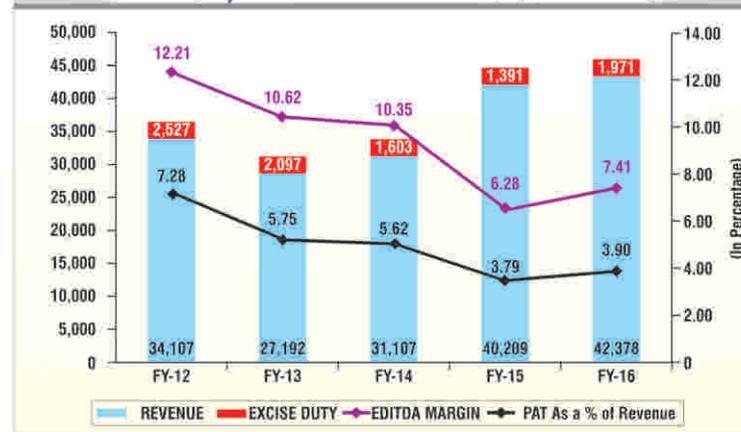




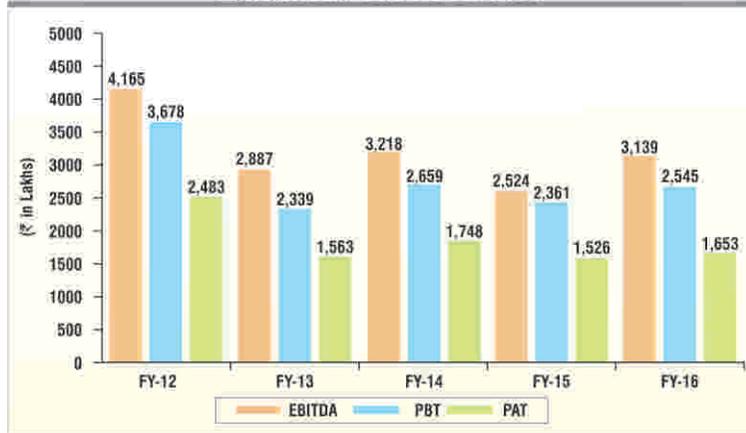
SEGMENT TURNOVER



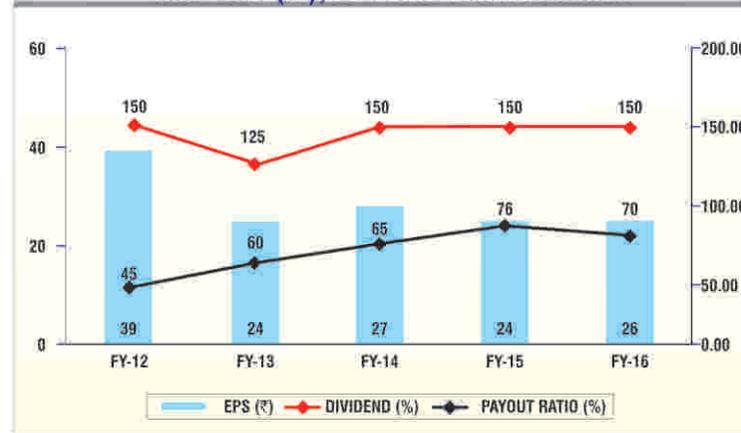
REVENUE, EBIDTA AND PAT AS % REVENUE



EARNINGS AND PROFITS

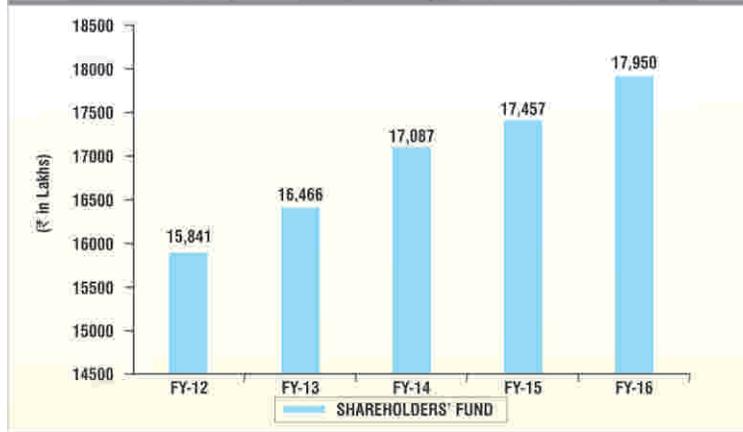


DIVIDEND (%), EPS AND PAYOUT RATIO

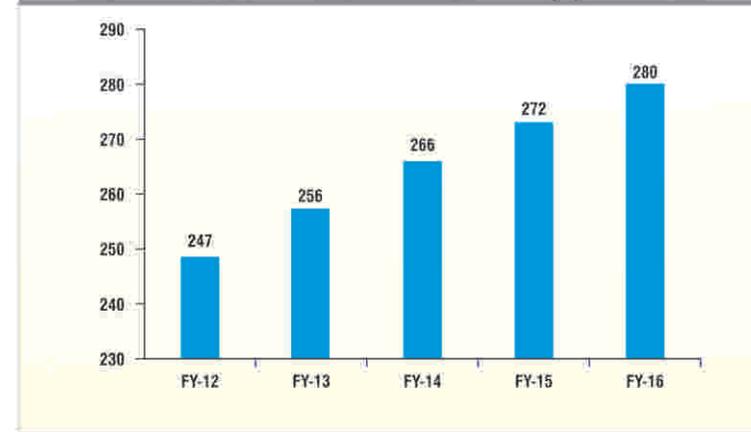




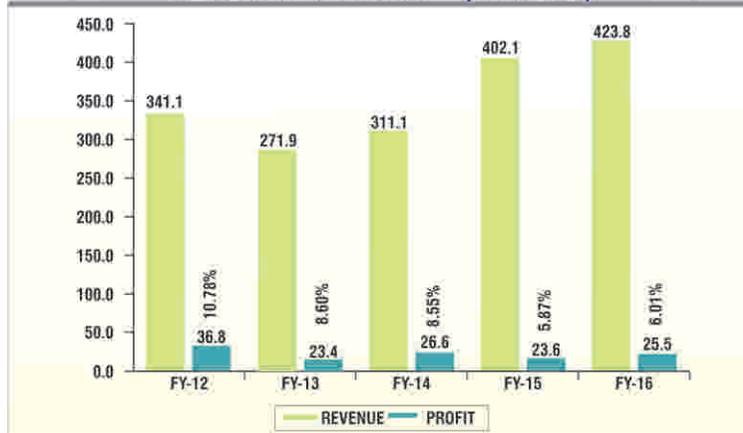
SHAREHOLDERS' FUND



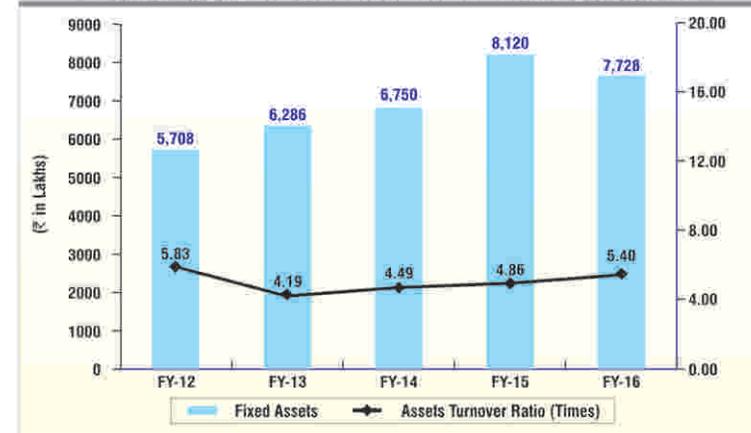
BOOK VALUE PER SHARE (₹)



REVENUE & PROFIT - (₹ in Crs.)



FIXED ASSETS AND ASSET TURNOVER RATIO



**BOARD OF DIRECTORS****Mr S V Salgaocar**

Chairman - Independent Director (upto 29.10.2015)

Mr Shrinivas Dempo

Chairman - Independent Director (w.e.f. 29.10.2015)

Mr R Pisharody

Non Executive Director

Mr Steven Pinto

Independent Director

Mr P F X D'Lima

Independent Director

Mr A Gajendragadkar

Non Executive Director

Mr R Ramakrishnan

Non Executive Director

Dr Vijayanti Pandit

Independent Director

Mr O V Ajay

CEO & Executive Director

OTHER SENIOR EXECUTIVES**Mr Raghwendra Singh Butola**

Chief Financial Officer (w.e.f 21.10.2015)

Mr Mahesh Pawaskar

Sr General Manager - Sheet Metal Pressing

Mr Christie Gomes

General Manager - Proto/PPTI

Mr Dilip Desai

Dy General Manager – Design

Mr Deepak Kadkade

Dy General Manager – Quality

Mr Y B Joshi

Dy General Manager – Production

36th ANNUAL GENERAL MEETING

August 1, 2016

3.30 p.m.

Honda, Sattari, Goa - 403 530.

Company Secretary**Mr Pravin Satardekar****Registered Office**

Honda, Sattari, Goa 403530

Tel:+91 832 6731218 Fax:+91 832 6731262

Email:sectl@acglgoa.com

Website: www.acglgoa.com

Corporate Identity Number (CIN)

L35911GA1980PLC000400

Share Registrars**TSR Darashaw Limited**6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr E Moses Road, Mahalaxmi, Mumbai 400 011

Tel:+91 22 66568484 Fax:+91 22 66568494

Email:csg-unit@tsrdarashaw.com

Website: www.tsrdarashaw.com

Bankers**State Bank of India****HDFC Bank Limited****Statutory Auditors****Deloitte Haskins & Sells LLP**

(Registration No. 117366W/W-100018)

Chief Internal Auditor**Mr Suraj Singh****Secretarial Auditors****Mr Shivaram Bhat**

Practicing Company Secretary

(Membership No 10454)

Works**Honda** (Goa)**Jejuri** (Maharashtra)**Bhuimpal** (Goa)**Dharwad** (Karnataka)

BOARD OF DIRECTORS



SHRINIVAS DEMPO
Chairman



RAVINDRA PISHARODY
Director



STEVEN PINTO
Director



P F X D'LIMA
Director



A GAJENDRAGADKAR
Director



R RAMAKRISHNAN
Director



DR VAJAYANTI PANDIT
Director



O V AJAY
CEO & Executive Director

Message From Chairman



Mr Shrinivas V Dempo

Dear Shareholders,

I am glad to take this opportunity for the first time to connect with you while appraising the performance of ACGL in the year that went by and share with you your company's aspirations for the future.

It will be hard to fill the vacuum created by separation of Mr S V Salgoacar, who served as the company's Chairman for over 3 decades; however, with all humility, I shall make endeavors to carry on the good work that has happened under his leadership and try to lead the company to even greater heights with the support of everybody in the company.

With over 1.25 billion population, bus transportation in India is always referred to as a 'last-mile connectivity'. Bus is the primary mode of public transport catering to almost 90% of passengers in Indian cities and serving as an economical and convenient mode of transport for all classes of people. With production and sales touching a hundred thousand units per year, the Indian bus industry is reckoned one of the largest in the world and an important part of the automobile industry of the country. In 2015, India outgrew Brazil to become the fifth-largest auto market.

Over the last few years, though volatile, the bus industry has been growing, with significant changes being introduced in terms of technology, safety, passenger comfort, etc. The mounting number of commuters, rapid economic growth, development of infrastructure in small cities and different Government schemes introduced in the bus segment have led to growth in demand for world-class bus transportation in the country.

In order to raise the bus technology to international standard, the Government has taken several measures, particularly in the area of safety. It has come out with the 'Bus Code' that offers ultimate safety for every passenger. India has already emerged one of the major destinations for mass production of buses. Several international bus manufacturers have set up operations in India not only to support the fastest growing bus transport system in the country but also to export vehicles to other regions. All this is in view of the fact that India has now been identified as a major centre for low-cost production.

Many state transport undertakings have also acquired a fleet of luxury coaches, catering to the burgeoning demand from passengers, most of who do not mind paying a premium for travelling in relative comfort.

In view of the above, the Government of India, in its finance budget 2016-17 also provided for a "Scheme for Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicle in India-FAME-India". Through this scheme, Department has taken initiative for introducing Electric/Hybrid transportation in the country under National Electric Mobility Mission Plan (NEMMP) Scheme 2020 to provide clean mobility solutions to the people while reducing the country's dependence on fossil fuel. Plan provision has been kept for the implementation of this Scheme.

Message From Chairman



We are keeping track of all these changes and no stone will be left unturned in our endeavor to be successful in this competitive era. While addressing the challenge to compete on costs with our competitors, the Board also understands the importance of formulating various Strategies to enhance the product profiles wherein the Company could offer innovative applications for our designs which will prove useful and relevant to our customers. As the country adopts stricter regimes of quality and safety regulation, your Company is all set to be at the forefront to be able to meet the necessary requirements.

I am happy to mention that during the year under review, Your Company has shown a commendable performance -We manufactured the highest number of buses (4960 numbers) so far in any financial year. This year can be marked as a special one since your Company also reached a remarkable landmark of "50,000 buses sold" since inception of the bus business. The Sheet Metal business witnessed an improvement of 11% during the same period. There is no doubt that the Management team has done an admirable job that does credit to Your Company.

Your Company continues to invest in numerous brand building initiatives to understand market dynamics which will help strengthening the dealer and customer connects.

As part of its CSR, the Company has undertaken many major laudable initiatives in the areas of women empowerment, support of the differently abled, education, public health and the environment.

We have continued our practice to consistently reward our shareholders. Your Company has proposed declaration of 150% dividend in line with the best dividends declared in last few years.

Summing up, I believe your Company has maintained its growth momentum last year setting new records of operational performance. Given the present economic indications and the plans developed for the future, I am confident that your Company will continue to better its performance in the coming years.

I would like to express my sincere appreciation for the confidence reposed in us by the shareholders and thank our employees, our principal shareholders on the Tata Group, the Government of Goa, our suppliers and commercial partners for their continued support during the year. I would also like to thank my colleagues on the Board for their continued support and guidance to the Company's management, which certainly encourages the management in meeting the challenges in the Company's growth journey.

Sincerely,
Shrinivas Dempo

Message From Director



Mr Ravindra Pisharody

Dear Shareholders,

I am happy to connect with you through ACGL board and speak about the performance of your Company in view of the Industry scenario.

As you may be aware, the Bus industry is the backbone of our public transport system and a vital element of the Indian economy. Positive automobile growth is linked to larger community well being and has a constructive influence in the overall economic growth of the country.

The current Bus Market size is around 82,000 Units in India which is expected to be double by 2025. Your Company delivered a strong performance during 2015-16 and also achieved few remarkable landmarks. The total industry volume of medium & heavy duty commercial vehicles grew by 30% over the previous year in which the trucks grew by 32% and buses by 19%. Your Company achieved a sales figure in bus segment of 4960 vehicles - registering the highest number for any financial year so far. In the international markets, the sales volume in the medium & heavy segment declined marginally over last year due to economic slowdown in many target countries. However, the light commercial vehicle volumes showed some improvement.

Indian Bus Market is becoming more competitive and customer expectations in terms of product quality and performance is increasing. New standards of luxury and comfort are also being set in the market place. In line with the guidelines from the Governments (both state and the Centre), the STUs are in the process of implementing new initiatives in their fleet operations. Going forward, an optimum combination of Design, Safety, Comfort and Technology at the right price is going to be the key differentiator in the Bus Industry. Your Company needs to be geared to meet these challenges and strike a balance between product features and price to remain an attractive proposition for the customer.

The focus of the government on infrastructure development through massive up-gradation of national highways and the construction of a network of expressways linking important cities will give a boost to the coach-building industry in India and will drive the demand for luxury buses. The development of Smart cities is expected to create additional demand for urban buses. The Management is actively exploring the possibility of increasing the market share in these segments.

New products introduced by your company, especially in the school bus segment, contributed significantly to the overall volume growth. The 4T School Bus received positive response in the domestic market and the Elanza bus was well received in the Middle East.

You may be aware that in the recently held Auto Expo in Delhi, Tata Motors showcased the ACGL built Tata Hybrid Bus which received an overwhelming response from the visitors. Tata Starbus Diesel Series Hybrid Electric Buses are provided with Full Low floor configuration. Uniquely engineered for ease of operations, this bus can run without external charging infrastructures, due to integration of on-board charging, via a BS-IV compliant engine and energy storage through advanced Lithium Ion Nano-Phosphate Batteries. While the batteries are re-charged by running of the Diesel powertrain, the system also regenerates braking energy through advanced electronic braking system. Tata Motors has decided to partner with ACGL for executing one of its orders with the said Product. This is likely to be the first commercial delivery of hybrid buses in India. This is a very crucial and prestigious assignment for your Company.

With the bus industry showing signs of revival and growth, the future is bright but challenging for your company, where the key success factors would be rapid introduction of feature rich products, customization, agility in addressing customer concerns and right pricing.

I would like to thank all the stakeholders for their support and encouragement during the year.

Yours Truly,
Ravindra Pisharody

Message From CEO & Executive Director



Mr O V Ajay

Dear Shareholders,

It's a great pleasure to connect with you again through this AGM communiqué. It has been more than fifteen months since I took over the reins of the Management of your Company in December 2014, and the journey has been a very challenging and exiting one.

FY 2015-16 has been another special year for your Company in its journey of success. As the Indian commercial vehicle industry recovered, your Company has aptly positioned itself and managed to get good results. It was accomplished by a combination of strategic decisions on the product portfolio and rigorous cost optimization by leveraging its product strengths with an enhanced thrust on customer satisfaction. Our reputation as an organization that offers truly differentiated and customer centric solutions has been reinforced during this period. I am delighted to present to you the success story of your Company during the year that concluded.

Viewed from a financial perspective, your Company achieved a 5.55% increase in product sales at Rs 417 crores compared to Rs 395 crores, last year. Profit after tax for the year stood at Rs 16.5 crores, as against Rs 15.2 crores in the previous year, recording a growth of 8.3 %.

Starting from a modest 35 buses in 1990, this year, your company achieved an annual all-time high of 4960 buses. The month of March also witnesses another milestone being crossed, that of 753 buses in a month. This has been possible only through clearly focused commitment and hard work by every member of the ACGL team, inclusive of its suppliers and partners. During the year, your Company also crossed the landmark of 50,000 buses sold since the inception of bus business in 1989. The Pressings business also improved in terms of sales by 11% against the previous year. The company has secured new business from its key customers which will fructify into tangible orders in the coming years.

There were some headwinds in the business environment for your Company in the form of increasing input cost, pressure on sale price due to heightened competition, limited breadth in product portfolio, labour productivity and dried-up orders from the State Transport Undertakings etc. But your company has been successfully able to tide over these challenges with a slew of cost optimized, technologically contemporary products. These products in the school and staff transportation segments have been well received by the market and have helped in achieving the numbers.

While we continue to work relentlessly on demand creation, we have also taken significant steps to reinforce our product development capabilities. Strategic decisions like entering into 4T segment of buses were a major breakthrough for the Company, the results of which will be fully leveraged in the coming years. Successful introduction of the luxury school bus 'Elanza' in the Middle East market, 'Nova' a luxury sleeper/seater for the inter-city market, the diesel-electric hybrid for Tata Motors and the amphibious bus added to the success of this Financial Year.

ACGL has always been very conscious of the society we operate in, and has been an active contributor in the area of 'Corporate Social Responsibility' (CSR). This year too we have done our little bit for the community around us, the details of which are enumerated in the section for CSR FY 2015-16.

I would like to acknowledge my gratitude to all the stakeholders for their trust, support and encouragement during the year. We are well prepared for the ever evolving business challenges and are confident of scaling new heights in the coming years.

Sincerely,
O V Ajay



Notice

NOTICE is hereby given that the 36th Annual General Meeting of the Members of AUTOMOBILE CORPORATION OF GOA LIMITED will be held on Monday, August 1, 2016 at 3:30 p.m. at the Registered Office of the Company at Honda, Sattari, Goa to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016 together with the Reports of the Directors and the Auditors thereon.
2. To confirm the payment of Interim Dividend and declare a Final Dividend on Equity Shares for the Financial Year ended March 31, 2016.
3. To appoint a Director in place of Mr R Ramakrishnan (DIN 03394401), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s Deloitte Haskins & Sells, LLP (Firm Registration No 117366W/W-100018) as Statutory Auditors and in this regard to consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT” pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company at such remuneration as shall be agreed upon between the Board of Directors and the Auditors.”

SPECIAL BUSINESS

5. Appointment of Mr Shrinivas Dempo (DIN 00043413) as an Independent Director

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

“RESOLVED THAT” pursuant to the provisions of Section 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr Shrinivas Dempo (DIN 00043413), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors effective September 12, 2015 and holds office till the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of 5 consecutive years upto September 11, 2020, whose office shall not be liable to retirement by rotation.”

**Notes:**

- (a) The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item No. 5 above is annexed hereto. The relevant details of the Directors seeking re-appointment/appointment under Item Nos. 3 and 5, pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) are annexed.
- (b) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.** A person can act as a proxy on behalf of members not exceeding fifty and in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% 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.

The Proxy forms should be lodged with the Company at its Registered Office at least 48 hours before commencement of the meeting. Proxies/Representation letter submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization.

Members/Proxies should bring the enclosed Attendance Slip duly filled in, for attending the Annual General Meeting, along with their copy of the Annual Report. Copies of the Annual Report will not be distributed at the Meeting.

- (c) A route map giving directions to reach the venue of the 36th Annual General Meeting is given at the end of the Notice.
- (d) **Register of Members and Share Transfer Books of the Company will be closed from Thursday, July 7, 2016 to Thursday, July 14, 2016 (both days inclusive).**
- (e) Dividend as recommended by the Board of Directors, if approved at the meeting, will be paid on or after August 12, 2016 as under:
- 1) To all Beneficial Owners in respect of shares held in electronic form, as per the data made available by The National Securities Depositories Limited and The Central Depository Services (India) Limited, as of the close of business hours on July 7, 2016.
 - 2) To all Members in respect of shares held in physical form, after giving effect to valid transfers in respect of requests lodged with the Company on or before the close of business hours on July 7, 2016.
- (f) Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, ECS mandates, Nominations, Power of Attorney, Change of Address/name etc. to their Depository Participant only and not to the Company or Company's Registrar and Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and the Registrar & Transfer Agent to provide efficient service to the members.



- (g) Members holding Share Certificates under different folio numbers but in the same order of names are requested to apply for consolidation of such folios and send relevant Share Certificates to the Registrar and Transfer Agent of the Company. Also Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Share Registrars and Transfer Agents for assistance in this regard.
- (h) Nomination Facility:
As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
- (i) Member's attention is particularly drawn to the "Corporate Governance" section in respect of unclaimed and unpaid dividend.
- (j) Members desiring any relevant information on the accounts at the Annual General Meeting are requested to write to the Company well in advance to ensure that such requests reach the Company at least seven days before the date of the Annual General Meeting, so as to enable the Company to keep the information ready.
- (k) Relevant documents and registers will be available for inspection by the members at the registered office of the Company on the date of AGM.
- (l) As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's Registrar & Transfer Agent.
- (m) Remote e-VOTING

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the LODR, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL)

During the e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the Cut-Off Date of July 25, 2016, may cast their vote electronically. The e-Voting period for the Members who hold shares as on cut-off date commences on **July 29, 2016 (9:00 am)** and ends on **July 31, 2016 (5:00 pm)**. The e-voting module shall be disabled by CDSL for voting thereafter.



The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on July 29, 2016 (9:00 am) and ends on July 31, 2016 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 25, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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



- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Automobile Corporation of Goa Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The - Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



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

General instructions/ information for Members for voting on the Resolutions:

- (a) **Facility of voting through Poll paper shall also be made available at the Meeting. Members attending the Meeting, who have not already cast their vote by remote e-voting, shall be able to exercise their right at the Meeting.**
- (b) Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting, but shall not be entitled to vote again at the AGM.
- (c) The voting rights of the shareholders (for voting through remote e-voting or by Poll paper at the Meeting) shall be in proportion to their share of the paid-up equity share capital of the Company as on **July 25, 2016 ("Cut-Off Date")**. 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.
- (d) Any person who acquires Shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e. July 25, 2016, may obtain the login Id and password by sending a request at helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you may reset your password by using "Forgot User Details/ Password" option available on www.evotingindia.com
- (e) Mr Shivaram Bhat, Practicing Company Secretary (Membership No.10454) has been appointed by the Board of Directors of the Company as Scrutinizer for scrutinizing the remote e-voting process as well as voting through poll paper at the Meeting, in a fair and transparent manner.
- (f) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting, in the presence of at least two (2) witnesses not in the employment of the Company.
- (g) The Scrutinizer will collate the votes cast at the Meeting and votes downloaded from the e-voting system and make, not later than three days from the conclusion of the Meeting, 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.



- (h) The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.acglgoa.com and on the website of CDSL immediately after their declaration and communicated to the Stock Exchange where the Company is listed, viz. BSE Limited.
- (i) Subject to the receipt of requisite number of votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM, i.e. Monday, August 1, 2016.

By order of the Board of Directors

Pravin Satardekar
Company Secretary
ACS 24380

Dated: July 2, 2016

Registered Office:
Honda, Sattari, Goa – 403 530.
Tel.: +91 832 6731218 Fax : +91 832 6731262
E-mail : sectl@acglgoa.com Website : www.acglgoa.com
CIN : L35911GA1980PLC000400

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013****Item No. 5**

The Board of Directors appointed Mr Shrinivas V Dempo as an Additional (Independent) Director of the Company effective September 12, 2015, pursuant to Section 161 of the Companies Act, 2013 read with Article 154 of the Articles of Association of the Company. Further, the Board of Directors at their meeting held on October 29, 2015, approved of appointment of Mr Shrinivas Dempo as the Chairman of the Board effective that date.

Pursuant to provisions of Section 161 of the Companies Act, 2013, Mr Dempo will hold office upto the date of ensuing AGM. A Notice has been received from a member as required under Section 160 of the Companies Act, 2013 proposing his candidature for appointment as a Director. Brief particulars of Mr Shrinivas Dempo are given in the Annexure I.

The Company has received from Shrinivas V Dempo, consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the resolution seeks the approval of members for the appointment of Mr Shrinivas Dempo as an Independent Director of the Company for a term of 5 consecutive years upto September 11, 2020. He will not be liable to retire by rotation.

In the opinion of the Board, Mr Shrinivas Dempo, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under and he is independent of the Management. A copy of the letter for the appointment of Mr Shrinivas Dempo as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days up to the date of the AGM.

No director, key managerial personnel or their relatives, except Mr Shrinivas Dempo, to whom the resolution relates, is interested or concerned in the resolution. Mr Shrinivas Dempo is not related to any of the directors of the Company.

The Directors commend the Ordinary Resolution at Item No.5 of the Notice for the approval of the Members of the Company.

Dated: July 2, 2016

By order of the Board of Directors

Registered Office:
Honda, Sattari, Goa – 403 530.
Tel.: +91 832 6731218 Fax : +91 832 6731262
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Pravin Satardekar
Company Secretary
ACS 24380



ANNEXURE - I

**Details of Directors seeking appointment/re-appointment at this Annual General Meeting
[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]**

Particulars	Mr Shrinivas Dempo	Mr R Ramakrishnan
Date of Birth & Age	2 nd February, 1969, 47 years	17 th October, 1963, 53 years
Appointed on	12 th September, 2015	28 th June, 2013
Qualifications	Post Graduate in Commerce from Sydenham College, affiliated to Bombay University Master's degree in Business Administration from the Carnegie Mellon University (U.S.A.)	Mechanical Engineer
Expertise in Specific functional areas	<p>Mr Dempo is the Chairman of the Dempo Group of Companies and also the Managing Director of the group's parent/ holding company, Dempo Industries Pvt. Ltd.. The Dempo Group is the leading business house in Goa, with a total annual turnover of ₹ 750 Crores, whose varied interests include, Calcined Petroleum Coke, Pig Iron, Shipbuilding, Food Processing, Real Estate, the Media, Energy, Education and Sports.</p> <p>Mr Dempo is a Post Graduate in Commerce from Sydenham College, affiliated to Bombay University, and holds a Master's degree in Business Administration from the Carnegie Mellon University (U.S.A.), having specialized in Corporate Finance & Industrial Administration.</p> <p>Mr Shrinivas V Dempo is the recipient of the Outstanding Entrepreneur award for the year 2014 conferred by the Asia-wide organization for management development, Enterprise Asia for his stewardship of Goa Carbon Ltd, the country's second largest manufacturer of calcined petroleum coke, a company listed on the Mumbai and National Stock Exchanges.</p>	<p>Mr R Ramakrishnan is presently the Sr Vice President at Tata Motors Limited (TML) and heads Product Planning & Strategy and Customer Value Creation from September 2015 till date. He has been working with TML since 1985.</p> <p>He was heading the Commercial function in Commercial Vehicles and Passenger Cars in his previous two assignments. During his stint in the Commercial function; he has led programs for enhancing Network reach, rural penetration, infrastructure modernization, channel process effectiveness through score cards, and enhancing customer experience.</p> <p>Mr R Ramakrishnan is a Bachelor in Mechanical Engineering and has been associated with Key strategic initiatives in Tata Motors Limited such as Project Top-Gear for Business process re-engineering (1997-98), New Product Introduction (2003-05), acquisition of Daewoo Commercial Vehicles (2004). He conceptualized the World Truck and headed the program during the concept development phase.</p>



Particulars	Mr Shrinivas Dempo	Mr R Ramakrishnan
Directorships held in other companies	<ul style="list-style-type: none"> - Goa Carbon Limited - Hindustan Foods Limited - V S Dempo Holdings Pvt. Ltd - Dempo Industries Pvt. Ltd - Amigo Sports Pvt. Ltd - Dempo Travels Pvt. Ltd. - V S Dempo Mining Corporation Pvt. Ltd. - Dempo Shipbuilding and Engineering Pvt. Ltd. - Marmagoa Shipping and Stevedoring Co. Pvt. Ltd. - Dempo Sports Club Pvt. Ltd. - Motown Investments Pvt. Ltd. - West Coast Hotels Pvt. Ltd. - Vipulam Coke Co. Pvt. Ltd. - Goan Football Club Pvt. Ltd. 	<ul style="list-style-type: none"> - TML Distribution Company Limited - Tata Motors Insurance Broking and Advisory Services Limited - Tata Marcopolo Motors Limited - Tata Motors Finance Solutions Limited
Memberships/ Chairpersonships of Committees across public companies*	<ul style="list-style-type: none"> - Audit Committee - Member - Automobile Corporation of Goa Limited - Share transfer, Investors' Grievance and Stakeholders Relationship Committee - Chairman - Hindustan Foods Limited 	<ul style="list-style-type: none"> - Audit Committee - Member - TML Distribution Company Limited - Audit Committee - Member - Tata Motors Insurance Broking and Advisory Services Limited
Shareholding	Nil	Nil

* Note: Pursuant to Regulation 26 of the SEBI Listing Regulations, for the purpose of determination of limit, Chairpersonship and Membership of the Audit and Stakeholders Relationship Committees alone has been considered.

None of the Directors is related to each other or other Directors of the Company.



DIRECTORS' REPORT

Dear Members,

Board of Directors of your company has great pleasure in presenting to you their 36th Annual Report and the audited statement of accounts for the year ended March 31, 2016.

FINANCIAL PERFORMANCE SUMMARY

A. FINANCIAL RESULTS

Net Sales	41,693.56	39,500.54
Total Expenditure	39,239.26	37,685.83
Operating profit	2,454.30	1,814.71
Other Income	684.38	708.90
Earnings before Interest, Tax, Depreciation and Amortization	3,138.68	2,523.61
Finance Cost	38.42	33.15
Cash Profit	3,100.26	2,490.46
Provision for Depreciation & Amortization	555.73	129.63
Profit before Tax	2,544.53	2,360.83
Provision for Tax (net)	891.44	834.98
Profit after Tax	1,653.09	1,525.85
Balance in Profit & Loss A/c brought forward from the previous year	7,121.37	6,903.98
Profit available for appropriation	8,774.46	8,429.83

B. APPROPRIATIONS

Equity Dividend

Interim	160.54	160.54
Final	802.70	802.70
Corporate Dividend tax	196.13	192.62
Transfer to General Reserve	165.30	152.60
Balance carried to Balance Sheet	7,449.79	7,121.37

₹ in Lakhs

2015/16

2014/15



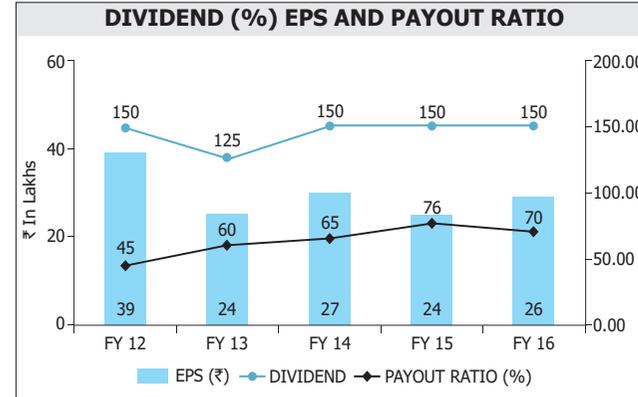
DIVIDEND

The Company has paid an Interim Dividend of 25% (₹ 2.50 per Equity Share) to the shareholders on February 22, 2016.

The Board of Directors has recommended a Final Dividend of 125% (₹ 12.50 per equity share) to the Equity shareholders.

Thus, the aggregate dividend for the year works out to 150% (₹ 15/- per Equity share).

The said dividend, if approved by the members, would involve a total cash outflow of ₹ 1159.37 lakhs (inclusive of Interim Dividend and Dividend Distribution Tax thereon) for the FY 2015-16 and result in a payout of 70% of the current profit (Previous year 76%).



TRANSFER TO GENERAL RESERVE

The Company proposes to transfer ₹ 165.30 lakhs to the general reserve out of the amount available for appropriation.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2016 was ₹ 642.16 lakhs. During the year under review, the Company has not issued any shares.

OPERATIONS

The bus segment has maintained its dominance in contributing to your Company's revenue and profit. Proportion of bus division's revenue in total revenue of the Company clocked 85% during the year under review. Large portion of our workforce is operating in the bus segment at Goa. Operations at the pressings division though under pressure improved appreciably by 11% as compared to last year.

Your Company's Product Sale for the financial year 2015-16 crossed the key milestone of ₹ 417 crores, reflecting a growth of 5.55% over the previous financial year. The Company's profit before tax during the financial 2015-16 year was at ₹ 25.45 crores as against ₹ 23.61 crores in the preceding financial year. Net profit after tax stood at ₹ 16.53 crores as compared to ₹ 15.26 crores in the preceding financial year. During FY 2015-16, your Company sold highest number of buses (4,960 numbers), so far sold in any of previous financial years. Your Company also achieved the landmark of 52,657 buses sold from FY 1989-90 to 2015-16.

Operations of the Company and business overview have been discussed in more detail in the Management Discussion and Analysis forming part of this report.

**Bus Body Segment**

Revenue from Bus Segment increased by 5% at ₹ 352.61 crores in FY 2015-16, as compared ₹ 336.93 crores in the preceding financial year. In FY 2015-16, 4,960 buses were sold as compared to 4,591 buses in preceding financial year which is an increase of 369 buses. This is the highest number of buses manufactured so far in any of the previous financial year.

Out of the 4,960 buses sold during the financial year 2015-16, 2,647 buses were for Export Application which was lower by 7%, as compared to the preceding financial year. The major factor in reduction of Export Application buses was reduced demand from Middle East caused by the economic slowdown as a result of drop in Oil Prices.

While the overall demand for buses in the country was similar to that witnessed in the previous year whereas Company able to maintain volume growth by increasing share of business in Direct Customer Orders by In-house Marketing efforts and Entry into new bus segment for TML by introduction of new models during the financial year 2015-16.

Pressings Segment

Sheet metal business is in sync with the automobile industry and is dependent on the progress of the same. The segment is necessarily capital intensive which is presently having over capacity with respect to current industry demand. With a marginal improvement in the industry, Sheet Metal business also improved during the financial year 2015-16. Revenue (exclusive of miscellaneous income) from this segment has shown increase from ₹ 57.97 crores (2014-15), to ₹ 64.30 crores with a growth of 11% in the given financial year.

This segment looks more promising with new orders received from Tata Motors-Dharwad and Tata Cummins- Phaltan and Jamshedpur, which will help in increasing the Sheet Metal Division's capacity utilization in the financial year 2016-17.

Share of pressings business in the overall revenue of the company has increased marginally from 14.68% in FY 2014-15 to 15.42% in FY 2015-16.

HUMAN RESOURCE

As a result of ongoing endeavour of rationalising and rightsizing the workforce, the employee cost remain 10% of sale revenue beside increase in salaries & wage and overall strength of permanent employees came down to 572 as on 31st March 2016 against 576 on 31st March 2015.

CORPORATE SOCIAL RESPONSIBILITY

The key focus areas of the ACGL's CSR program are women empowerment, support of the differently abled, education, public health and environment. These projects are largely in accordance with Schedule VII of the Companies Act, 2013.

**Brief outline of the CSR Policy:**

In ACGL, Corporate Social Responsibility (CSR) philosophy revolves around engagements in socially relevant activities for the under-privileged sections of the society. The Company believes in inclusive growth to facilitate creation of a value-based and empowered society through continuous and purposeful engagement of society around. Our commitment to CSR is focused on initiatives that make a constructive contribution to the community and encourage sustainable development.

A policy on CSR has been formulated by the Corporate Social Responsibility Committee (CSR Committee) and adopted by the Board of Directors. The contents of this policy are available on the website of the Company.

Your Company is committed to allocate at least 2% of its average Net Profits made during the three immediately preceding financial years calculated in accordance with the provisions of the Act and the Rules made thereunder towards Corporate Social Responsibility projects. The Company would undertake one or more of the activities which relate to schedule VII of the Act as its projects for CSR activities.

Composition of the Committee:

As per Section 135 (1) of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee. Mr S V Salgaocar resigned from the Board of the Company w. e. f. 29.10.2015. The composition of the Committee as on date is as under:

Mr S V Salgaocar	Chairman (upto 29.10.2015)
Mr Shrinivas V Dempo	Chairman (w.e.f. 29.10.2015)
Mr P F X D'Lima	Member
Mr Steven Pinto	Member
Dr Vaijayanti Pandit	Member
Mr O V Ajay	Member

The Annual Report on CSR activities for FY 2015-16 is annexed as "Annexure A".

CORPORATE GOVERNANCE

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and SEBI circular dated October 13, 2015 a fresh Listing Agreement has been executed by the Company with Bombay Stock Exchange Limited within the prescribed time limit. A separate section on Corporate Governance forming part of the Directors' Report and Auditors' certificate regarding compliance of conditions of Corporate Governance have been included in the Annual Report.

FINANCE

Borrowings of the company in the form of Cash Credits as at end March, 2016 stood at Rs. 290.34 lakhs (previous year ₹ 352.83 lakhs). Cash and bank balance stood at ₹ 178.39 lakhs (previous year ₹ 167.25 lakhs).



DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment and Retirement of Directors:

During the year, Mr S V Salgaocar Independent Director and Chairman of the Company resigned from the services of the Company effective October 29, 2015. The Directors wish to place on record their deepest appreciation of the tremendous contribution of Mr Salgaocar in the success achieved by the Company during his long tenure as a Director and Chairman of the Company.

Mr Shrinivas Dempo has been appointed as Additional (Independent) Director on the Board of the Company effective September 12, 2015. He has been appointed as the Chairman of the Company effective October 29, 2015. Pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, Mr Dempo vacates office and is eligible for re-appointment. Members are requested to refer to Item No.5 of the Notice of the Annual General Meeting for details.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr R Ramakrishnan retires by rotation and is eligible for re-appointment. Members are requested to refer to Item No.3 of the Notice of the Annual General Meeting for details.

Key Managerial Personnel:

Pursuant to the provisions of section 203 of the Act, details of Key Managerial Personnel (KMP) during the Financial Year 2015-16 are given below:-

Sr No	Name of the KMP	Designation
1	O V Ajay	CEO & Executive Director
2	Harjit Singh Madaan (upto 05.08.2015)	Chief Financial Officer
3	Raghwendra Singh Butola (effective 21.10.2015)	Chief Financial Officer
4	Pravin Satardekar	Company Secretary

Governance Guidelines:

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director Term, Retirement Age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director Remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

**Procedure for Nomination and Appointment of Directors:**

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

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

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/she meets with the criteria for 'Independent Director' as laid down in the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

Annual Evaluation of Board Performance and Performance of its Committees and of Directors:

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

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



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

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

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

Remuneration Policy

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and Listing Regulations.

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

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

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

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

Details of the Remuneration Policy are also provided in the Corporate Governance Report.

**Board and Committee Meetings**

The Meetings dates are circulated in advance to the Directors. During the year, seven Board Meetings and four Audit Committee Meetings were convened and held. There have been no instances during the year when recommendations of the Audit Committee were not accepted by the Board.

Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act and the Listing Regulations.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

(This does not include advances against supply of spare parts and scrap not appropriated against supply of goods or provision of services within a period of 365 days from the date of acceptance of such advance- Kindly Refer section V of the MGT 9).

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans/guarantees/investments have been disclosed in the financial statements. The said loans/guarantees/investments are within the limits stipulated in the Section 186 (2) of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES AND REMUNERATION:

The information required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as "Annexure B".

The information required under Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report. In terms of the first proviso to Section 136 of the Act, the Report and Accounts are being sent to the Shareholders excluding the aforesaid Annexure. Any Shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. Except CEO & Executive Director, none of the employees is getting covered in the aforesaid provisions.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGOINGS:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed as "Annexure C".

**AUDITORS****(1) Statutory Auditors**

M/s Deloitte Haskins & Sells LLP - Firm Registration No 117366W/W-100018 (DHS) who are the Statutory Auditors of the Company hold office until the ensuing Annual General Meeting. It is proposed to re-appoint them to examine and audit the accounts of the Company for the financial year 2016-17. M/s Deloitte Haskins & Sells LLP have, under Section 139(1) of the Companies Act, 2013, furnished a certificate of their eligibility for re-appointment. Members are requested to consider the re-appointment of DHS and authorize the Board of Directors to fix their remuneration.

(2) Cost Audit

Cost audit for the financial year 2015-16 is not applicable to the Company.

(3) Secretarial Audit

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 Shivram Bhat, a Practicing Company Secretary – Membership no. 10454 to undertake the Secretarial Audit of the Company for FY 2015-16. The Report of the Secretarial Auditor is annexed herewith as "Annexure D".

The Statutory Auditors' Report and the Secretarial Audit Report for the financial year ended March 31, 2016 do not contain any qualification, reservation, adverse remark or disclaimer.

THE EXTRACT OF THE ANNUAL RETURN FILED WITH MCA

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT.9 is annexed as "Annexure E".

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

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



VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a whistle blower policy to deal with instances of fraud and mismanagement, if any. The details of this Policy are explained in the Corporate Governance Report and also posted on the website of the Company. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

However, Members attention is drawn to the Statement on Contingent Liability, forming part of the Financial Statement.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors and external consultant including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

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

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) They have prepared the annual accounts on a going concern basis;
- v) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**RELATED PARTY TRANSACTIONS**

All Related Party Transactions that were entered into during the financial year were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and the Listing Regulations (erstwhile Listing Agreement entered into with the Stock Exchange) [LODR].

Tata Motors Limited (TML) is a "Related Party" of the Company under Listing Regulations. The transactions with TML exceed the materiality threshold as prescribed under regulation 23 of LODR. The Members, at their 35th Annual General Meeting held on July 31, 2015 have accorded their approval to the Board of Directors to enter into such material contracts/arrangements/transactions with Tata Motors Limited.

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

The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website at the web link: <http://www.acglgoa.com>. Details of the transactions with Related Parties are provided in the accompanying financial statements. There were no transactions during the year which would require to be reported in Form AOC 2.

RISK MANAGEMENT

The Board has laid down a clear Risk Policy to identify potential business risks and install effective mitigation processes to protect Company's assets and business risks. Risk Assessment and minimization plan are reviewed by the Risk Management Committee of the Board on a periodic basis.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report as required under Listing Regulations, is provided as an Annexure to this Report.

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation for the support and assistance extended by the Company's suppliers, bankers and business associates. Your Directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its Management. The Directors wish to place on record their appreciation for the support and guidance provided by its parent company, Tata Motors.

The Directors place on record their sincere thanks for the help and support received from Government of Goa and related Government and semi-Government agencies. Your Directors acknowledge the unstinted service rendered by the employees of the Company at all levels towards its overall success.

On behalf of the Board of Directors

Place : Panaji, Goa
Date : July 2, 2016

Shrinivas Dempo
Chairman



ANNEXURE A TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs	<p>ACGL has been an early adopter of Corporate Social Responsibility initiatives. In ACGL, Corporate Social Responsibility (CSR) philosophy revolves around engagements in socially relevant activities for the under-privileged sections of the society. The Company believes in inclusive growth to facilitate creation of a value-based and empowered society through continuous and purposeful engagement of society around. Our commitment to CSR is focused on initiatives that make a constructive contribution to the community and encourage sustainable development.</p> <p>A policy on CSR has been formulated by the Corporate Social Responsibility Committee (CSR Committee) and adopted by the Board of Directors. The contents and overview of CSR projects and programs alongwith the CSR policy are available on the website of the Company (www.acglgoa.com).</p>												
2	The Composition of the CSR Committee	<table> <tr> <td>Mr S V Salgaocar</td> <td>Chairman (upto 29.10.2015)</td> </tr> <tr> <td>Mr Shrinivas Dempo</td> <td>Chairman (w.e.f.29.10.2015)</td> </tr> <tr> <td>Mr PFX D'Lima</td> <td>Member</td> </tr> <tr> <td>Mr Steven Pinto</td> <td>Member</td> </tr> <tr> <td>Dr Vaijayanti Pandit</td> <td>Member</td> </tr> <tr> <td>Mr O V Ajay</td> <td>Member</td> </tr> </table>	Mr S V Salgaocar	Chairman (upto 29.10.2015)	Mr Shrinivas Dempo	Chairman (w.e.f.29.10.2015)	Mr PFX D'Lima	Member	Mr Steven Pinto	Member	Dr Vaijayanti Pandit	Member	Mr O V Ajay	Member
Mr S V Salgaocar	Chairman (upto 29.10.2015)													
Mr Shrinivas Dempo	Chairman (w.e.f.29.10.2015)													
Mr PFX D'Lima	Member													
Mr Steven Pinto	Member													
Dr Vaijayanti Pandit	Member													
Mr O V Ajay	Member													
3	Average net profit of the Company for last three financial years	₹ 2,428 lakhs												
4	Prescribed CSR Expenditure (not less than two percent of the amount as specified at item 3 above)	₹ 49 lakhs												
5	Details of CSR spent for the financial year:													
	a. Total amount to be spent for the financial year	₹ 49 lakhs												
	b. Amount committed but unspent, if any	₹ 12 lakhs												
	c. Manner in which the amount spent during the financial year is detailed below:	The manner in which the amount is spent is annexed.												



6	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report	Out of total Committed amount of ₹ 15.00 lakhs for Construction of additional floor at Shree Shantadurga Higher Secondary School, Bicholim, ₹ 3.00 lakhs has been released during FY 2015-16. Balance ₹ 12.00 lakhs will be paid in installment considering the progress of the stage wise construction and after receipt of completion certificate from the Architect
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company	The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company

O V Ajay
CEO & Executive Director

Shrinivas V Dempo
Chairman – CSR Committee

The manner of the CSR amount spent during the financial year is detailed as follows:

(Amount in Lakhs)

Sr. No.	CSR Project identified	Agency	Amount given Directly OR through Implementing Agency	Amount spent/ committed for the Project
1	To Construct additional floor at Shree Shantadurga Higher Secondary School, Bicholim.	Vidyavardhak Mandal, Bicholim, Goa.	Direct	15.00
2	To Establish a Tiffin Distribution Business which would be run and managed by Adults with Deaf blindness and other Disability.	CARITAS-GOA, Panaji, Goa.	Direct	9.00
3	To up-grade the Laboratories at Government High School, Honda, Sattari Goa.	Government High School, Honda, Sattari Goa.	Through Goa Institute of Management, Sakhali, Goa.	12.00
4	To create a Water vending Network by leveraging Public Infrastructure like Bus Stations/Railway Stations/Public Gardens/Public Hospitals/Toll Ways/Schools etc.	Aquakraft Projects Pvt. Ltd., Mumbai.	Direct	5.40
5	To support Matruchhaya Trust by providing a Sumo type vehicle for commutation of the members.	Matruchhaya Trust, Ponda, Goa.	Direct	7.60



ANNEXURE B TO DIRECTORS' REPORT

[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year:

(Explanation: (i) the expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values)

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2015-16 are given below:

Name of the Director	Remuneration Paid in FY 15-16	Remuneration Paid in FY 14-15	Ratio to Median	Percentage increase in Remuneration
Non- Executive Director				
Mr S V Salgaocar (upto 29.10.2015)	125,000*	275,000	0.28:1	NA
Mr Shrinivas V Dempo (w.e.f. 12.09.2015)	125,000*	-	0.28:1	NA
Mr R Pisharody	705,000	25,000*	1.6:1	NA
Mr Steven Pinto	1,000,000	1,135,000	2.27:1	-11.89
Mr PFX D'Lima	1,150,000	1,125,000	2.61:1	2.22
Mr A Gajendragadkar	755,000	747,500	1.71:1	1
Mr R Ramakrishnan	415,000	543,500	0.94:1	-23.64
Dr Vaijayanti Pandit	250,000	75,000*	0.57:1	NA
CEO & Executive Director				
Mr O V Ajay#	7,797,863	1,638,368*	17.67:1	NA
Key Managerial Personnel				
Mr Harjit Singh Madaan#CFO (upto 5.08.2015)	1,526,491*	2,115,151*	-	NA
Mr Raghwendra Singh Butola-CFO (w.e.f 21.10.2015)	1,770,430*	-	-	NA
Mr Pravin Satardekar-CS	1,438,200	470,730*	-	NA

*Part of the year

On deputation from Tata Motors Limited. Salary amount includes Deputation Charges paid through Tata Motors exclusive of service tax



- Remuneration paid to Non-Executive Directors includes sitting fees paid to them during FY 2015-16 and Commission for the Company's financial performance of FY 2014-15 paid in FY 2015-16.
- The remuneration to Directors is within the overall limits approved by the Shareholders.

3. The percentage increase in the median remuneration of employees in the financial year: 1.26% (Previous year 5.59%).

4. The number of permanent employees on the rolls of Company: 572

5. The explanation on the relationship between average increase in remuneration and Company performance:
Remuneration of employees has a close linkage with the performance of the Company. The Performance Linked Payment (PLP), which is a variable component in the remuneration for all the management staff, has a direct correlation with the Company's performance. PLP is calculated based on both individual and Company performance. Company Performance has a higher weightage for senior positions and lower weightage for junior positions.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

The Chief Financial Officers have served only for the part of the financial year.

The Total Revenue of the Company for the year 2015-16 was ₹ 423.78 crores. Profit before tax during 2015-16 was ₹ 25.45 crores, while net profit for the year stood at ₹ 16.53 crores. The Company's performance for the relevant financial year is considered while approving the variable pay and the increase in remuneration for the Key Managerial Personnel.

7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over 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:

The last public offer for the shares of the Company was a Right Issue made in the year 2007, for 14,81,913 fully paid Equity Shares of ₹ 10 each at a premium of ₹ 465 per share. The market quotation of the Equity Shares of the Company as on March 31, 2016 was ₹ 421.10 for shares of face value of ₹ 10 each, a decrease of 9.44% over the period.

The market capitalization of the Company as at March 31, 2016 is ₹ 270.41 crores, as against ₹ 283.64 crores as at March 31, 2015, a decrease of 4.66% during the year under review. The price earnings ratio of the Company as at March 31, 2016 is 16.36, as against 18.59 as at March 31, 2015.

8. 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:



The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is -6.40%. Mr O V Ajay served only for a part of the year during the FY 2014-15. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also benchmarked against a comparable basket of relevant companies in India.

9. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

The Total Revenue of the Company for the year 2015-16 was ₹ 423.78 crores. Profit before tax during 2015-16 was ₹ 25.45 crores, while net profit for the year stood at ₹ 16.53 crores. Remuneration to the Key Managerial Personnel (KMPs) is reviewed in terms of the performance of the Company and accordingly a market competitive increase in remuneration is provided to the KMPs. The Chief Financial Officers have served only for the part of the financial year.

10. The key parameters for any variable components of remuneration availed by the Directors:

The variable component of Non-Executive Directors' remuneration consists of commission. In terms of the Shareholders' approval obtained at the Annual General Meeting held on July 31, 2015, commission is paid at a rate not exceeding 1% per annum of the profits of the Company, computed in accordance with the provisions of the Companies Act, 2013. The distribution of commission among the Non-Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board. The commission is distributed on the basis of their attendance and contribution at the Board and Committee Meetings as well as guidance provided to senior management other than at meetings.

The Company pays remuneration by way of commission/incentive remuneration as variable component to the Managing Director/Whole Time Director. Commission/Incentive Remuneration is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year, based on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceilings stipulated in the Companies Act, 2013. Specific amount payable as commission/incentive remuneration is based on the performance criteria laid down by the Board, which broadly takes into account the profits earned by the Company for the year.

11. 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:

The highest paid Director is CEO & Executive Director. No employee has received remuneration in excess of the remuneration paid to CEO & Executive Director during the year.

12. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.



ANNEXURE C TO DIRECTORS' REPORT

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

A. Conservation of Energy

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

In the past few years, the Company has tried to improve energy efficiency significantly by various measures.

Steps taken to conserve energy include:

- At its Plants, the Company has carried out various actions to optimize energy consumption and reduce losses.
- Some of these measures include recovering waste heat.
- Energy efficient motors are being installed in order to optimize use of power.
- In its Plants and Offices, the Company has replaced conventional light fixtures with energy efficient fixtures such as LED lights and tubes.

(ii) Steps taken by the Company for utilizing alternate sources of Energy:

The Company has always been conscious of the need for conservation of energy. Energy conservation measures have been implemented at all its plants.

- Water wastages avoided which resulted in Energy saving.
- Compressed Air wastages avoided which resulted in Energy saving.
- Provided Polycarbonate translucent sheets on shop Floor which resulted in power saving on day time.
- Avoided wastage of Electrical energy by close monitoring of Fixed Energy consumption such as Air conditioners, Fans, Tube lights, Street Lights etc.

(iii) Capital Investment on Energy Conservation Equipments:

The Energy Conservation Equipments are procured on need base. There was no significant capital investment made for Energy Conservation Equipments during the year under consideration.

B. Absorption of Technology

1. Efforts made towards Technology Absorption:

The Company has developed following new bus models during the FY 15-16.

- Development of New Kidz Bus Model on 4T Chassis
- Design Development of New kidz bus model on 7T and 9T Chassis
- Development of Hybrid integral bus
- Development of Hybrid Fuel cell bus



- Development of Classic bus on Swaraj Mazda Chassis
- Nova Seater bus model developed on Ashok Leyland Vikking 222 Chassis
- Nova Sleeper bus model developed on Ashok Leyland Vikking 222 Chassis
- Nova sleeper bus developed on TATA LPO 1618/62 Chassis
- Nova Luxury seater bus made on TATA LPO 1623/62 Chassis
- Bus developed for computer lab on TATA LP 912/49 Chassis
- Jupitar Bus developed for NBSTC on LPO 1512/55 Chassis
- Buses developed for UTC on LP 1512/52 and 1512/42 TATA Chassis
- Classic bus model developed on Ashok Leyland Stag-49 Chassis
- Jupitar Metal face bus developed on TATA 10.2 Y1 Chassis
- GSO bus developed for Middle East Market

2. Benefits Derived from R & D and Future plan of action

All new developments have been focused to widen the scope of Company's product range so that Company can cater to varied market demands.

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

Not Applicable

4. Expenditure on Research and Development

a)	Capital		Nil
b)	Recurring	₹	372.67 lakhs
c)	Depreciation	₹	0.99 lakhs
d)	Total	₹	373.66 lakhs
e)	Total as a percentage of turnover		0.88 %

C. Foreign Exchange earnings and outgo

The Company earned ₹ 23,464.02 lakhs by export of Buses and parts through a merchant exporter. The particulars of foreign exchange earned/utilized during the year are given in Note 36 to the Accounts.

On behalf of the Board of Directors

Place : Panaji, Goa
Date : July 2, 2016

Shrinivas Dempo
Chairman

ANNEXURE D TO DIRECTORS' REPORT
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

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

To,
The Members,
Automobile Corporation of Goa Limited,
Honda, Sattari,
Goa - 403 530.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Automobile Corporation of Goa Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 (hereinafter referred to as the " Audit Period") generally 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:

I 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 there under;
- ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (provisions of external commercial borrowing and Overseas Direct Investment not applicable to the Company during the Audit Period) ;

- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009(Not applicable to the Company during the audit period);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).
- vi) The following laws and Regulations applicable specifically to the Company (as per the representations made by the Company) viz.,
- a) Motor Vehicles Act, 1988 and Central Motors Vehicles Rules, 1989;
 - b) The Explosive Act, 1884 and Gas Cylinder Rules, 2004;
 - c) The Petroleum Act, 1934;
 - d) The Environment (Protection) Act, 1986;
 - e) The Water(Prevention and Control of Pollution) Act, 1974;
 - f) The Air(Prevention and Control of Pollution) Act, 1981;
 - g) The Electricity Act, 2003; and
 - h) The Legal Metrology Act, 2009 & Rules.

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with Stock Exchange.

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

I 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 as prescribed. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes during the audit period.

I 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.

Place : Panaji, Goa
Date : May 25, 2016

Shivaram Bhat
Practising Company Secretary
ACS No. 10454 & CP No. 7853

This Report is to be read with my letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'ANNEXURE A'

(My report of even date is to be read along with this Annexure.)

Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

I 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. I believe that the processes and practices I followed provide a reasonable basis for my opinion.

I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

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 : Panaji, Goa

Date : May 25, 2016

Shivaram Bhat
Practising Company Secretary
ACS No. 10454 & CP No. 7853



ANNEXURE E TO DIRECTORS' REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[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	L35911GA1980PLC000400
Registration Date	September 1, 1980
Name of the Company	Automobile Corporation of Goa Limited
Category/Sub-Category of the Company	Public Company/Limited by Shares
Address of the Registered office and contact details	Honda, Sattari, Goa – 403 530. Tel : 0832 6731218, Fax : 0832 6731262 E-mail: sectl@acglgoa.com Website: www.acglgoa.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent	TSR DARASHAW LTD. 6-10 Haji Moosa Patrawala Industrial Estate, 20 Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011. Tel. No.: 91 22 6656 8484 Fax No.: 91 22 6656 8494 E-mail: csg-unit@tsrdarashaw.com Website: www.tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Bus Bodies and component parts thereof	29201	85
2	Pressed sheet metal parts/ components/sub assemblies and assemblies therefrom for various aggregates of automobiles	29209	15



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
Nil					

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

I) Category-wise Share Holding

Category code (I)	Category of Shareholder (II)	Number of shares held at the beginning of the year 1st April, 2015				Number of shares held at the end of the year 31st March, 2016				% change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
(A)	Promoters									
(1)	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	3,435,831	0	3,435,831	53.50	3,435,831	0	3,435,831	53.50	0.00
(e)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	- Trust	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A) (1)	3,435,831	0	3,435,831	53.50	3,435,831	0	3,435,831	53.50	0.00
(2)	Foreign									
(a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	3,435,831	0	3,435,831	53.50	3,435,831	0	3,435,831	53.50	0.00

AUTOMOBILE CORPORATION OF GOA LIMITED

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Directors' Report



(B) Public Shareholding										
(1) Institutions										
(a) Mutual Funds	175,505	0	175,505	2.73	152,723	0	152,723	2.38	-0.35	
(b) Banks / Financial Institutions	0	1,754	1,754	0.02	0	1,754	1,754	0.02	0.00	
(c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00	
(d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00	
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00	
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00	
(g) Foreign Institutional Investors	0	1,400	1,400	0.02	0	1,400	1,400	0.02	0.00	
(h) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00	
(i) Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00	
Sub-Total (B) (1)	175,505	3,154	178,659	2.77	152,723	3,154	155,877	2.42	-0.35	
(2) Non-Institutions										
(a) Bodies Corporate										
i Indian	297,212	3,439	300,651	4.68	284,724	3,352	288,076	4.49	-0.20	
ii Overseas	0	0	0	0.00	0	0	0	0.00	0.00	
(b) Individuals -										
i Individual shareholders holding nominal share capital upto ₹ 1 lakh	984,183	371,828	1,356,011	21.13	983,474	362,460	1,345,934	20.97	-0.16	
ii Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,150,470	0	1,150,470	17.92	1,195,904	0	1,195,904	18.62	0.71	
(c) Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00	
Sub-total (B) (2)	2,431,865	375,267	2,807,132	43.73	2,464,102	365,812	2,829,914	44.08	0.35	
Total Public Shareholding (B) = (B)(1)+(B)(2)	2,607,370	378,421	2,985,791	46.50	2,616,825	368,966	2,985,791	46.50	0.00	
TOTAL (A)+(B)	6,043,201	378,421	6,421,622	100.00	6,052,656	368,966	6,421,622	100.00	0.00	
(C) Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00	
1 Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00	
2 Public	0	0	0	0.00	0	0	0	0.00	0.00	
GRAND TOTAL (A)+(B)+(C)	6,043,201	378,421	6,421,622	100.00	6,052,656	368,966	6,421,622	100.00	0.00	



(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Tata Motors Ltd	2,982,214	46.44	0.00	2,982,214	46.44	0.00	0.00
2	EDC Limited	405,302	6.31	0.00	405,302	6.31	0.00	0.00
3	Sheba Properties Ltd	48,315	0.75	0.00	48,315	0.75	0.00	0.00
	Total	3,435,831	53.50	0.00	3,435,831	53.50	0.00	0.00

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

SI No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of total Shares of the company	No of Shares	% of total Shares of the company
1	At the beginning of the year	3,435,831	53.50	3,435,831	53.50
2	Date wise increase/decrease on promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No change during the year			
3	At the end of the year	3,435,831	53.50	3,435,831	53.50



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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Arun Nahar	278,075	4.33					278,075	4.33
				31-Mar-2016	Purchase	20,000	0.31	298,075	4.64
				31-Mar-2016	At the end of the year	-	-	298,075	4.64
2	Dsp Blackrock Micro Cap Fund	175,505	2.73			-	-	175,505	2.73
				22-Jan-2016	Sale	-929	-0.01	174,576	2.72
				29-Jan-2016	Sale	-6,906	-0.11	167,670	2.61
				05-Feb-2016	Sale	-659	-0.01	167,011	2.60
				11-Feb-2016	Sale	-1,384	-0.02	165,627	2.58
				19-Feb-2016	Sale	-5,647	-0.09	159,980	2.49
				26-Feb-2016	Sale	-2,504	-0.04	157,476	2.45
				04-Mar-2016	Sale	-2,974	-0.05	154,502	2.41
				11-Mar-2016	Sale	-1,779	-0.03	152,723	2.38
				31-Mar-2016	At the end of the year	0	0.00	152,723	2.38
3	Diana Dhun Ratnagar	80,000	1.25					80,000	1.25
				31-Mar-2016	At the end of the year	0	0.00	80,000	1.25
4	Mukesh Agrawal	-	-			-	-	-	-
				31-July-2015	Purchase	60,000	0.93	60,000	0.93
				31-Mar-2016	At the end of the year	-	-	60,000	0.93
5	B N Nagamani	60,000	0.93			-	-	60,000	0.93
				31-Mar-2016	At the end of the year	0	0.00	60,000	0.93
6	Rachna Credit Capital Pvt Ltd (Change in Folio)	58,500	0.91					58,500	0.91
				31-Mar-2016	At the end of the year	0	0.00	58,500	0.91
7	Jyoti Haresh Shah	56,000	0.87			-	-	56,000	0.87
				31-Mar-2016	At the end of the year	0	0	56,000	0.87
8	Pankaj Rakyan	532	0.01			-	-	532	0.01
				30-Jun-2015	Purchase	90	0.00	622	0.01
				14-Aug-2015	Purchase	20,000	0.31	20,622	0.32
				28-Aug-2015	Purchase	10,591	0.16	31,213	0.49
				08-Jan-2016	Purchase	11,045	0.17	42,258	0.66
				11-Feb-2016	Purchase	8,504	0.13	50,762	0.79
				25-Mar-2016	Purchase	499	0.01	51,261	0.80
				31-Mar-2016	At the end of the year	0	0	51,261	0.80
9	Trishakti Power Holding Pvt Ltd	-	-			-	-	-	-
				11-Mar-2016	Purchase	50,000	0.78	50,000	0.78
				31-Mar-2016	At the end of the year	0	0	50,000	0.78
10	Paresh N Sheth (Change in Folio)	50,000	0.78			-	-	50,000	0.78
				31-Mar-2016	At the end of the year	0	0.00	50,000	0.78



Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase / Decrease in Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	Jagruti P Sheth (Change in Folio)	50,000	0.78			0	0	50,000	0.78
				31-Mar-2016	At the end of the year	0	0.00	50,000	0.78
12	Blue Moon Properties Pvt Ltd	47,000	0.73			0	0	47,000	0.73
				31-Mar-2016	At the end of the year	0	0.00	47,000	0.73
13	Santosh Tulsidas Bohar	60,000	0.93			-	-	60,000	0.93
				31-Jul-2016	Sale	-60,000	-0.93	0	0.0
				31-Mar-2016	At the end of the year	0	0.00	0	0.0

(v) Shareholding of Directors and Key Managerial Personnel:

Name of the Director & KMP	Reason	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
PFX D Lima		1,150	0.02	1,150	0.02
Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		Nil			
At the end of the year		-	-	1,150	0.02
PFX D Lima (second folio)		780	0.01	780	0.01
Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		Nil			
At the end of the year		-	-	780	0.01
Steven Pinto		250	0.00	250	0.00
Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		Nil			
At the end of the year		-	-	250	0.00

Except abovementioned Directors, none of the Directors and KMPs held shares at the beginning nor brought any shares during the FY 2015-16.



V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits*	Unsecured Loans	Deposits**	Total Indebtedness
Indebtedness at the beginning of the financial year	35,282,596	Nil	261,742	35,544,338
Change in Indebtedness during the financial year	(6,248,378)	Nil	(66,436)	(6,314,814)
Indebtedness at the end of the financial year	29,034,218	Nil	195,306	29,229,524

*Loans from Banks on Cash Credit accounts, secured by hypothecation of stocks, stores, work-in-progress, finished goods, book debts and receivables, investment both present and future.

**Advances against supply of spare parts and scrap not appropriated against supply of goods or provision of services within a period of 365 days from the date of acceptance of such advance.

VI. REMUNERATION (PAID/PAYABLE) TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Mr O V Ajay CEO & ED*
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Note : **Deputation Charges paid through Tata Motors exclusive of service tax)	6,346,255
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	897,442
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	- As a % of Profit	-
	- Incentive Remuneration	5,000,000
5	Others	
	Total	12,243,697

*Mr O V Ajay is on deputation from Tata Motors Limited. Out of the above, the remuneration which is directly paid by Tata Motors Limited, will be charged back to the Company as Deputation charges plus service tax (cenvatable) as may be applicable from time to time.

**Does not include Rs. 554,167/- towards Incentive Remuneration paid through Tata Motors for the relevant period of service in FY 2014-15.



B. Remuneration to other directors:

(Amount in ₹)

Independent Director				
SI No.	Name of the Director	Fees for attending Board/ Committee Meetings	Commission	Others
1	Mr S V Salgaocar (upto 29.10.2015)	125,000	NIL*	-
2	Mr Shrinivas V Dempo (effective 12.09.2015)	125,000	NIL*	-
3	Mr Steven Pinto	400,000	525,000	-
4	Mr PFX D Lima	550,000	525,000	-
5	Dr Vaijayanti Pandit	250,000	250,000	-
Total (B1)		1,450,000	1,300,000	-

*Mr S V Salgaocar and Mr Shrinivas Dempo opted not to accept Commission.

(Amount in ₹)

Other Non-Executive Director				
SI No.	Name of the Director	Fees for attending Board/ Committee Meetings	Commission	Others
1	Mr Ravindra Pisharody	225,000	575,000	-
2	Mr Abhijit Gajendragadkar	275,000	375,000	-
3	Mr R Ramakrishnan	175,000	250,000	-
Total (B2)		675,000	1,200,000	-
Total B = B1+B2		2,125,000	2,500,000	-

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Harjit Singh Madaan CFO (upto 05.08.2015)*	Raghwendra Singh Butola CFO (w.e.f. 21.10.2015)	Pravin Satardekar Company Secretary	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,487,967*	1,703,558	1,431,000	4,622,525
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	66,872	7,200	74,072
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Options	-	-	-	-



(Amount in ₹)

Sr. No.	Particulars of Remuneration	Harjit Singh Madaan CFO (upto 05.08.2015)*	Raghwendra Singh Butola CFO (w.e.f. 21.10.2015)	Pravin Satardekar Company Secretary	Total
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
-	As a% of Profit	-	-	-	-
-	Incentive Remuneration	-	-	-	-
5	Others (Telephone Exp+others)	38,524	-	-	38,524
	Total	1,526,491	1,770,430	1,438,200	4,735,121

(Note : * Mr Harjit Singh Madaan was on deputation from Tata Motors Limited. Salary amount includes deputation Charges paid through Tata Motors exclusive of service tax)

VII Penalties / Punishment/ Compounding of Offences:

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

SOME OF THE CSR INITIATIVES 2015-2016

CSR Projects with Caritas Goa, Matruchhaya and Vidyavardhak Mandal



Up-gradation of Laboratories at Govt High School, Honda, Goa





MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

In 2015, Global economic activity remained subdued. Three key transitions continue to influence the global economic outlook: (1) The gradual slowdown and rebalancing of economic activity in China (2) Decline in the prices of Oil and other commodities especially metals, and (3) US economy remain subdued due to weak investments.

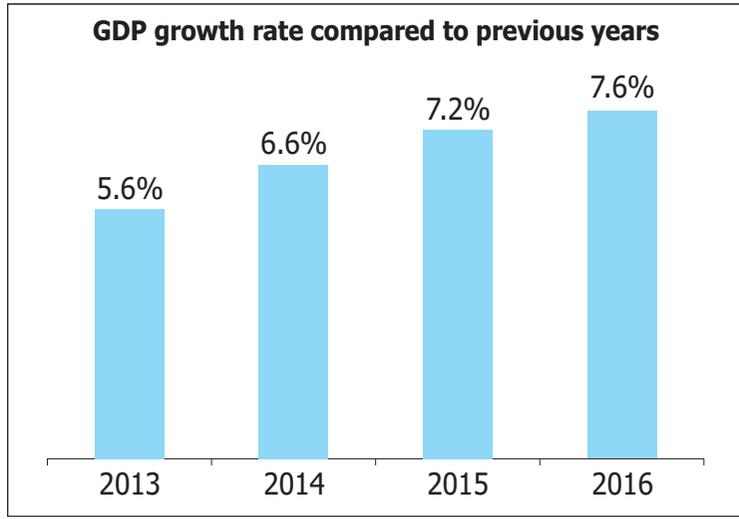
The GDP accelerated to 7.6% in 2015-16 from an average of 6.5% during the three-year period 2012-13 - 2014-15. India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7% in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms and RBI's inflation focus supported by benign global commodity prices.

India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

Foreign direct investment (FDI) in India has increased by 29% during October 2014-December 2015 period post the launch of Make In India campaign, compared to the 15-month period before the launch.

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices in 2015-16 is ₹ 113.5 trillion (US\$ 1.668 trillion), as against ₹ 105.5 trillion (US\$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6%. The economic activities which witnessed significant growth were 'financing, insurance, real estate and business services' at 11.5% and 'trade, hotels, transport and communication services' at 10.7%





INDIAN AUTOMOBILE INDUSTRY

The industry produced a total of 2,39,60,409 vehicles including passenger vehicles, commercial vehicles, three wheelers and two wheelers in April-March 2016 as against 2,33,58,047 in April-March 2015, registering a growth of 2.58% over the same period last Financial Year. However, the Commercial Vehicle Segment registered an overall growth of **12.10%** in FY 2015-16 as compared to same period last year.

Your Company mainly caters to bus segment and sheet metal assemblies in the industry. The Bus industry is one of the vital integral segments of Indian automobile industry. It is a common widespread public transport in India. Owing to the development of infrastructure and roads, connecting to remote places has become easier due to which more and more people are availing of bus services. This has greatly contributed to the growth of the bus industry.



Domestic Sales

In FY 2015-16, the Overall Domestic Automobile Sales grew marginally by 3.78 % and Domestic Commercial Vehicle Sales grew by 11.51% over the same period last year. However, certain select segments have shown greater growth as compared to others. Medium & Heavy Commercial Vehicles (M&HCVs) grew by 29.91% while Light Commercial Vehicles grew marginally by 0.30%. Passenger Carriers and Goods Carriers grew by 13.71% and 11.17% respectively in FY 2015-16 over FY 2014-15. M&HCV and LCV buses registered sales volume of 43,885 and 48,960 numbers respectively, a change of 19.13% and 9.25% respectively over the same period last year.

Exports

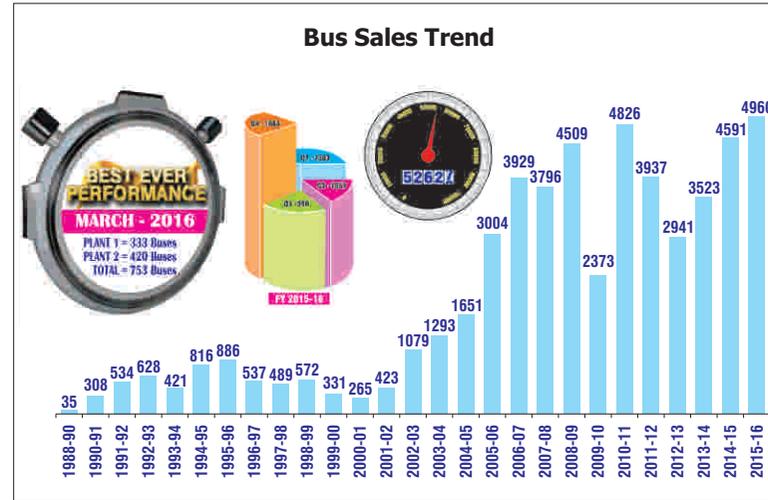
In FY 2015-16, Overall Automobile Exports Sale grew marginally by 1.91% over the same period last year. However, Export Commercial Vehicles grew by 16.97% during FY 2015-16 as against last year. M&HCV and LCV buses registered sales volume of 12,291 and 4,097 numbers respectively, a growth of 2.58% and 0.86% respectively over the same period last year.



COMPANY PERFORMANCE

Your Company's Product Sale for the financial year 2015-16 crossed the key milestone of ₹ 417 crores, reflecting a growth of 5.55% over the previous financial year. The Company's profit before tax during the financial 2015-16 year was at ₹ 25.45 crores as against ₹ 23.61 crores in the preceding financial year. Net profit after tax stood at ₹ 16.53 crores as compared to ₹ 15.26 crores in the preceding financial year. During FY 2015-16, your Company sold highest number of buses (4,960 numbers), so far manufactured in any of the previous financial years. Your Company also achieved the landmark of 52,657 buses sold from FY 1989-90 to 2015-16.

The competition in this market has stimulated the manufacturers towards more innovations. New buses have been introduced that are well equipped with advanced facilities and services such as passenger information system, air-conditioners, high quality engines, air suspension and transmission systems mood lighting and others. With the increase in use of such buses over the next few years, the customer base is also expected to grow at a high rate.



AUTO EXPO 2016

Your Company participated in Auto Expo 2016 through our promoters' Tata Motors Limited, which was held at New Delhi during February 2016. A new concept Hybrid Bus, which runs on both CNG and Electricity with luxuries matching international standards and technology, was displayed. The Company expects a good volume from Tata Motors for this new product as the demand increases fueled by projects sponsored by Central Government in development of Metropolitan cities.





Segment Overview

The bus segment has maintained its dominance in contributing to your company's revenue and profit. Proportion of bus division's revenue in total revenue of the company clocked 85% during the year under review. Large portion of our workforce is operating in the bus segment at Goa. Operations at the pressings division though under pressure improved appreciably by 11% as compared to last year.

1. Segement Review and Developments

A. Bus Segment

Revenue from Bus Segment increased by 5% at ₹ 352.61 Crores in FY 2015-16, as compared ₹ 336.93 crores in the preceding financial year. In FY 2015-16, 4,960 buses were sold as compared to 4,591 buses in preceding financial year which is an increase of 369 buses. This is the highest number of buses manufactured so far in any of the previous financial year.

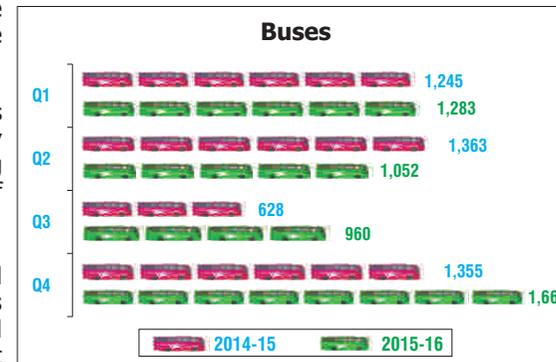
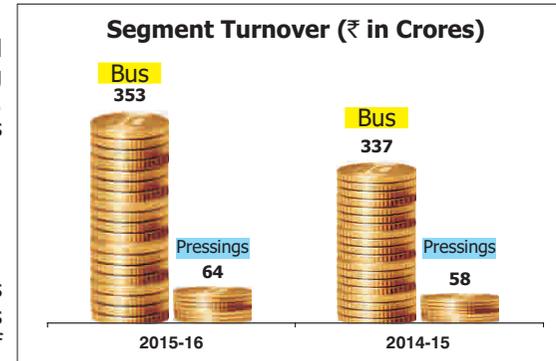
Out of the 4,960 buses sold during the financial year 2015-16, 2,647 buses were for Export Application which was lower by 7%, as compared to the preceding financial year. The major factor in reduction of Export Application buses was reduced demand from Middle East caused by the economic slowdown as a result of drop in Oil Prices.

While overall demand for buses in the country was similar to that witnessed in the previous year, efforts of company's in-house marketing department, has helped the Company leverage the volatile order book. During the financial year 2015-16, Company's Marketing Division executed Direct Customer Orders for 402 buses with Basic Sales Value of ₹ 30.43 crores.

The newly introduced 4 Ton School Bus called 'Kidz' was well received by Tata Motors and this helped your company to achieve higher volumes in the fourth quarter. This contributed in minimizing the impact of reduced Export Volumes. With the 4 Ton school bus introduced this year and the 7 Ton last year, your Company has a product portfolio that covers virtually the complete spectrum of School Buses, and helps in leveraging every possible opportunity.

Your company has been in relentless pursuit to optimize cost of manufacturing and in this endeavor persistent efforts are put in the areas of Value Engineering, enhancing procurement efficiencies and Cost management and this has helped the Company to increase its contribution and profitability.

New Products as a driver to increased sales has been adopted as a strategy and this has led to Your Company giving considerable emphasis on product development to meet evolving customer expectations. During the Financial Year 2015-16, 4 new models were rolled out namely;





- 'Nova'- A luxury Sleeper / Seater on the 12 meter platform for intercity travel which sets a new benchmark in the front engine luxury bus segment. A high deck AC coach with air suspension chassis, this bus incorporates high end comfort features like premium reclining seats, engine driven air conditioning unit, individual AC louvers, reading lamps ,dual raised flooring, phone charging ports, large side openable flaps etc. as a standard. Optional features include refrigeration box, air freshener, roof mounted foldable LCD, electrical ORVMs, internal & reverse camera with screen & DVR and sixteen colour remote controlled mood lighting.
- Kidz'- A 4 Ton school bus that is fully compliant with the Bus Body Code and is available in various seating configurations both in the 2x2 and 3x2 format.
- Diesel Hybrid bus for Intra-city Application. This bus has a full electric drive train with on board charging via a BS IV compliant diesel power-train, a new-generation advanced lithium ion phosphate battery technology, ECAS (electronically controlled air suspension) and EBS (electronic braking system) with regenerative braking besides many other innovative features. This is a full low-floor bus with 400mm floor height which goes to 340mm with kneeling for easy entry and exit, and is based on a modular platform with a contemporary styled bus body. It is fully compliant with CMVR (Central Motor Vehicles Rules), 1989 and UBS – II (Urban Bus Specification) norms. The bus is equipped with Tata Motors proprietary hybrid controller, for optimized performance with best-in-class fuel economy and is loaded with safety features for passengers, as well as drivers.
- 15 seater fully air-conditioned tourist vehicle on the Tata Winger, of which the prototype is undergoing tests at Tata Motors.

Besides this 'Elanza' the Luxury School Bus for Middle East was fully productionized and 134 units were made for the Dubai and Saudi Arabia Markets. The Amphibious Bus that had completed all trials has now been certified for both inland and marine applications by Government Agencies.

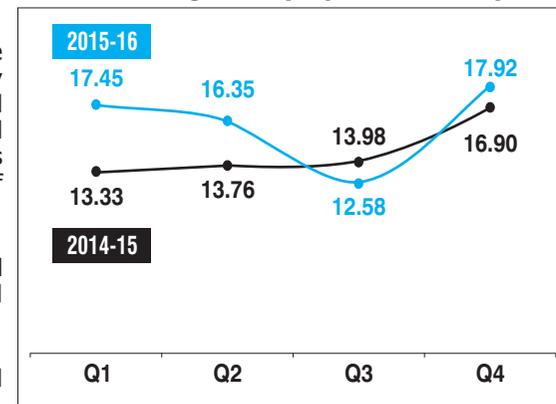
B. Pressing Segment

Sheet metal business is in sync with the automobile industry and is dependent on the progress of the same. The segment is necessarily capital intensive which is presently having over capacity with respect to current industry demand. With a marginal improvement in the industry, Sheet Metal business also improved during the financial year 2015-16. Revenue (exclusive of miscellaneous income) from this segment has shown increase from ₹ 57.97 crores (2014-15), to ₹ 64.30 crores with a growth of 11% in the given financial year.

This segment looks more promising with new orders received from Tata Motor-Dharwad and Tata Cummins- Phaltan & Jamshedpur, which will help in increasing the Sheet Metal Division's capacity utilization in the financial year 2016-17.

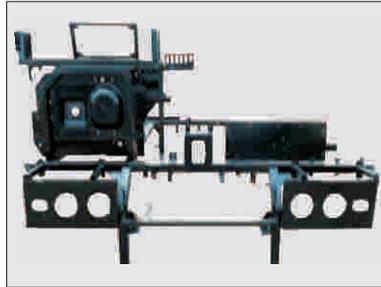
Share of pressings business in the overall revenue of the company has increased marginally from 14.68% in FY 2014-15 to 15.42% in FY 2015-16.

Pressings Sale (Rupees in Crores)





New Orders executed in Pressing Segment in FY 2015-16



Cowl Assembly for
TML - Dharwad



19 Litre Oil Pan from
TCPL - Phaltan



Push Rod Cover for
TCPL - Phaltan



Cover Gear for
TCPL - Jamshedpur

2. Risks, Opportunities and Threats

Risks and Concerns

Any significant downtrend in industry volume, may adversely affect profitability and performance of your company. Tata Motors is the major customer of your company. ACGL caters to its both business requirements of international as well as the domestic markets. In view of unstable economy of the Middle East due to increased terrorism, dropping of oil prices and foray of Chinese Buses which are very aggressively priced, the company is facing great challenges in retaining the export business. In order to mitigate this risk, efforts are being made in increasing the share of business of the domestic market including enhancing ACGL's own market share with the launch of new models. It is the long term strategy of the company to be present in all tonnages and passenger segments of Buses so that it can minimize the impact of market cyclicality.

Investments at Dharwad in terms of lease-hold land from Karnataka Industrial Area Development Board (KIADB) and a factory shed is still underutilized. The Management is exploring possible new business opportunities in Dharwad to make our investments sustainable, with additional business for major components like Cowl and Door Assembly for TML & TMML at Dharwad.

Opportunities

Your Company has adequate production capacity to meet the surge in demand. A large pie of the market is dominated by the unorganised sector but with the introduction of the bus code in the current fiscal year, the Organized Coach Building sector will be at an advantage due to mandatory accreditation. ACGL through TML support has already started obtaining ARAI certifications as per bus codes for all its current and future models.

Some of the positive factors like expected growth in Agricultural sector due to anticipated good monsoon, Reduction in interest rates, Government Policy on pollution control through BS IV emission norms, Consistent GDP growth, Advent of smart cities, Government focus on Road and Infrastructure, expected growth in service sector and staff hiring, expansion in fleet by Operators due to increased profitability as a result of low fuel prices and implementation of Bus Body Code (AIS 052/AIS 063) will fuel the increase in demand of fully built buses in the future.

**Threats**

Your Company is facing challenge in maintaining margins due to increasing raw material cost especially steel after Minimum Import Price (MIP), competitive bus pricing in the market, Increase in Minimum wages, High wages increase demanded by workers in bargain-able category and low productivity.

Rapidly changing technology and increasing presence of multinationals in the bus domain requires Technical up-gradation of product and processes by introducing new designs and process automation for meeting the expectations of the customers in future.

Your Company is working aggressively on cost saving initiatives like Value Engineering, enhancing Procurement efficiencies and rigorous Cost management to reduce the impact of increased cost due to Raw Material, Labour Cost, etc.

Your Company is also working on putting up a World Class Facility with latest Technology for High end buses like Luxury Coaches and Hybrid Buses. Your Company has already introduced a couple of new models for domestic and export business, which are well accepted by Customers. Company is also in discussion with bargain-able category workers in Goa for productivity commitment along-with overdue Long Term Wage Settlement.

3. Internal Control System

The Company has adequate internal control systems in place and also has reasonable assurance on authorizing, recording and reporting transactions of its operations in all material respects and in providing protection and safeguard against misuse or loss of assets of the Company. The Company has in place, well documented procedures covering financial and operational functions commensurate with the size and complexities of the organisation. Some of the salient features of the internal control system in place are:-

- i. Following statutory and applicable Accounting Standards and Policies.
- ii. Preparation of annual budget for operation functions and monitoring the same with actual performance at regular intervals.
- iii. All assets are properly recorded and procedures have been put in place to safeguard against any loss or unauthorized use or disposal.
- iv. Internal audit department carries out periodic audit at all locations and functions.
- v. The observations arising out of internal audit are periodically reviewed at the Audit Committee meetings along with follow up action.
- vi. Periodic presentations are made to the Audit Committee on various operational and financial risks faced by the company and action plan to mitigate the same.
- vii. Company has implemented system of Internal Financials Controls over Financial Reporting (ICOFR) and formed three members team for the continuous assessment.
- viii. Statutory Auditors of Company have conducted Test of Design (TOD) and Test of Effectiveness (TOE) under the purview of Internal Financial Controls over Financial Reporting (ICOFR) and found same operating effectively.



4. Financial and Operational Performance

Company's Revenue from Operations stood at ₹ 416.94 crores, an increase by 5.55% with respect to that achieved in the previous year. Correspondingly, profit before tax increased to ₹ 25.45 crores as compared to ₹ 23.61 crores in last financial year. Earnings per share increased to ₹ 25.74 crores as compared to ₹ 23.76 crores in last financial year.

Particulars	Percentage of Sales Year ended 31 st March	
	2016	2015
Total Revenue	100	100
Expenditure :		
Material (including change in stock)	67.78	69.03
Employee Cost	10.12	10.02
Manufacturing Expenses	14.70	14.67
Total Expenditure	92.60	93.72
Profit before Depreciation, Exceptional Items and Tax	7.40	6.28
Depreciation	1.31	0.32
Finance Cost	0.09	0.08
Profit before Exceptional Items and Tax	6.00	5.88

5. Human Resources

The company's innovative human resource management strategies supported its business growth in a challenging environment. The focus has been to create an environment where performance is rewarded, individuals are respected and employees get opportunities to realise their potential.

As a result of ongoing endeavour of rationalising and rightsizing the workforce, the employee cost remains 10% of sale revenue beside increase in salaries & wage and overall strength of permanent employees came down to 572 as on 31st March 2016 against 576 on 31st March 2015.

Industrial relations with staff and workmen across the plants at Goa, Jejuri and Dharwad continued to be cordial. Company is also in discussion with bargain-able category workers in Goa for productivity commitment in overdue Long Term Wage Settlement.

Cautionary Statement

Statements in this Management Discussion and Analysis that describe the Company's objectives, expectations and predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, demand and pricing by the Company's major customers, changes in the Government regulations, Tax regimes, economic developments and other incidental factors.



CORPORATE GOVERNANCE REPORT

[Report on Corporate Governance pursuant to SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Automobile Corporation of Goa Limited is committed to following best global corporate governance practices in all its pursuits. The guiding principle for the Company always has been to achieve shareholders' satisfaction and maximize shareholder value by following best corporate governance norms in true letter and spirit. The Company aims at achieving this objective, by ensuring transparency in its functioning by truthful and complete communication to all its stakeholders and by inculcating a culture of ethical business conduct in all its operations. The Company is in full compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

2. BOARD OF DIRECTORS

The Board of Directors along with its Committees provides leadership and guidance to the Company's Management and directs, supervises and controls performance of the Company. Present strength of the Board is Eight Directors. The Board comprises of one Executive Director who is the Chief Executive Officer of the Company. There are Seven Non-Executive Directors of which four Directors including the Chairman are Independent Directors. All Directors possess relevant qualifications and experience in general corporate management, finance, banking and other allied fields which enable them to effectively contribute to the Company in their capacity as Directors.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website.

As per the requirements of Regulation 26(1) of LODR, none of the Directors on the Board is a Member of more than ten committees or Chairperson of more than five committees (Committees being Audit Committee and Stakeholders Relationship Committee), across all companies in which he/she is a director. None of the Directors are related to each other and holds the office of Director in more than twenty companies and in more than ten public limited companies. All Directors are also in compliance of the limit on Independent Directorship of listed Companies as prescribed in Regulation 25(1) of the LODR. Necessary disclosures have been made by the Directors in this regard.

Names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships/Committee Memberships held by them and shareholding as on 31st March, 2016 in the Company are given below:



Name of the Director	Director Identification Number	Category	No. of Board Meetings attended in the year	Attendance at the last AGM	Directorships ⁽¹⁾ (including the Company)	Committee position ⁽²⁾		Shareholding
						Chairman	Member	
Mr S V Salgaocar (upto 29.10.2015)	00001402	Non-Executive Independent - Chairman	3	Yes	NA	NA	NA	NA
Mr Shrinivas Dempo (w.e.f. 12.09.2015)	00043413	Non-Executive Independent - Chairman*	3	NA	15	1	1	Nil
Mr R Pisharody	01875848	Non-Executive Non-Independent	7	Yes	6	Nil	2	Nil
Mr Steven Pinto	00871062	Non-Executive Independent	7	Yes	6	2	Nil	250
Mr P F X D'Lima	00001890	Non-Executive Independent	7	Yes	1	1	1	1930
Mr A Gajendragadkar	02727909	Non-Executive Non-Independent	7	Yes	3	1	1	Nil
Mr R Ramakrishnan	03394401	Non-Executive Non-Independent	6	Yes	5	Nil	2	Nil
Dr Vaijayanti Pandit	06742237	Non-Executive Independent	7	Yes	8	1	3	Nil
Mr O V Ajay	07042391	CEO & Executive Director	7	Yes	1	Nil	1	Nil

*Appointed as Chairman of the Board effective 29.10.2015

- (1) excludes Directorship in Foreign Companies, Associations, Government Bodies and Companies registered under section 8 of the Companies Act, 2013.
- (2) includes only Audit and Stakeholders Relationship Committees of Indian Public Companies

During the year under review, Seven Board Meetings were held on 10.04.15, 11.05.15, 30.07.15, 31.07.2015, 29.10.15, 25.01.16 and 05.03.2016; dates are fixed in consultation with all the Directors. Maximum time gap between any two consecutive meetings did not exceed the statutory period provided in the Companies Act, 2013. At least seven days' prior notice of meetings is given to all the Directors along with detailed agenda notes and where applicable, draft resolutions to be passed at such meetings. The information as required under Part A of Schedule II to the LODR is made available to the Board. The Board also reviews the declarations made by the CEO & Executive Director and Chief Financial Officer regarding compliance with all applicable laws, on a quarterly basis.



The Board of Directors had on the recommendations of the Nomination and Remuneration Committee appointed the following director during the FY 2015-16.

S. No.	Name of the Director	Designation	Date of Appointment	Period of appointment
1	Mr Shrinivas Dempo	Non-Executive Independent - Chairman*	12.09.2015	Term of 5 years Upto 11.09.2020

* Appointed as Chairman of the Board effective 29.10.2015

The Board has recommended the above appointment for the approval of the members of the Company. Attention of the members is invited to the relevant item in the Notice of the Annual General Meeting regarding appointment of Director.

Mr S V Salgaocar, Chairman of the Company resigned from the Board of Directors effective October 29, 2015. The Board has placed on record its appreciation for the contributions made by Mr S V Salgaocar during his long association with the Company.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr R Ramakrishnan retires by rotation and is eligible for re-appointment.

Information as required under Regulation 26 of the LODR about the persons seeking appointment/re-appointment at the Annual General Meeting is annexed to the Notice of the Annual General Meeting (AGM).

Code of Conduct

The Company's Code of Conduct applicable to all the Board members, senior management and employees is available on the Company's website. All the Board members and senior management of the Company (as per Regulation 26(3) of LODR) have affirmed compliance with the code for the financial year ended 31st March, 2016. Declaration to this effect signed by the CEO & Executive Director is annexed hereto.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on May 11, 2015 and May 25, 2016 as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of LODR. At the Meeting, the Independent Directors:



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

Mr S V Salgaocar, Mr PFX D'Lima, Mr Steven Pinto and Dr Vaijayanti Pandit attended the Meeting of Independent Directors (IDs) held on May 11, 2015. The Meeting was chaired by Mr S V Salgaocar. Whereas the Meeting of IDs held on May 25, 2016 was attended by Mr S V Dempo, Mr Steven Pinto and Dr Vaijayanti Pandit. Mr Steven Pinto chaired the meeting.

Board and Director Evaluation and criteria for evaluation

The Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees for the FY 2015-16.

The Nomination and Remuneration Committee has defined the evaluation criteria and procedure for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter alia, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/Committee Meetings and guidance/support to the management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director/Executive Director/CEO.

Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

Familiarization Programme for Independent Directors

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The Familiarisation programme for Independent Directors is disclosed on the Company's website at the following web link: <http://www.acglgoa.com>



3. COMMITTEES OF THE BOARD

A) Audit Committee

The Composition of the Audit Committee and the meetings attended by each of the members is given below. Four Audit Committee meetings were held on 11.05.15, 30.07.2015, 29.10.15 and 25.01.2016 during the year under review.

Name of the Director	Category	Position in the committee	No. of meetings attended
Mr Steven Pinto	Independent	Chairman	4
Mr Shrinivas Dempo	Independent	Member (w.e.f.05.03.16)	-
Mr PFX D'Lima	Independent	Member	4
Mr A Gajendragadkar	Non Executive Non Independent	Member	4

All members of the Audit Committee have relevant finance expertise.

Mr Steven Pinto, Chairman of the Audit Committee was present at the last Annual General Meeting. The Statutory Auditors and Internal Auditors of the Company are invitees to the Audit Committee meetings. The Audit Committee holds discussion with the Statutory Auditors on the quarterly and yearly audit of the Company's accounts and other related matters. The scope and the report of the Internal Auditors are reviewed by the Audit Committee. The Chairman of the Committee briefs the Board Members about the significant discussions at the Audit Committee Meetings.

The present constitution of the Audit Committee meets the requirements of the regulation 18 of the LODR and Section 177 of the Companies Act, 2013.

Terms of reference

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions. The terms of reference of the Audit Committee, inter alia, are as follows:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Review with the management the quarterly and annual financial statements and the auditor's report thereon, before submission to the Board for approval.
- Discuss with the statutory auditors, before the audit commences, about the nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.
- Recommend to the Board the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees and to approve payment for any other services rendered by the statutory auditors.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.



- Review with the management, performance of the statutory and internal auditors.
- Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems.
- Evaluate internal financial controls and risk management systems.
- Scrutinize inter-corporate loans and investments.
- Discuss any significant findings with internal auditors and follow-up thereon.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders and creditors.
- Approve transactions, including any subsequent modifications, of the Company with related parties.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Review and monitor the statement of use and application of funds raised through public offers and related matters.
- Review the functioning of the Whistle Blower mechanism.
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
- And, generally, all items listed in Part C of Schedule II of LODR and in Section 177 of the Companies Act, 2013.

B) Nomination and Remuneration Committee

Terms of reference of the Nomination and Remuneration Committee are as follows:

- Make recommendations regarding the composition of the Board, identify independent Directors to be inducted to the Board from time to time and take steps to refresh the composition of the Board from time to time.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Devise a policy on Board Diversity.
- Provide guidance and direction in developing and implementing the reward philosophy of the Company.
- Evaluate and approve the appointment and remuneration of senior executives, including the key managerial personnel, the Company's remuneration plan, annual salary increase principles and budgets, annual and long term incentive plans of the Company, policies and programmes such as succession planning, employment agreements, severance agreements and any other benefits.
- Review progress on the Company leadership development programmes, including for promotion to the Board, employee engagement initiatives and employee surveys.
- Consider and approve matters relating to normal retirement plans, Voluntary Retirement and Early Separation Schemes for employees of the Company.



- Establish key performance metrics to measure the performance of the Managing Director, key managerial personnel and the executive team including the use of financial, non-financial and qualitative measures.
- Evaluate executive team performance regularly to strengthen the cumulative annual assessment and to provide timely feed-back to the assessed individuals.
- Developing a view on the human resources capability in the business by periodically engaging with levels below the executive team.
- Review and recommend to the Board the remuneration and commission to the managing and executive Directors and define the principles, guidelines and process for determining the payment of commission to non-executive Directors of the Company.

Two Remuneration Committee meeting were held on 11.05.2015 and 29.10.2015 during the year under review.

Details of Composition of the Nomination and Remuneration Committee and the number of meetings attended by the members are as under:

Name of the Director	Category	Position in the committee	No. of meetings attended
Mr P F X D'Lima	Independent	Chairman	2
Mr S V Salgaocar	Independent	Member (upto 29.10.2015)	1
Mr. Shrinivas Dempo	Independent	Member (w.e.f. 29.10. 2015)	0
Mr R Pisharody	Non-Executive Non Independent	Member	2

The Chairman of the Nomination and Remuneration Committee, Mr P F X D'Lima was present at the Annual General Meeting of the Company held on July 31, 2015.

Remuneration Policy

The Company's philosophy for remuneration of Directors, key managerial personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.



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

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

- Independent Directors ('ID') and Non-Independent Non-Executive Directors ('NED') may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be members, and commission within regulatory limits, as recommended by the Nomination and Remuneration Committee ('NRC') and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperatives. Remuneration paid should be reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board. The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee Meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.
- The remuneration payable to Directors shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

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

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings. The Company also provides all employees with a social security net subject to limits, by covering medical expenses and hospitalization through re-imbursments or insurance cover and accidental death and dismemberment through personal accident insurance. The Company provides retirement benefits as applicable.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of commission/incentive remuneration, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the NRC and approved by the Board.
- The Company provides the rest of the employees a performance linked payment. The performance linked payment would be driven by the outcome of the performance appraisal process and the performance of the Company.



Remuneration to Directors

Non-Executive Directors:

Sitting fee payable to Non-executive Directors for attending Board & Committee Meetings is ₹ 25,000/- per meeting. A sitting fees of ₹ 25,000/- was also paid to the Independent Director who attended the meeting of the Independent Directors.

Remuneration Details of the non-executive Directors are as below;

(₹)

Name of the Director	Commission for 2015-16 (payable during FY 2016-17)	Sitting Fees for 2015-16
Mr S V Salgaocar (upto 29.10.2015)	Nil*	125,000
Mr Shrinivas Dempo (w.e.f. 12.09.2015)	Nil*	125,000
Mr Ravindra Pisharody	575,000	225,000
Mr Steven Pinto	525,000	400,000
Mr PFX D'Lima	525,000	550,000
Mr A Gajendragadkar	375,000	275,000
Mr R Ramakrishnan	250,000	175,000
Dr Vaijayanti Pandit	250,000	250,000

*Mr S V Salgaocar and Mr Shrinivas Dempo opted not to accept the Commission.

The Commission to Non-Executive Directors is decided by the Board of Directors based on the recommendation of Nomination and Remuneration Committee which considers involvement of the Non-Executive Directors in the affairs of the Company, their attendance and participation at the Board and Committee meetings and advice and guidance to the management on operational matters from time to time. As per practice, commission to the Directors is paid after the annual Financial Statements are adopted by the Members at the Annual General Meeting.

At the 35th Annual General Meeting held on July 31, 2015 members had approved the payment of remuneration by way of commission to the non-whole time directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Companies Act 2013.



Whole-time Directors:

(₹)

Name of the Director	Salary paid through Tata Motors Limited as deputation charges (exclusive of service tax)	
	Particulars	Amount
O V Ajay* CEO & Executive Director	Basic Salary /Deputation Charges#	6,346,255
	Incentive Remuneration	5,000,000
	Perquisites & Allowances	897,442

*Mr O V Ajay is on deputation from Tata Motors Limited. Out of the above, the remuneration which is directly paid by Tata Motors Limited, will be charged back to the Company as Deputation charges plus service tax (cenvatable) as may be applicable from time to time.

Dose not include ₹ 554,167/- paid in FY 2015-16 towards Incentive Remuneration paid through Tata Motors for the relevant period of service in FY 2014-15.

Salient terms of Service Contracts, Severance Fees and Notice Period in respect of Mr O V Ajay, CEO and Executive Director:

Particulars	O V Ajay
Basic Deputation Charges Scale	₹ 550,000 p.m. – ₹ 700,000 p.m.
Incentive Remuneration	As awarded by the Board not exceeding 200% of Deputation charges to be paid annually
Commission	At the discretion of the Board subject to limits specified under the Companies Act, 2013
Perquisites & Allowances	
Minimum Remuneration in case of inadequacy of profits during any financial year	Such amount of Deputation charges, Incentive Remuneration and perquisites subject to Schedule V of the Companies Act, 2013
Notice period on either side	6 months
Severance fees payable by the Company for terminating employment	6 months' salary

The Company had made an application to the Central Government vide Form MR 2 filed on April 15, 2015 pertaining to the remuneration proposed to Mr V Krishnamurthi, Ex-Managing Director for the period from April 1, 2014 to December 6, 2014 which was in excess of the limits specified in Schedule V of the Companies Act, 2013.



The Central Government vide its letter dated August 25, 2015, approved under Section 197 read with Schedule V of the Companies Act, 2013, the payment of remuneration of @ ₹ 20,410,000/- per annum to Mr V Krishnamurthi against the proposed remuneration of ₹ 20,793,617/- (exclusive of leave encashment of ₹ 765,340/-) for the period from April 1, 2014 to December 6, 2014. Accordingly, the proportionate remuneration of ₹ 13,979,452 was paid to Mr V Krishnamurthi for the period from April 1, 2014 to December 6, 2014.

Retirement Policy for Directors

The Governance Guidelines on Board Effectiveness adopted by the Board of Directors in its meeting held on March 16, 2015 provides for the retirement age of Directors. As per the Guidelines, the Managing and Executive Directors retire at the age of 65 years, Non-Independent Non-Executive Directors retire at the age of 70 years and the retirement age for Independent Directors is 75 years.

C) Stakeholders Relationship Committee

In terms of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the LODR, following are the terms of reference of the Stakeholders Relationship Committee:

- Consider and resolve the grievances of the security holders of the Company, including complaints related to transfer of shares, non receipt of annual report, non receipt of declared dividends, etc.
- Set forth the policies relating to and to oversee the implementation of the Code of Conduct for Prevention of Insider Trading and to review the concerns received under the Code of Conduct.

The Company has adopted the Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations. The Code lays down guidelines for procedures to be followed and disclosures to be made while dealing with the shares of the Company. The Chief Financial Officer has been appointed as the Compliance Officer for the implementation of and overseeing compliance with the Regulations and the Code across the Company.

The Company has also adopted the Code of Corporate Disclosure Practices for ensuring timely and adequate disclosure of Price Sensitive Information, as required under the Regulations. The Company Secretary has been designated as the Chief Investor Relations Officer under this code.

Four meetings of the Stakeholders Relationship Committee were held on 17.04.2015, 07.08.2015, 20.10.2015 and 23.01.2016 during the year.

Composition of the Committee and the attendance is as under -

Name of the Director	Category	Position in the committee	No. of meetings attended
Mr P F X D'Lima	Independent	Chairman	4
Mr O V Ajay	CEO & Executive Director	Member	4



7 complaints were received during the year under review, Six out of Seven complaints were resolved during the year. One complaint received through SCORES was pending as on March 31, 2016.

Mr. Pravin Satardekar, Company Secretary, who is also the Compliance Officer, may be contacted at:

Automobile Corporation of Goa Ltd.,
Bhuimpal, Sattari, Goa – 403 530.
Tel (0832) 6731214 E-mail: prs@acglgoa.com

D) Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. The Committee has been constituted with the following terms of reference:

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

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

Two Corporate Social Responsibility Committee meetings were held on 29.10.2015 and 05.03.2016 during the year under review.

The Composition of the Committee and the attendance is as under:

Name of the Director	Category	Position in the committee	No. of meetings attended
Mr S V Salgaocar	Independent	Chairman (upto 29.10.15)	-
Mr Shrinivas Dempo	independent	Chairman (w.e.f. 29.10.15)	2
Mr P F X D'Lima	Independent	Member	2
Mr Steven Pinto	Independent	Member	2
Dr Vaijayanti Pandit	Independent	Member	2
Mr O V Ajay	CEO & Executive Director	Member	2



E) Risk Management Committee

The Board has constituted a Risk Management Committee to implement and monitor the risk management plan and policy of the Company. The Committee has been constituted with the following terms of reference:

- The Risk Management Committee shall periodically review and approve the Risk Management Policy and associated frameworks and practices of the Company.
- The Risk Management Committee shall ensure that the Committee is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- The Risk Management Committee shall evaluate significant risk exposure of the Company and assess Management's actions to mitigate the exposure in a timely manner.
- The Risk Management Committee will co-ordinate its activities with the Audit Committee in instances where there is any over lapse with Audit activities.

Two Risk Management Committee meetings were held on 11.05.2015 and 05.03.2016 during the year under review.

Composition of the Committee and the attendance is as under:

Name of the Director	Category	Position in the committee	No. of meetings attended
Mr Steven Pinto	Independent	Chairman	2
Mr PFX D'Lima	Independent	Member	2
Mr R Ramakrishnan (w.e.f. 11.05.15)	Non Executive	Member	1
Mr O V Ajay	CEO & Executive Director	Member	2

The Company Secretary acts as a Secretary to the Committees of the Board.

4. GENERAL BODY MEETINGS

Location and time of the General Meetings held in the last 3 years.

Year	Type	Date	Venue	Time
2014-2015	AGM	31 st July, 2015	Regd. Office Honda, Sattari, Goa	3.30 pm
2013-2014	AGM	4 th June, 2014	Regd. Office Honda, Sattari, Goa	3.30 pm
2012-2013	AGM	28 th June, 2013	Regd. Office Honda, Sattari, Goa	3.30 pm



All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders. No Extra-Ordinary General Meeting of the shareholders was held during the year.

Five special resolutions were passed during the last three AGM's held. During the year under review, no special resolution was put through by Postal Ballot.

Details of aforesaid Special resolutions and Postal Ballot resolution are as under -

Year	Date of AGM	Particulars of Special Resolution
2014-15	31 st July, 2015	i) Appointment of Mr O V Ajay as the Chief Executive Officer and Executive Director (DIN 07042391) of the Company and payment of remuneration to him ii) Approval of Related Party Transactions with Tata Motors Limited
2014-15	Postal Ballot Special Resolution passed on 25 th March, 2015	Payment of 'One Time benefit' amount of ₹ 4,700,000/- to Mr V Krishnamurthi, the outgoing Managing Director
2013-14	4 th June, 2014	Revision in terms of remuneration of Mr V Krishnamurthi, Managing Director
2012-13	28 th June, 2013	i) Approval of Commission to Non- Executive Directors pursuant to the Provisions of Section 309 and other applicable provisions of the Companies Act, 1956 ii) Approval of terms of remuneration of Mr V Krishnamurthi, Managing Director

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

5. MEANS OF COMMUNICATION

The Quarterly/Half yearly/Annual results are regularly submitted to the Bombay Stock Exchange in accordance with the Listing Agreement and are published in newspapers and posted on the Company's website. Physical copies of the said disclosures are also filed with the Bombay Stock Exchange Ltd.



Quarterly / Half-yearly results	Published in Dainik Pudhari (Marathi version) - Local newspaper and in Financial Express - National newspaper
Any website, where displayed	www.acglgoa.com
Whether Management Discussion & Analysis is part of Annual Report	Yes

6. GENERAL SHAREHOLDERS INFORMATION

Annual general meeting

- Date and Time : August 1, 2016 at 3:30 p.m.
- Venue : Registered office at Honda, Sattari, Goa - 403 530.
- Dividend Payment date : August 12, 2016

The dividend warrants will be posted/dividend amount will be remitted into the shareholders account on or after August 12, 2016.

Date of Book Closure : July 7, 2016 to July 14, 2016 (Both days inclusive)

Financial calendar : Financial reporting for the quarter ending:
 June 30, 2016 - by 15th August, 2016
 September 30, 2016 - by 15th November, 2016
 December 31, 2016 - by 15th February, 2017
 March 31, 2017 - End May 2017 alongwith audited Annual Accounts

Listing:

Equity Shares of the Company are listed on the BSE Limited, Mumbai. The Company has paid the Listing fee for the financial year 2016-17.

Stock Code: 505036

ISIN No.: INE 451C01013

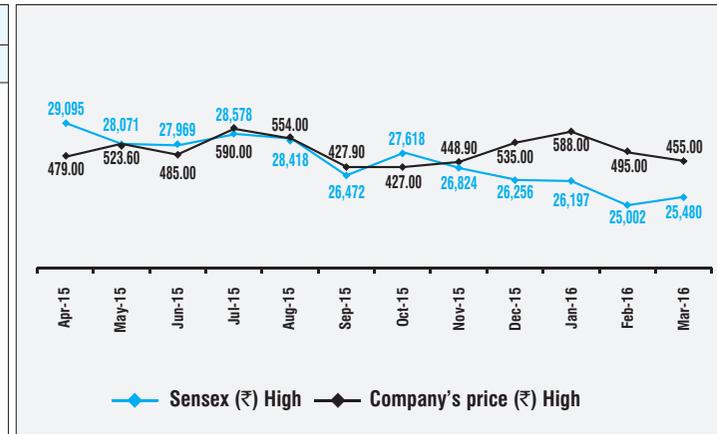
CIN : L35911GA1980PLC000400



Market Information:

Market price data – monthly high/low during the financial year on the BSE vis-à-vis Sensex of the Company's Equity Shares is given hereunder: -

Month	Company's share price (₹)		Sensex	
	High	Low	High	Low
April, 2015	479.00	410.10	29,094.61	26,897.54
May, 2015	523.60	405.10	28,071.16	26,423.99
June, 2015	485.00	381.90	27,968.75	26,307.07
July, 2015	590.00	407.00	28,578.33	27,416.39
August, 2015	554.00	398.00	28,417.59	25,298.42
September, 2015	427.90	380.00	26,471.82	24,833.54
October, 2015	427.00	388.00	27,618.14	26,168.71
November, 2015	448.90	380.50	26,824.30	25,451.42
December, 2015	535.00	401.00	26,256.42	24,867.73
January, 2016	588.00	440.00	26,197.27	23,839.76
February, 2016	495.00	400.00	25,002.32	22,494.61
March, 2016	455.00	388.00	25,479.62	23,133.18



Registrars and Share Transfer Agents

For Share related matters, the members are requested to correspond with the Company's Registrars & Transfer Agents – M/s TSR Darashaw Limited quoting their Folio no., DP-ID & Client-ID at the following address: -

TSR DARASHAW LIMITED
 6-10, Haji Moosa Patrawala Industrial Estate
 20, Dr. E. Moses Road,
 Mahalaxmi,
 Mumbai - 400 011
 Tel: 022- 66568484
 Fax: 022- 66568496, 022-66568494

E-mail – csg-unit@tsrdarashaw.com
 Website: www.tsrdarashaw.com



Share Transfer System:

- Shares lodged for transfer at the Registrar's address are normally processed within 30 days from the date of lodgment, if the documents are complete and clear in all respects. All requests for dematerialization of shares are processed and confirmation given to the depositories within 15 days. Grievances received from members and other miscellaneous correspondence on change of addresses, mandates, etc are processed by the Registrars within 15 days. The Company extends the facility of simultaneous transfer and dematerialisation of shares to the shareholders.

Secretarial Audit

- Mr Shivram Bhat, Practicing Company Secretary has conducted the Secretarial Audit of the Company for the year 2015-16. His Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, Listing Agreements with the Stock Exchanges, applicable SEBI Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.
- Pursuant to Regulation 40(9) of the LODR, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying that all certificates have been issued within thirty days of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Distribution of Shareholding:

As on March 31, 2016

No. of Shares	Holding	Amount (₹)	% to Capital	No. of Holders	% to Total Holders
1 to 100	412,657	4,126,570	6.42	8,851	76.38
101 to 500	449,951	4,499,510	7.01	2,395	20.67
501 to 1000	124,242	1,242,420	1.93	161	1.39
1001 to 2000	114,048	1,140,480	1.78	75	0.65
2001 to 5000	142,582	1,425,820	2.22	47	0.41
5001 and Above	5,178,142	51,781,420	80.64	58	0.50
Total	6,421,622	64,216,220	100.00	11,587	100.00



Shareholding Pattern:

Category	As on March 31,2016 No. of shares	As on March 31,2016 %	As on March 31,2015 No. of shares	As on March 31,2015 %
Promoters :				
EDC Ltd.	405,302	6.31	405,302	6.31
Tata Motors Ltd.	2,982,214	46.44	2,982,214	46.44
Sheba Properties Ltd.	48,315	0.75	48,315	0.75
Mutual Funds / UTI	154,327	2.40	1,77,109	2.76
Banks, Financial Institutions, Insurance Cos.	150	0.00	150	0.00
NRIs	13,480	0.21	13,242	0.21
Foreign Institutional Investors	1,400	0.02	1,400	0.02
Others	2,816,434	43.87	2,793,890	43.51
Total	6,421,622	100.00	6,421,622	100.00

Top Shareholders (holding in excess of 1%) as on March 31, 2016

Sr. No.	Name of the Shareholder	Number of Shares	% to Paid - up Capital
1	Tata Motors Limited	2,982,214	46.44
2	EDC Limited	405,302	6.31
3	Arun Nahar	298,075	4.64
4	DSP Blackrock Micro Cap Fund	152,723	2.38
5	Diana Dhun Ratnagar	80,000	1.25



Dematerialization of Shares

Electronic holding by members comprises of 94.25%(Previous year 94.11%) of the paid up Share Capital of the Company (held through NSDL 88.97 % and CDSL 5.28%) as on March 31, 2016.

Action required regarding non-receipt of dividends

- i) In case of non-receipt/non-encashment of dividend warrants, Members are requested to correspond with the Company's Registrars/ Registrar of Companies, as mentioned hereunder:

Dividend for	Contact office	Action to be taken
2008-09 to 2014-15	TSR Darashaw Limited	Letter on plain paper
1998-99 to 2003-04	Not applicable due to non declaration of dividend	-
1996-97 to 1997-98 and 2004-05 to 2007-08	- (Balance remaining in the un-paid dividend accounts of respective years has been transferred to IEPF)	- (Balance remaining in the un-paid dividend accounts of respective years has been transferred to IEPF)
1985-86 to 1995-96	The Registrar of Companies Company Law Office, Plot No.21, EDC Complex, Patto Plaza, Panaji, Goa – 403 001.Tel : (0832) 2438617/18	Claim in Form No. II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government Rules, 1978)

- ii) Pursuant to Sections 125 of the Companies Act, 2013 all unclaimed/unpaid dividend, pertaining to the Company remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, have been transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government.

- iii) Following table gives information relating to outstanding dividend accounts and due dates for claiming dividend:



Financial Year	Date of Declaration	Last Date of Claiming Dividend*
2008-09	8 th August, 2009	7 th August, 2016
2009-10	7 th August, 2010	6 th August, 2017
2010-11 (interim)	18 th January, 2011	17 th January, 2018
2010-11 (Final)	5 th August, 2011	4 th August, 2018
2011-12 (Interim)	14 th January, 2012	13 th January, 2019
2011-12 (Final)	9 th June, 2012	8 th June, 2019
2012-13 (Interim)	21 st January, 2013	20 th January, 2020
2012-13 (Final)	28 th June, 2013	27 th June, 2020
2013-14 (Interim)	16 th January, 2014	15 th January, 2021
2013-14 (Final)	4 th June, 2014	3 rd June, 2021
2014-15 (Interim)	14 th January, 2015	13 th January, 2022
2014-15 (Final)	31 st July, 2015	30 th July, 2022
2015-16 (Interim)	25 th January, 2016	24 th January, 2023

*Indicative dates. Actual dates may vary.

Plant locations:

Plant Location	Range of Products
Plant I - Honda, Sattari, Goa - 403 530	Bus Bodies and component parts thereof
Plant II - Bhuimpal, Sattari, Goa - 403 530	Bus Bodies and component parts thereof
Plant III - Bhuimpal Pressing Unit Bhuimpal, Sattari, Goa - 403 530	This plant is clubbed with Plant II to cater to the needs of Bus body manufacture facilities. Presently no activity planned
Plant IV - Jejuri Pressing Unit Plot No.F-2, MIDC, Jejuri, Taluka Purandar, Dist. Pune, Maharashtra	Pressed sheet metal parts/components/Sub assemblies and assemblies there from for various aggregates of automobiles
Plant V - Dharwad Plot 560-A, Belur Industrial Area, Belur, Dharwad, Karnataka	Door Assemblies, Cowl Assembling

Address for correspondence:

Automobile Corporation of Goa Ltd.,
Honda, Sattari, Goa – 403 530.
Tel.: (0832) 6731218, 6731214 Fax : (0832) 6731262
Email: sectl@acglgoa.com

**Other facilities of interest to Shareholders holding shares in physical form:**

Nomination facility: As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

Bank details: Shareholders are requested to notify/send the following to the Company's Registrars to facilitate better service

- (i) Any change in their address/mandate/bank details; and
- (ii) Particulars of the bank account in which they wish their dividend to be credited, incase not furnished earlier

Shareholders are advised that respective bank details and address as furnished by them to the Company will be printed on their dividend warrants as a measure of protection against fraudulent encashment.

7. DISCLOSURES

- a) There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website : www.acglgoa.com
- b) The Company has complied with the requirements of the Stock Exchange/ SEBI and statutory authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by these authorities.
- c) The CEO & Executive Director and the Chief Financial Officer have certified to the Board in accordance with Part B of Schedule II to the Listing Regulations pertaining to CEO/ CFO certification for the Financial Year ended 31st March, 2016.
- d) The Company has a well defined risk management framework in place. The Company periodically places before the Audit Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.
- e) The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.



- f) The Company has complied with all the mandatory and non mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clauses (b) to (i) of Regulation 46 (2) relating to the dissemination of information on the website of the Company. The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations, is as under:
- No separate office is maintained for Non- Executive Chairman.
 - The Financial results are displayed on the Company's website, besides being available on the BSE website and published in the newspapers. The Company does not send half yearly communication on the financial performance to its shareholders.
 - During the year under review, there were no audit qualifications on the Company's financial statements.
 - The Chairman of the Board is an Independent Director and his position is separate from that of the Managing Director/CEO/Executive Director.
 - The Internal Auditor reports to the Audit Committee.
 - All the members of the Board are well qualified senior industrialists/ professionals actively engaged in their respective fields of specialisation on a day to day basis. All major statutory changes and other important developments having a bearing on the Company's affairs are informed to the Board at regular meetings. The Company addresses the training requirement of the Board members as and when considered necessary.

**DECLARATION BY THE CEO & EXECUTIVE DIRECTOR UNDER PARA D OF SCHEDULE V OF THE SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

In accordance with Regulation 34 of the LODR, I hereby confirm that all Directors and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended 31st March, 2016

For Automobile Corporation of Goa Ltd.,

Sd/-

O V Ajay
CEO & Executive Director

Honda, Goa.
Dated : May 25, 2016

INDEPENDENT AUDITOR'S CERTIFICATE

TO THE MEMBERS OF AUTOMOBILE CORPORATION OF GOA LIMITED

1. We have examined the compliance of conditions of Corporate Governance by **AUTOMOBILE CORPORATION OF GOA LIMITED** ("the Company"), for the year ended on March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Mohammed Bengali
Partner
(Membership No.105828)

Place : Mumbai,
Date : June 27, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUTOMOBILE CORPORATION OF GOA LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.

- e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 27 to the financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mohammed Bengali
Partner
(Membership No. 105828)

Place : Mumbai,
Date : 25th May, 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mohammed Bengali
Partner
(Membership No. 105828)

Place : Mumbai,
Date : 25th May, 2016

ANNEXURE B TO THE AUDITORS' REPORT
Re: Automobile Corporation of Goa Limited

(Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified by the Management during the year in accordance with a programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Particulars of the land and building	Gross Block as at 31 st March, 2016	Net Block as at 31 st March, 2016	Remarks
Freehold land and located at Mann, Pune admeasuring 8000.04 sq. meters	Rs. 2,115,360	Rs. 2,115,360	The execution of the Title Deed for the purchase of land is awaited on account of dispute with the Land Owner

In respect of immovable properties of land and sheds that have been taken on lease and buildings constructed on such leasehold lands and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

- (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
- (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
- (c) There is no overdue amount remaining outstanding as at the balance sheet date.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. There are no unclaimed deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable
- (c) There were no disputed amounts payable in respect of Sales Tax, Customs duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2016. Details of dues of Income-tax, Service Tax, Excise Duty and Cess which have not been deposited as on 31st March, 2016 on account of disputes are given below:

Statute	Nature of the dues	Forum where dispute is pending	Period to which the Amount relates	Amount ₹
Central Excise Act, 1944	Excise duty	Commissioner of Central Excise (Appeals)	1995- 97 and 2010- 11	1,939,003
Central Excise Act, 1944	Excise duty	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	2001-14	89,955,460
The Goa Value Added Tax Act, 2005	Value Added Tax	Additional Commissioner of Commercial Tax	2011-12 and 2012-13	4,226,431
Income Tax Act, 1961	Income Tax	Supreme Court –New Delhi	1989-90	3,732,969

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mohammed Bengali
Partner
(Membership No. 105828)

Place : Mumbai,
Date : 25th May, 2016

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AUTOMOBILE CORPORATION OF GOA LIMITED

36th Annual Report 2015-16

Balance Sheet



Balance Sheet as at 31st March, 2016

	Note Nos.	₹	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
I EQUITY AND LIABILITIES				
(1) Shareholders' funds				
(a) Share capital	2	64,216,220		64,216,220
(b) Reserves and surplus	3	1,730,861,142	1,795,077,362	1,681,489,069
				1,745,705,289
(2) Non-current liabilities				
(a) Deferred tax liabilities (net)	4	40,808,100		47,826,100
(b) Other long-term Liabilities	5	52,649,328		41,317,602
(c) Long-term provisions	6	2,491,283	95,948,711	2,172,977
				91,316,679
(3) Current liabilities				
(a) Short-term borrowings	7	29,034,218		35,282,596
(b) Trade payables				
i Total outstanding dues of Micro, Small and Medium enterprises	8	58,427,610		2,807,592
ii Total outstanding due of creditors other than Micro, Small and Medium enterprises				
(c) Other current liabilities	9	555,900,419		684,700,917
(d) Short-term provisions	10	62,918,351		82,539,721
		174,264,296	880,544,894	163,012,970
				968,343,796
Total			2,771,570,967	2,805,365,764
II ASSETS				
(1) Non-current assets				
(a) Fixed assets				
(i) Tangible assets	11A	694,167,447		688,165,356
(ii) Intangible assets	11B	544,096		779,799
(iii) Capital work-in-progress		78,097,294		123,131,829
			772,808,837	812,076,984
(b) Long term loans and advances	12		191,398,576	36,002,597
(c) Other non-current assets	13		5,534,079	-
(2) Current assets				
(a) Inventories	14	338,861,530		307,827,471
(b) Trade receivables	15	461,526,731		538,032,105
(c) Cash and bank balances	16	17,838,550		16,725,009
(d) Short-term loans and advances	17	964,218,615		1,062,915,689
(e) Other current assets	18	19,384,049		31,785,909
			1,801,829,475	1,957,286,183
Total			2,771,570,967	2,805,365,764
See accompanying notes forming part of the financial statements	1-48			

Shrinivas Dempo
Chairman
DIN 00043413

Ravindra Pisharody
Director
DIN 01875848

Steven Pinto
Director - DIN 00871062

P F X D'Lima
Director - DIN 00001890

R Ramakrishnan
Director - DIN 03394401

A Gajendragadkar
Director - DIN 02727909

Vajjayanti Pandit
Director
DIN 06742237

O V Ajay
CEO & Executive Director
DIN 07042391

Raghwendra Singh Butola
Chief Financial Officer

Mohammed Bengali
Partner

Pravin Satardekar
Company Secretary

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

Place : Mumbai,
Dated : 25th May, 2016

Place : Mumbai,
Dated : 25th May, 2016



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

Particulars	Note Nos.	For the year ended, 31st March, 2016		For the year ended, 31st March, 2015	
		₹	₹	₹	₹
I. Revenue from operations	19		4,366,493,792		4,089,122,182
Less: Excise duty			197,138,356		139,067,610
Revenue from operations (net)			4,169,355,436		3,950,054,572
II. Other income	20		68,438,403		70,890,096
III. Total Revenue (I+II)			4,237,793,839		4,020,944,668
IV. Expenses:					
(a) Cost of materials consumed	21		2,862,946,704		2,817,574,984
(b) Changes in inventories of finished goods, work-in-progress and scrap	22		9,244,747		(41,760,632)
(c) Employee benefits expense	23		428,772,171		402,883,418
(d) Finance costs	24		3,841,939		3,314,643
(e) Depreciation and amortisation expense	11		55,572,575		12,963,013
(f) Excise duty	37		67,608		128,429
(g) Other expenses	25		622,894,909		589,757,797
Total Expenses			3,983,340,653		3,784,861,652
V. Profit before tax (III-IV)			254,453,186		236,083,016
VI. Tax expense :					
(a) Current tax expense for current year		97,120,000		72,420,000	
(b) Current tax expense relating to prior years		(957,853)		-	
Net current tax expense		96,162,147		72,420,000	
(c) Deferred tax	4	(7,018,000)		11,078,100	
Profit from continuing operations for the year (V -VI)			89,144,147		83,498,100
VII. Earnings Per Equity share: (Face value of Rs.10/- per share)			165,309,039		152,584,916
(i) Basic	30		25.74		23.76
(ii) Diluted			25.74		23.76
See accompanying notes forming part of the financial statements	1-48				

Shrinivas Dempo
Chairman
DIN 00043413

Ravindra Pisharody
Director
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Director
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O V Ajay
CEO & Executive Director
DIN 07042391

Raghendra Singh Butola
Chief Financial Officer

Mohammed Bengali
Partner

Pravin Satardekar
Company Secretary

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

Place : Mumbai,
Dated : 25th May, 2016

Place : Mumbai,
Dated : 25th May, 2016



Cash flow statement for the year ended 31st March, 2016

Particulars	31st March, 2016		31st March, 2015	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Profit before tax		254,453,186		236,083,016
adjustments for:				
Depreciation	55,572,575		12,963,013	
Provision for doubtful debts/ advances (net)	525,914		-	
Unrealised exchange differences	23,611		(17,924)	
Loss on sale of fixed assets	2,841,592		3,677,904	
Finance costs	3,841,939		3,314,643	
Interest Income	(65,843,939)		(63,887,512)	
Profit on sale of fixed assets	-		(70,861)	
Operating profit before working capital changes		(3,038,308)		(44,020,737)
Changes in working capital		251,414,878		192,062,279
Adjustments for (Increase)/ Decrease in operating assets				
Inventories	(31,034,059)		(56,349,294)	
Trade receivables	75,955,849		(139,119,230)	
Short - term loans and advances	168,697,074		(241,045,547)	
Long - term loans and advances	(84,321)		55,517	
	213,534,543		(436,458,554)	
Adjustments for Increase/(Decrease) in operating liabilities				
Trade payables	(73,180,480)		291,224,457	
Other current liabilities	(4,306,949)		23,102,997	
Other long - term liabilities	11,331,726		14,746,739	
Short - term provisions	5,053,504		12,841,829	
Long - term provisions	318,306		(3,800,062)	
	(60,783,893)	152,750,650	338,115,960	(98,342,594)
Cash generated from operations		404,165,528		93,719,685
(Payment) of direct taxes		(90,301,894)		(81,715,788)
Net cash generated from operating activities		313,863,634		12,003,897
B. Cash flow from investing activities				
Purchase of Fixed assets	(41,524,863)		(116,501,677)	
Sale of fixed assets	820,899		3,695,330	
Bank balances not considered as Cash and Cash equivalents (net)	(1,068,741)		17,185,783	
Inter Corporate Deposit (Net)	(220,000,000)		110,000,000	
Interest received	72,711,720		77,184,219	
Net cash (used in) / generated from investing activities		(189,060,985)		91,563,655



Cash flow statement for the year ended 31st March, 2016

Particulars	31st March, 2016		31st March, 2015	
	₹	₹	₹	₹
C. Cash flow from financing activities				
Short term borrowings	(6,248,378)		10,608,369	
Dividend paid (including corporate dividend tax)	(114,641,274)		(112,025,022)	
Interest paid	(3,868,197)		(3,275,581)	
Net cash (used in) financing activities		(124,757,849)		(104,692,234)
Net Increase/(decrease) in cash and cash equivalents (A+B+C)		44,800		(1,124,682)
Cash and cash equivalents as at 31st March, 2015		76,692		1,201,374
Cash and cash equivalents as at 31st March, 2016		121,492		76,692
Note:				
Reconciliation of Cash and cash equivalents:				
Cash and cash equivalents (Refer note 16)		17,838,550		16,725,009
Less: Bank balances not considered as Cash and cash equivalents as defined in Accounting Standard (AS) on 'Cash Flow Statements'				
<u>Balances with banks:</u>				
(a) Earmarked balances (unpaid dividend accounts)		11,802,969		10,799,132
(b) In deposits accounts		53,416		51,060
(c) Margin money against bank guarantees		5,859,673		5,796,125
		17,716,058		16,646,317
<u>Others</u>				
(a) Post Office Savings Bank Account (Security deposit)		1,000		2,000
Net Cash and cash equivalents as defined in AS 3 on 'Cash Flow Statements'		121,492		76,692

- Notes:** 1. The above Cash Flow Statement has been prepared under the "Indirect Method set out in Accounting Standard (AS-3)" "Cash Flow Statements" prescribed under section 133 of the Companies Act, 2013.
2. Figures relating to previous year have been recast where necessary to confirm to the figures of the current year.

In terms of our report attached

For Deloitte Haskins & Sells LLP, Chartered Accountants

Mohammed Bengali
Partner

Place : Mumbai,
Dated : 25th May, 2016

Shrinivas Dempo
Chairman - DIN 00043413

Ravindra Pisharody
Director - DIN 01875848

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CEO & Executive Director - DIN 07042391

Raghendra Singh Butola
Chief Financial Officer

Pravin Satardekar
Company Secretary

Place : Mumbai,
Dated : 25th May, 2016



Notes forming part of the Financial Statements

Note: 1 (A)

CORPORATE INFORMATION:

Automobile Corporation of Goa Limited was incorporated on September 1, 1980 as a Public Limited Company under the Companies Act, 1956. The Company was jointly promoted by EDC Limited (a Government of Goa undertaking) and Tata Motors Limited.

The Company is engaged in manufacture of pressed parts, components, sub-assemblies for various range of automobiles and manufacture of Bus bodies and component parts thereof.

Note: 1 (B)

SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards Prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on the accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) Management estimates:

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

c) Inventories:

Items of inventory are valued on the basis given below:

- i. Raw material, Boughtout Components, Stores and Spares : at cost or net realisable value, whichever is lower. Cost is determined by the Weighted Average Method.
- ii. Work in progress and Finished goods : at cost or net realisable value, whichever is lower. Cost is determined on the basis of absorption costing.
- iii. Scrap: at net realisable value.



Notes forming part of the Financial Statements

d) Depreciation and Amortisation:

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

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful lives of the assets as assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

The assets whose assessed useful life is different from those prescribed in Schedule II to the Companies Act, 2013 is as under :

Buildings	28 to 59 years
Plant and Equipments	10 to 20 years
Furniture and fixtures	15 years
Vehicles	8 to 10 years
Computers	6 years

Leasehold land is amortised over the duration of the lease.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Computer Software	4 years
-------------------	---------

e) Revenue recognition:

Revenue (income) is recognised when no significant uncertainty as to measurability or collectability exists.

f) Fixed Assets:

Fixed assets are carried at cost of acquisition or construction and include amounts added on revaluation, less accumulated depreciation and impairment loss.

g) Foreign Currency Transactions :

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realization / payments of foreign exchange are accounted as income or expense in the relevant year.

h) Government Grants:

Grants related to specific Fixed Assets are disclosed as a deduction from the value of concerned Assets. Grants related to revenue are credited to the statement of Profit and Loss Account. Grants in the nature of promoter's contribution are treated as Capital Reserve.



Notes forming part of the Financial Statements

i) Investments :

Current investments are carried at lower of cost and fair value. Long term (Non - current) investments are carried at cost. However when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline.

j) Employee Benefits:

i) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company has obtained group gratuity policy with Life Insurance Corporation of India. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation, carried out as at the year end.

ii) Superannuation

The Company has a Superannuation plan (defined contribution plan). The Company maintains separate irrevocable trust for employees covered and entitled to benefits. The Company has obtained insurance policy with Life Insurance Corporation of India. The Company contributes 15% of eligible employee's salary to the trust every year. The Company recognizes such contributions as an expense when incurred. The Company has no further obligation beyond this contribution.

iii) Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employee's salary (currently 12% of employee's salary). The contributions as specified under the law are paid to the provident fund trust. Contribution towards Pension fund is paid to the Regional Provident fund commissioner at specified percentage of the covered employee's salary on monthly basis.

iv) Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation, carried out as at the year end.

v) Actuarial gains and losses

The actuarial gains and losses are recognised immediately in the statement of profit and loss.



Notes forming part of the Financial Statements

k) Borrowing costs:

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

l) Segment reporting:

The following accounting policies have been followed for segment reporting:

Segment Revenue includes Revenue from operations and other income directly identifiable with/allocable to the segment.

Expenses that are directly identifiable with / allocable to segments are considered for determining the Segment Results. The expenses which relate to the Company as a whole and not allocable to segments are included under Unallocable expenses.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment. Unallocated assets mainly comprise Cash and Bank balances. Unallocable liabilities include Deferred tax, Secured loans, Provision for tax (net of advance payment of taxes) and Other liabilities.

m) Leases:

Assets acquired on leases where significant portions of the risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Lease rentals are charged to the Statement of profit & loss account on accrual basis. Rentals received on assets given on operating leases are recognised as income in the statement of profit and loss on straight-line basis over the period of the lease as per the terms of agreement.

n) Taxes on Income:

Tax expense comprise both current tax and deferred tax at the applicable enacted/ substantively enacted rates. Current tax represents the amount of income tax payable / recoverable in respect of taxable income / loss for the reporting period. Deferred tax represents the effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.



Notes forming part of the Financial Statements

- o) Intangible Assets:**
Intangible assets are stated at cost less accumulated amortisation.
- p) Impairment of assets:**
Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.
- q) Provisions and contingencies:**
A provision is recognised where the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A Contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognised nor disclosed.
- r) Product Warranty Expenses:**
The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims.
- s) Accounting of Cenvat Credit:**
Cenvat credit is accounted as per actual credit availed in the Excise records, on receipt of materials.



Notes forming part of the Financial Statements

	₹	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
2) SHARE CAPITAL:			
Authorised :			
10,000,000 Equity Shares of ₹ 10/- each		100,000,000	100,000,000
1,500,000 Preference Shares of ₹ 100/- each		150,000,000	150,000,000
		<u>250,000,000</u>	<u>250,000,000</u>
Issued:			
6,421,622 Equity Shares of ₹ 10/- each		64,216,220	64,216,220
Subscribed and fully paid-up :			
6,421,622 Equity Shares of ₹ 10/- each		64,216,220	64,216,220
Total		<u>64,216,220</u>	<u>64,216,220</u>
Notes:			
(1) Par value per share		₹ 10/-	₹ 10/-
(2) Reconciliation of number of shares outstanding :			
i Ordinary Equity shares			
Number of shares as at the beginning of the year.		Numbers 6,421,622	Numbers 6,421,622
Number of shares as at closing of the year.		6,421,622	6,421,622
(3) Terms and rights attached			
i Equity Shares			
Each holder of equity shares is entitled to one vote per share.			
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.			
The distribution will be in proportion to the number of equity shares held by the shareholders.			
(4) Shares in the Company held by each shareholder holding more than 5 percent shares			
(a) Tata Motors Limited		Numbers 2,982,214	Numbers 2,982,214
(b) EDC Limited		405,302	405,302



Notes forming part of the Financial Statements

3) RESERVES AND SURPLUS :	₹	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
(a) Capital reserve - Central capital subsidy As per last Balance sheet		5,000,000	5,000,000
(b) Capital redemption reserve account As per last Balance Sheet		92,006,000	92,006,000
(c) Securities premium account As per last Balance Sheet		680,818,433	680,818,433
(d) General Reserve As per last Balance Sheet Add: Amount transferred from surplus in the Statement of Profit and Loss	191,528,290 16,530,000	208,058,290	176,268,290 15,260,000 191,528,290
(e) Surplus in Statement of Profit and Loss As per last Balance Sheet Add : Profit for the year Less: (a) Interim Dividend paid (b) Proposed Dividend (c) Tax on Dividend (d) Transfer to General reserve	712,136,346 165,309,039 16,054,055 80,270,275 19,612,636 16,530,000	744,978,419	690,398,170 152,584,916 16,054,055 80,270,275 19,262,410 15,260,000 712,136,346
Total		1,730,861,142	1,681,489,069



Notes forming part of the Financial Statements

	₹	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
4) DEFERRED TAX LIABILITIES (NET) :			
Major components of deferred tax assets/(liabilities) are as under:			
Liabilities:			
i Differences in tax and books written down values of fixed assets		(89,395,089)	(84,795,534)
		(89,395,089)	(84,795,534)
Assets:			
i Disallowances under section 43B of the Income tax Act, 1961		25,463,578	18,430,052
ii Provision for gratuity		22,289,335	17,887,356
iii Provision for doubtful debts		834,076	652,026
		48,586,989	36,969,434
Net deferred tax liability		(40,808,100)	(47,826,100)
5) OTHER LONG TERM LIABILITIES:			
Others:			
i. Security deposits received	25,000		45,000
ii. Provision for gratuity (refer note 42)	52,624,328		41,272,602
			41,317,602
Total		52,649,328	41,317,602
6) LONG TERM PROVISIONS:			
(a) Others:			
i. Provision for product warranty (refer note 38)		2,491,283	2,172,977
7) SHORT TERM BORROWINGS:			
Secured			
(a) Loans repayable on demand			
i From banks (Cash credit accounts)		29,034,218	35,282,596
Note:			
Loans from Banks on Cash Credit accounts are secured by hypothecation of stocks, stores, work-in-progress, finished goods, book debts and receivables, Investment, both present and future.			



Notes forming part of the Financial Statements

	₹	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
8) TRADE PAYABLES:			
The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made on the basis of confirmations received from suppliers regarding their status under the said act;			
1 Outstanding principal Amount and interest as on 31st March 2016			
- Principal Amount		58,427,610	2,807,592
- Interest due thereon		54,192	82,354
2 Amount of interest paid along with the amounts of payment made beyond the appointed day		Nil	Nil
3 Amount of Interest due and payable (where the principal has already been paid but interest has not been paid)		2,421	517
4 The amount of interest accrued and remaining unpaid at the end of each accounting year		56,613	82,871
5 The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act		Nil	Nil
9) OTHER CURRENT LIABILITIES:			
(a) Unpaid dividends		11,789,600	10,785,763
(b) Security deposits received		564,000	940,000
(c) Advance from customers		14,030,613	21,988,966
(d) Other payables			
i Statutory dues	13,416,992		10,757,403
ii Capital Creditors	11,279,709		27,571,709
iii Interest accrued on trade payables (refer note 8)	56,613		82,871
iv Provision for gratuity (refer note 42)	11,780,824		10,413,009
		36,534,138	48,824,992
Total		62,918,351	82,539,721
10) SHORT TERM PROVISIONS:			
(a) Provision for leave encashment (refer note 42)		58,772,199	50,473,185
(b) Others:			
i Provision for product warranty (refer note 38)	3,543,287		6,917,279
ii Provision for taxation {Net of advance tax ₹ 318,161,586/- (Previous year ₹ 307,721,562/-)}	15,334,672		9,300,223
iii Proposed dividend	80,270,275		80,270,275
iv Tax on dividend	16,343,863		16,052,008
		115,492,097	112,539,785
Total		174,264,296	163,012,970



Notes forming part of the Financial Statements

(₹)

11) FIXED ASSETS	GROSS BLOCK (at cost/valuation)				DEPRECIATION / AMORTISATION				NET BLOCK
	As at 1 st April, 2015	Additions	Deductions	As at 31 st March, 2016	As at 1 st April, 2015	For the Year (Note 4 below)	Deductions	Up to 31 st March, 2016	As at 31 st March, 2016
A) Tangible Assets									
Land :									
i) Freehold land	2,734,780	-	-	2,734,780	-	-	-	-	2,734,780
	2,734,780	-	-	2,734,780	-	-	-	-	2,734,780
ii) Leasehold land	37,259,321	-	-	37,259,321	12,399,089	1,848,858	-	14,247,947	23,011,374
	37,259,321	-	-	37,259,321	10,550,231	1,848,858	-	12,399,089	24,860,232
	39,994,101	-	-	39,994,101	12,399,089	1,848,858	-	14,247,947	25,746,154
	39,994,101	-	-	39,994,101	10,550,231	1,848,858	-	12,399,089	27,595,012
Buildings	395,350,050	-	3,614,584	391,735,466	111,651,166	10,753,374	1,013,061	121,391,479	270,343,987
	374,217,710	21,849,741	717,401	395,350,050	143,982,556	(32,266,450)	64,940	111,651,166	283,698,884
Plant and Equipments	775,663,298	60,980,873	926,352	835,717,819	434,074,392	37,282,316	880,034	470,476,674	365,241,145
	743,109,082	35,715,110	3,160,894	775,663,298	398,037,167	37,623,199	1,585,974	434,074,392	341,588,906
Furniture and fixtures	13,649,173	35,990	50,000	13,635,163	8,532,837	456,235	15,093	8,973,979	4,661,184
	12,847,331	1,008,983	207,141	13,649,173	9,008,590	(422,299)	53,454	8,532,837	5,116,336
Vehicles									
i) Owned	29,743,720	2,817,729	1,030,325	31,531,124	7,128,816	2,692,939	118,996	9,702,759	21,828,365
	20,689,281	14,588,340	5,533,901	29,743,720	7,066,850	1,423,481	1,361,515	7,128,816	22,614,904
ii) Given on Operating Lease	-	-	-	-	-	-	-	-	-
	1,120,135	-	1,120,135	-	585,884	104,821	690,705	-	-
	29,743,720	2,817,729	1,030,325	31,531,124	7,128,816	2,692,939	118,996	9,702,759	21,828,365
	21,809,416	14,588,340	6,654,036	29,743,720	7,652,734	1,528,302	2,052,220	7,128,816	22,614,904
Office equipment	11,990,859	493,082	77,270	12,406,671	7,464,137	1,560,455	22,239	9,002,353	3,404,318
	10,796,108	1,695,724	500,973	11,990,859	5,645,532	2,138,018	319,413	7,464,137	4,526,722
Computers	30,501,775	673,780	151,861	31,023,694	27,477,183	742,695	138,478	28,081,400	2,942,294
	32,373,458	376,433	2,248,116	30,501,775	27,404,241	2,183,129	2,110,187	27,477,183	3,024,592
	1,296,892,976	65,001,454	5,850,392	1,356,044,038	608,727,620	55,336,872	2,187,901	661,876,591	694,167,447
	1,235,147,206	75,234,331	13,488,561	1,296,892,976	602,281,051	12,632,757	6,186,188	608,727,620	688,165,356
B) Intangible Assets (Acquired)									
Computer Software	33,595,774	-	-	33,595,774	32,815,975	235,703	-	33,051,678	544,096
	32,694,614	901,160	-	33,595,774	32,485,719	330,256	-	32,815,975	779,799
Total	1,330,488,750	65,001,454	5,850,392	1,389,639,812	641,543,595	55,572,575	2,187,901	694,928,269	694,711,543
Previous year	1,267,841,820	76,135,491	13,488,561	1,330,488,750	634,766,770	12,963,013	6,186,188	641,543,595	688,945,155

Notes :

- Plant and Machinery of Sheet Metal Division were revalued on 1st April 1988, by external valuers on the basis of prevalent fair market price and estimated balance useful life of assets as on that date resulting in net increase of ₹ 50,726,700/- being surplus on revaluation as on 1st April 1988. Revalued amount substituted for historical cost as on 1st April 1988 is ₹ 86,578,500/-
- Freehold Land includes ₹ 2,115,360/- in respect of which conveyance of title is pending.
- Buses had been given on operating lease for commuting by employees.



Notes forming part of the Financial Statements

4. Depreciation for the previous year includes write back on account of change in method of depreciation from written down value (WDV) method to Straight line method (SLM) for the following assets.

	(in ₹)	
Buildings	42,614,189	
Plant and Equipments	84,767	
Furniture and fixtures	821,637	
Vehicles	1,804,401	
Office equipment	672,502	
	<u>45,997,496</u>	{Refer Note no. 41 (a)}

12) LONG TERM LOANS AND ADVANCES (Unsecured, considered good)

- (a) Capital Advances
- (b) Security deposits
- (c) Other loans and advances
 - i VAT and other taxes credit receivable
 - ii Advance payment of taxes {Net of provisions ₹ 264,614,612/- (Previous year ₹ 264,486,130/-)}
 - iii Inter corporate deposits
 - iv Prepaid expenses

	₹	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
		7,294,720	2,028,776
		5,417,505	5,417,505
	663,760		580,364
	27,540,433		27,494,719
	150,000,000		-
	482,158		481,233
Total		<u>178,686,351</u>	<u>28,556,316</u>
		<u>191,398,576</u>	<u>36,002,597</u>
		5,534,079	-
Total		<u>5,534,079</u>	<u>-</u>

13) OTHER NON-CURRENT ASSETS

- i Interest accrued on deposits



Notes forming part of the Financial Statements

	₹	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
14) INVENTORIES :			
(a) Raw materials and Boughtouts components {includes Goods in transit of ₹ Nil/-} (Previous year ₹ 76,244/-)}	235,416,723		194,370,038
(b) Work-in-progress	90,437,806		99,324,654
(c) Finished goods {includes Goods in transit of ₹ 32,89,709/-} (Previous year ₹ 3,061,505/-)}	3,289,709		3,061,505
(d) Scrap	862,645		1,448,748
(e) Stores and spare parts (including packing materials)	8,854,647		9,622,526
Total		338,861,530	307,827,471
Notes: Items of inventory are valued on the basis given below:			
i Raw material, Boughtout components, Stores and Spares : at cost or net realisable value, whichever is lower. Cost is determined by the Weighted Average Method.			
ii Work in progress, Finished goods : at cost or net realisable value, whichever is lower. Cost is determined on the basis of absorption costing.			
iii Scrap : at net realisable value.			
15) TRADE RECEIVABLES :			
<u>Unsecured</u>			
(a) Trade Receivables outstanding for a year exceeding six months from the date they were due for payment.			
Considered good	2,449,169		2,016,733
Considered doubtful	2,410,067		1,884,153
	4,859,236		3,900,886
Less: Provision for doubtful trade receivables	2,410,067		1,884,153
		2,449,169	2,016,733
(b) Other Trade receivables Considered good		459,077,562	536,015,372
Total		461,526,731	538,032,105



Notes forming part of the Financial Statements

	₹	As at 31 st March, 2016 ₹	As at 31 st March, 2015 ₹
16) CASH AND BANK BALANCES :			
i Cash and cash equivalents			
(a) Cash on hand	16,492		31,692
(b) Balances with banks: - in current accounts	105,000	121,492	45,000
ii Balances with banks:			76,692
(a) Earmarked balances (unpaid dividend accounts)	11,802,969		10,799,132
(b) In deposits accounts	53,416		51,060
(c) Margin money against bank guarantees	5,859,673	17,716,058	5,796,125
iii Others			16,646,317
(a) Post Office Savings Bank Account (Security deposit)		1,000	2,000
Total		17,838,550	16,725,009
Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 Cash Flow Statements is-		121,492	76,692
17) SHORT TERM LOANS AND ADVANCES (Unsecured, considered good) :			
(a) Loans and advances to related parties		270,000,000	-
(b) Others:			
i Cenvat and VAT receivable	279,737,150		427,895,091
ii Inter corporate deposits	400,000,000		600,000,000
iii Security deposits	15,500		7,715,500
iv Advances to suppliers and contractors	2,489,017		12,506,930
v Prepaid expenses	3,940,587		4,804,983
vi Other advances	8,036,361		9,993,185
Total		694,218,615	1,062,915,689
Total		964,218,615	1,062,915,689
18) OTHER CURRENT ASSETS :			
i Interest accrued on deposits		19,384,049	31,785,909
Total		19,384,049	31,785,909



Notes forming part of the Financial Statements

	₹	For the year ended 31 st March, 2016 ₹	For the year ended 31 st March, 2015 ₹
19) REVENUE FROM OPERATIONS :			
(a) Sale of products (Refer note below)		4,281,458,480	3,975,276,288
(b) Other operating revenue			
i Scrap sales	84,768,203		112,825,934
ii Other	267,109		1,019,960
		85,035,312	113,845,894
		4,366,493,792	4,089,122,182
Note:			
Sale of Products includes			
i Bus bodies and components parts thereof		3,608,632,822	3,394,201,643
ii Pressed parts/components/sub assemblies and assemblies there from for various aggregates of automobiles		672,825,658	581,074,645
20) OTHER INCOME :			
(a) Interest income			
i on bank deposits	429,727		754,269
ii on inter corporate deposits	65,081,441		62,811,781
iii other	332,771		321,462
(b) Other non-operating income		65,843,939	63,887,512
		2,594,464	7,002,584
		68,438,403	70,890,096
21) COST OF MATERIALS CONSUMED :		2,862,946,704	2,817,574,984
Note:			
Details of materials consumed			
i Steel		481,712,920	515,885,567
ii Others		2,381,233,784	2,301,689,417
		2,862,946,704	2,817,574,984
22) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP :			
Opening stock			
Finished Goods	3,061,505		2,207,290
Work-in-progress	99,324,654		58,994,920
Scrap	1,448,748		872,065
	103,834,907		62,074,275
Closing Stock			
Finished Goods	3,289,709		3,061,505
Work-in-progress	90,437,806		99,324,654
Scrap	862,645		1,448,748
	94,590,160		103,834,907
Total		9,244,747	(41,760,632)



Notes forming part of the Financial Statements

	₹	For the year ended 31 st March, 2016 ₹	For the year ended 31 st March, 2015 ₹
Note:			
Details of Closing Inventories is as under			
Finished Goods			
i Bus bodies and components parts thereof		-	-
ii Pressed parts/components/sub assemblies and assemblies there from for various aggregates of automobiles		3,289,709	3,061,505
Work-in-progress			
i Bus bodies and components parts thereof		75,348,449	83,721,941
ii Pressed parts/components/sub assemblies and assemblies there from for various aggregates of automobiles		15,089,357	15,602,713
Scrap			
i Metal and other Scrap		862,645	1,448,748
23) EMPLOYEE BENEFITS EXPENSE :			
(a) Salaries and wages	336,943,767		312,880,458
(b) Contribution to provident and other funds	54,887,797		53,903,743
(c) Staff welfare expenses	36,940,607		36,099,217
		428,772,171	402,883,418
24) FINANCE COSTS :			
(a) Interest expense on			
i Cash credit accounts with bank	3,525,731		3,201,628
ii Trade payables	56,613		82,871
iii Others	259,595		30,144
		3,841,939	3,314,643
25) OTHER EXPENSES :			
(a) Consumption of stores and spare parts	194,099,181		184,102,772
(b) Power and Fuel	34,174,434		32,508,555
(c) Rent (refer note 29)	689,208		790,178
(d) Repairs and maintenance :			
- buildings	9,493,276		9,701,508
- machinery	3,890,382		3,718,705
- others	1,517,211		1,006,216
	14,900,869		14,426,429
(e) Insurance	2,400,920		1,528,911
(f) Rates and taxes	1,620,299		1,833,816
(g) Processing / labour charges	274,300,694		249,351,628
(h) Packing, freight and forwarding expenses	28,459,813		25,072,639
(i) Expenditure on Corporate Social Responsibility (Refer note 46)	3,700,000		5,800,000
(j) Miscellaneous expenses	68,549,491		74,342,869
		622,894,909	589,757,797



Notes forming part of the Financial Statements

	₹	As at 31st March, 2015 ₹
26) Estimated amount of contracts remaining to be executed on Capital Account and not provided for.	5,398,346	4,172,161
27) The Company is involved in the following appellate, judicial and arbitration proceeding matters arising in the course of conduct of the Company's businesses. In few of the proceedings in respect of matters under litigation are in early stages, and in other cases, the claims are indeterminate. Contingent liability in respect of: Claims against the Company not acknowledged as debt:		
i) Disputed demands of excise authorities		
- Pending before the Commissioner of Central Excise (Appeals)	1,939,003	1,939,003
- Pending before High Court of Bombay, at Goa	-	78,769
- Pending before CESTAT	89,955,460	90,234,960
- Pending filing of appeal before CESTAT	-	18,044
- Pending before Additional Commissioner of Commercial Taxes	4,226,431	-
ii) Penalty proposed to be levied by the Securities and Exchange Board of India (SEBI) for alleged violation of regulation 6 and 8 of SEBI (Substantial acquisition of shares and takeovers) Regulations 1997 (pending before the Adjudicating Officer) notice dated 21.07.2004.	175,000	175,000
iii) Income Tax Department has gone into Appeal in the Supreme Court against the order of the High Court dismissing their Review Application in the matter of Depreciation not claimed by the Company in assessment year 1990-91. The Company has filed a counter affidavit with Supreme Court against the appeal.	3,732,969	3,732,969
iv) Demand from the Water Resource Department towards usage of ground water from 10 wells/bore wells registered with the said department for the period from August 2008 to November 2013.	-	7,685,622
v) Disputed claim by a service provider.	-	3,296,055
The management believes that, the aforesaid claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of these matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Company may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported period.		
28) Payment to Auditors:		Previous Year ₹
i. as auditor	2,602,250	1,800,000
ii for reimbursement of expenses	160,389	125,236
iii for other services	75,000	670,000
	2,837,639	2,595,236



Notes forming part of the Financial Statements

29) Operating Lease Rentals:

Lease rentals charged to the statement of Profit and Loss in respect of certain sheds and residential premises taken on cancellable operating lease.

689,208

Previous Year
790,178

30) Earnings per share (EPS)

Earnings per share (EPS) is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:-

Profit after Tax (₹)	165,309,039	<u>Previous Year</u> 152,584,916
Weighted average number of shares outstanding during the year	6,421,622	6,421,622
Basic and Diluted EPS (₹)	25.74	23.76
Nominal value per share (₹)	10.00	10.00

31) Expenditure in foreign currency during the financial year on account of:

	₹	<u>Previous Year</u> ₹
i Travelling expenses	567,866	1,089,898
ii Technical expenses	920,144	-

32) Value of imports (calculated on C.I.F. basis) on account of:

	₹	<u>Previous Year</u> ₹
i Raw material and components	2,981,936	-
ii Stores and spares	141,015	-

33) a) Value of imported and indigenous Raw materials/components consumed:

	₹	%	<u>Previous Year</u> ₹	%
i. Imported	3,088,917	0.11	45,982	-
ii. Indigenous	2,859,857,787	99.89	2,817,529,002	100.00
	<u>2,862,946,704</u>	<u>100.00</u>	<u>2,817,574,984</u>	<u>100.00</u>

b) Value of imported and indigenous stores and spare parts consumed:

	₹	%	<u>Previous Year</u> ₹	%
i. Imported	157,449	0.08	-	-
ii. Indigenous	193,941,732	99.92	184,102,772	100.00
	<u>194,099,181</u>	<u>100.00</u>	<u>184,102,772</u>	<u>100.00</u>



Notes forming part of the Financial Statements

34) The Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividend have been made by non- resident shareholders.

		<u>Previous Year</u>
35) Earnings in foreign exchange classified under the following heads, namely:-	₹	₹
i. Export of goods calculated on F.O.B. basis	5,264,414	4,810,975

36) The Company has exported bus bodies and component parts thereof of the sales value (Gross) through a merchant exporter.	2,346,401,507	2,394,321,610
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37) The excise duty related to the difference between the opening and closing stock of finished goods is disclosed on the face of the statement of Profit and Loss as "Excise Duty".

38) Warranty Provision

Warranty pertains to replacement of defective parts and expenses incurred in relation to rectification of workmanship defects.

Particulars	₹	Previous year ₹
Opening carrying amount	9,090,256	8,837,239
Provision during the year	7,330,453	7,795,960
Amount released during the year	2,975,042	2,686,473
Excess Provision written back	7,411,097	4,856,470
Closing carrying amount	6,034,570	9,090,256
The outflow on this count can arise any time during the period of 18/24 months		

39) Foreign currency balances not hedged by derivative instrument(s):

			<u>Previous year</u>		
		₹		₹	
i	Receivables	USD 13,820	911,014	USD 27,262	1,696,242
ii	Other advances received	USD 12,285	717,670	USD 12,285	717,670



Notes forming part of the Financial Statements

- 40)** The remuneration proposed to Mr V Krishnamurthi (erstwhile Managing Director) for the period 1st April, 2014 to 6th December, 2014 was in excess of the limits specified in Schedule V of the Companies Act, 2013 and hence was subject to approval of the Central Government under section 197 of the Act. The Central Government vide its communication dated 25th August, 2015 approved an amount of ₹ 13,979,452/- and accordingly an amount of ₹ 6,412,638/- has been reversed during the current year.
- 41)** During the previous year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from 1st April, 2014, the Company changed its method of depreciation for certain categories of fixed assets from written down value (WDV) method to straight line method (SLM). The Company also revised the estimated useful lives of some of its assets to align the useful lives with the technical advise obtained during the said year.

Consequent to this change, all fixed assets are now being depreciated under SLM.

The details of previously applied depreciation method, rates / useful lives were as follows:

Asset	Previous depreciation method	Previous depreciation rate/useful life	Revised useful life based on SLM
Sheet Metal Division			
Buildings:			
Office Buildings	WDV	5.00%	58.28 years
Factory Buildings	WDV	10.00%	28.44 years
Plant and Equipments			
Plant and Machinery	SLM	4.75%	20 years
Plant and Machinery - Tools	SLM	4.75%	8 years
Canteen Equipment	WDV	25.88%	10 years
Furniture and fixtures	WDV	18.10%	15 years
Computers	SLM	16.21%	6 years
Vehicles			
Vehicles - Cars, scooters, other mopeds	WDV	25.89%	10 years
Vehicles - Buses and Lorries	WDV	30.00%	8.4 years
Office equipment	WDV	18.10%	5 years
Body Building Division			
Plant and Equipments			
Plant and Machinery - Tools	SLM	4.75%	8 years
Office Equipment	SLM	6.33%	5 years



Notes forming part of the Financial Statements

a) For the change in method of depreciation from WDV to SLM:

Depreciation has been recomputed from the date of capitalisation of such assets at SLM rates. Consequent to this there was a write back of depreciation of ₹. 45,997,496/- relating to previous years, accounted in the Statement of Profit and Loss for the previous year.

The depreciation expense in the Statement of Profit and Loss for the previous year is lower by ₹ 4,873,692/- consequent to the change in the method of depreciation from WDV to SLM.

b) For the change in the useful lives of assets:

The Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful lives of the assets were determined to be nil on 1st April, 2014. The depreciation charge of ₹ 2,338,573/- was adjusted in the Statement of Profit and Loss for the previous year.

The depreciation expense in the Statement of Profit and Loss for the previous year is higher by ₹ 5,582,430/- consequent to the change in the useful lives of certain fixed assets.

42) Employee Benefits

A The disclosure as required under AS-15 regarding the Company's defined benefit plans is as follows :

I. Reconciliation of opening and closing balances of Defined Benefit obligation

	Previous Year		Previous Year	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Defined Benefit obligation at beginning of the year	103,942,759	50,473,185	82,351,063	41,787,516
Current Service Cost	7,802,429	6,861,607	6,272,777	3,582,246
Liability Transferred in	-	-	65,105	-
Interest Cost	8,211,478	2,845,090	7,699,825	2,683,546
Actuarial (gain) / loss	6,743,754	744,584	9,789,460	5,135,125
Benefits paid	(3,466,907)	(2,152,267)	(2,235,471)	(2,715,248)
Defined Benefit obligation at year end	<u>123,233,513</u>	<u>58,772,199</u>	<u>103,942,759</u>	<u>50,473,185</u>



Notes forming part of the Financial Statements

II. Reconciliation of opening and closing balances of fair value of plan assets

	Gratuity (Funded)	Gratuity (Funded)
Fair value of plan assets at beginning of the year	52,257,148	46,013,445
Expected return on plan assets	4,128,315	4,003,170
Actuarial gain/(loss)	327,334	(487,459)
Assets Transferred in	-	65,105
Employer contribution	5,582,471	4,898,358
Benefits paid	(3,466,907)	(2,235,471)
Fair value of plan assets at year end	58,828,361	52,257,148

III. Reconciliation of fair value of assets and obligations

	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Present value of obligation as at 31st March, 2016	123,233,513	58,772,199	103,942,759	50,473,185
Fair value of plan assets as at 31st March, 2016	58,828,361	-	52,257,148	-
Amount recognized in Balance Sheet	(64,405,152)	(58,772,199)	(51,685,611)	(50,473,185)

IV. Expense recognized during the year

(Under the head "Employee benefits expense" - Refer Note 23)

	Gratuity (Funded)	Leave Encashment (Unfunded)	Previous Year	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	7,802,429	6,861,607	6,272,777	3,582,246
Interest Cost	8,211,478	2,845,090	7,699,825	2,683,546
Expected return on plan assets	(4,128,315)	-	(4,003,170)	-
Actuarial (gain) / loss	6,416,420	744,584	10,276,919	5,135,125
Net Cost	18,302,012	10,451,281	20,246,351	11,400,917



Notes forming part of the Financial Statements

V. Actuarial assumptions

	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Discount rate (per annum)	7.99%	7.99%	7.90%	7.90%
Expected rate of return on plan assets (per annum)	7.99%	7.99%	7.90%	7.90%

VI. The amounts of present value of the obligation, fair value of the plan assets, surplus or deficit in the plan, experience adjustments arising on plan liabilities and plan assets for the current annual period and previous four annual periods are as under:

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
Gratuity					
Present Value of Defined Benefit Obligation	123,233,513	103,942,759	82,351,063	82,353,370	58,701,088
Fair value of the Plan assets	58,828,361	52,257,148	46,013,445	39,157,842	32,713,712
Surplus or (Deficit) in the Plan	(64,405,152)	(51,685,611)	(36,337,618)	(43,195,528)	(25,987,376)
Experience Adjustment					
- On Plan liability (gain) / loss	6,743,754	9,789,460	(1,630,542)	9,121,550	4,178,591
- On Plan Assets gain / (loss)	327,334	(487,459)	549,265	297,108	245,052
	2015-16	2014-15	2013-14	2012-13	2011-12
Leave Encashment					
Present Value of Defined Benefit Obligation	58,772,199	50,473,185	41,787,516	39,635,538	30,387,513
Fair value of the Plan assets	-	-	-	-	-
Surplus or (Deficit) in the Plan	(58,772,199)	(50,473,185)	(41,787,516)	(39,635,538)	(30,387,513)
Experience Adjustment					
- On Plan liability (gain) / loss	744,584	5,135,125	(3,553,125)	2,125,290	2,318,097
- On Plan assets gain / (loss)	-	-	-	-	-



Notes forming part of the Financial Statements

VII. The assumptions of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment.

The Plan assets are managed by the Gratuity Trust formed by the company. The Management of funds is entrusted with Life Insurance Corporation of India . The details of investments made by them are not available.

B The disclosure as required under AS-15 regarding the Company's defined contribution plans is as follows :

I Contributions are made to recognized provident Fund trust established by the Company and Family Pension Fund which covers eligible employees of the Company. Employees and the Company make monthly contributions at a specified percentage of the covered employees salary (currently 12% of the employee's salary). The contribution as specified under the law are paid to the provident fund trust. Contribution towards Pension fund is paid to the Regional Provident fund commissioner at specified percentage of the covered employee's salary on the monthly basis. Amount recognised as expense in respect of these defined contribution plans, aggregate to ₹ 15,103,262/- (Previous year ₹ 14,961,380/-)

II The Company has a Superannuation plan (defined contribution plan). The company maintains separate irrevocable trust for employees covered and entitled to benefits. The Company has obtained insurance policy with Life Insurance Corporation of India. The Company contributes 15% eligible employees salary to the trust every year. Amount recognised as expense in respect of this defined contribution plans, aggregate to ₹ 21,482,523/- (Previous year ₹ 18,696,013/-)

43) Related Party Disclosures

a) Name of related parties and nature of relationship:

Name of the party	Relationship
Tata Motors Limited	Enterprise exercising significant influence
Mr V Krishnamurthi	Key Management Personnel (Upto 6th December, 2014)
Mr O V Ajay	Key Management Personnel (From 16th December, 2014)



Notes forming part of the Financial Statements

b) Details of transactions with related parties during the year :

(in ₹)

Nature of Transactions	Enterprise exercising significant influence	Key Management Personnel	Total
Sale of goods	3,720,658,732 (3,648,009,061)	- (--)	3,720,658,732 (3,648,009,061)
Rent (Income)	- (247,192)	- (--)	- (247,192)
Purchase of goods	9,931,246 (3,414,604)	- (--)	9,931,246 (3,414,604)
Managerial remuneration			
O V Ajay		13,787,469 (1,840,870)	13,787,469 (1,840,870)
V Krishnamurthi		- (21,558,957)	- (21,558,957)
Interim Dividend	7,455,535 (7,455,535)	- (--)	7,455,535 (7,455,535)
Proposed Dividend	37,277,675 (37,277,675)	- (--)	37,277,675 (37,277,675)
Recoveries			
-Expenses	25,700,149 (9,081,889)	- (--)	25,700,149 (9,081,889)
-Others	485,653 (13,685,614)	- (--)	485,653 (13,685,614)
Cenvat benefit availed (Chassis and Dies)	185,606,584 (151,002,407)	- (--)	185,606,584 (151,002,407)
Cenvat benefit adjusted (Chassis)	175,712,759 (144,305,379)	- (--)	175,712,759 (144,305,379)
Deputation Charges	3,150,258 (5,303,118)	- (--)	3,150,258 (5,303,118)
Royalty	56,659 (45,995)	- (--)	56,659 (45,995)



Notes forming part of the Financial Statements

Warranty	721,421 (972,648)	- (--)	721,421 (972,648)
Inter Corporate Deposit given	280,000,000 (40,000,000)	- (--)	280,000,000 (40,000,000)
Inter Corporate Deposit repaid	10,000,000 (200,000,000)	- (--)	10,000,000 (200,000,000)
Interest received on Inter Corporate Deposit given	14,922,192 (6,647,397)	- (--)	14,922,192 (6,647,397)
Balance outstanding as at the year end			
Amount payable	36,384,252 (27,125,559)	5,687,588 (15,718,921)	42,071,840 (42,844,480)
Amount receivable	433,496,591 (503,426,453)	- (--)	433,496,591 (503,426,453)
Loans and advances (ICD Outstanding)	270,000,000 (--)	- (--)	270,000,000 -

Notes: 1. Provision for doubtful debts for ₹ 5,25,914/- (Previous Year Nil) in respect of debts due from related parties.
2. Figures in brackets pertain to the previous year.

44) Segment Information

- (a) Segment information for primary segment reporting (by business segment)
The Company has two business segments:-
- i) Pressing Division - Manufacturing of pressed parts, components, sub-assemblies and assemblies for various range of automobiles.
 - ii) Bus body Building Division - Manufacturing of Bus bodies and component parts for Bus bodies.
- (b) Inter-segment Transfer Pricing - Inter-segment transfers are made at transfer price.
- (c) Common Expenses - Common Expenses are allocated to different segments on reasonable basis as considered appropriate.



Notes forming part of the Financial Statements

Particulars					Previous year			
	Pressing Division	Bus Body Building Division	Eliminations	Total	Pressing Division	Bus Body Building Division	Eliminations	Total
REVENUE								
From external customers	643,031,143	3,526,324,293	-	4,169,355,436	579,669,364	3,370,385,208	-	3,950,054,572
Add: Inter-segment sales	32,209,979	-	(32,209,979)	-	21,899,039	-	(21,899,039)	-
Total Revenue	675,241,122	3,526,324,293	(32,209,979)	4,169,355,436	601,568,403	3,370,385,208	(21,899,039)	3,950,054,572
RESULT								
Segment Result	21,342,960	190,566,769	-	211,909,729	56,706,351	131,621,330	-	188,327,681
Unallocated Corporate expenses				(22,053,007)				(19,820,118)
Operating Profit				189,856,722				168,507,563
Other income				1,386,964				3,640,721
Finance cost				(3,841,939)				(3,314,643)
Unallocated other income				67,051,439				67,249,375
Profit before tax				254,453,186				236,083,016
Tax expense				89,144,147				83,498,100
Net Profit after Tax				165,309,039				152,584,916
OTHER INFORMATION								
Segment Assets	406,018,991	1,474,077,830	-	1,880,096,821	428,231,367	1,700,556,079	-	2,128,787,446
Unallocated Corporate Assets				891,474,146				676,578,318
Total assets				2,771,570,967				2,805,365,764
Segment Liabilities	101,425,341	671,276,420	-	772,701,761	129,555,950	724,925,566	-	854,481,516
Unallocated Corporate Liabilities				203,791,844				205,178,959
Total liabilities				976,493,605				1,059,660,475
Capital expenditure during the year								
-Additions to segment assets	14,418,791	27,106,072	-	41,524,863	20,855,116	95,646,561	-	116,501,677
Depreciation/Amortisation	20,091,902	35,480,673	-	55,572,575	(2,852,668)	15,815,681	-	12,963,013
Significant non-cash expense other than depreciation/ amortisation								
Provision for doubtful debts/advances	-	525,914	-	525,914	-	-	-	-
Bad debts/advances written off	-	-	-	-	-	4,697,370	-	4,697,370
Provision for doubtful debts written back	-	-	-	-	-	4,697,370	-	4,697,370
Unrealised exchange differences	-	23,611	-	23,611	-	(17,924)	-	(17,924)

The Company does not have any reportable secondary (geographical) segments.



Notes forming part of the Financial Statements

45) Details of inter Corporate Deposit

	Name of Party	Amount	Rate of Interest	Purpose
1	Tata Motors Limited	270,000,000	8.50%	General Business
2	Tata Cleantech Capital Limited	150,000,000	8.55%	General Business
3	Tata Cleantech Capital Limited	400,000,000	8.75%	General Business

46) As per the provisions of section 135 of the Companies Act, 2013, the Company is required to spend ₹ 4,900,000/- towards Corporate Social Responsibility (CSR) activities. The Company has spent an amount of ₹ 3,700,000/- during the year and intends to spend the balance in the coming financial years in line with the CSR policy of the Company.

47) The Company does not have any long-term contract including derivative contract for which provision would be required for material foreseeable losses.

48) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosures.

Shrinivas Dempo
Chairman - DIN 00043413

Ravindra Pisharody
Director - DIN 01875848

Steven Pinto
Director - DIN 00871062

P F X D'Lima
Director - DIN 00001890

R Ramakrishnan
Director - DIN 03394401

A Gajendragadkar
Director - DIN 02727909

Vaijayanti Pandit
Director - DIN 06742237

O V Ajay
CEO & Executive Director - DIN 07042391

Raghwendra Singh Butola
Chief Financial Officer

Pravin Satardekar
Company Secretary

Place : Mumbai,
Dated : 25th May, 2016

ROUTE MAP TO THE VENUE OF THE 36TH ANNUAL GENERAL MEETING



Important Communication to Members

A Green Environment Initiative

The Company's philosophy focuses on making the environment greener for the benefit of posterity. In this regard, Your Company encourages its shareholders to register/update the e-mail ids for communication purpose thereby contributing to the environment.

Members may kindly note that the Notice of AGM and the Annual Report will also be available on the Company's website.



AUTOMOBILE CORPORATION OF GOA LIMITED

Registered Office : Honda, Sattari, Goa - 403 530

ATTENDANCE SLIP

Regd. Folio No _____ ** Client I.D. _____

** D.P. I.D. _____

36th Annual General Meeting - August 01, 2016

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the **36th Annual General Meeting** of the Company held on **Monday, August 1, 2016** at **3.30 pm** at the Registered Office at Honda Sattari, Goa - 403 530.

*Member's / Proxy's Name in Block Letters _____

* Member's / Proxy's Signature _____

Note :

- Member / Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed, at the registration counter.
- The Copy of the Notice may please be brought to the Meeting Hall.

*** Strike out whichever is not applicable.**

**** Applicable for investors holding shares in electronic form.**

User ID & Password for e-voting



AUTOMOBILE CORPORATION OF GOA LIMITED

Registered Office : Honda, Sattari, Goa - 403 530

Form No. MGT-11 Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L35911GA1980PLC000400
 Name of the company : Automobile Corporation of Goa Limited
 Registered office : Honda, Sattari, Goa - 403 530

Name of the member (s) :	_____
Registered address :	_____
E-mail Id :	_____
Folio No/ Client Id :	_____
DP ID :	_____

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

1. Name : _____
 Address : _____
 E-mail Id : _____
 Signature : _____, or failing him

2. Name : _____
 Address : _____
 E-mail Id : _____
 Signature : _____, or failing him

3. Name : _____
 Address : _____
 E-mail Id : _____
 Signature : _____

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held on Monday, August 1, 2016 at 3.30 pm at Honda, Sattari, Goa - 403 530 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. **1.** To consider & adopt the audited financial statements together with the reports of the Directors & Auditors **2.** To confirm the payment of Interim Dividend & declare Final Dividend **3.** To appoint a Director in place of Mr R Ramakrishnan who retires by rotation being eligible offers himself for re-appointment **4.** To Re-appoint Statutory Auditors **5.** To appoint Mr Shrinivas Dempo as Independent Director

Signed this..... day of..... 20....

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ACGL New Products



Hybrid Bus



Elanza Model for Export



Nova Model for Luxury Segment



Winger - Animal Rescue Van



4T School Bus 'Kidz'



Amphibious

ACGL Luxury Coach - Nova



AUTOMOBILE CORPORATION OF GOA LIMITED

Registered Office : Honda, Sattari, Goa - 403 530.
www.acglgoa.com