

FORM A

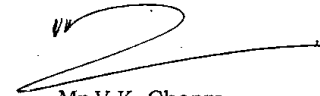
Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1	Name of the Company	AKAR TOOLS LIMITED
2	Annual Standalone financial statements for the year ended	31 st March, 2015
3	Type of Audit Observations	Unqualified
4	Frequency of observation	N.A.


For AKAR TOOLS LIMITED


Mr. Sunil Todi
Managing Director


Mr. Radhamohan Garg
Chief Financial Officer


Mr. V.K. Chopra
Audit Committee Chairman

For A.K. BAGADIA & CO.
Chartered Accountants


A.K. BAGADIA
Proprietor
Membership No:30520
FRN: 100846W

ENGINEERING EXCELLENCE GROWTH

Akar Tools Limited | Annual Report, 2014-15



CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri R.L. Gupta, *Chairman*

Shri Sunil Todi, *Managing Director*

Shri N.K. Gupta, *Non-Executive Director*

Shri P. M. Nijampurkar, *Executive Director*

Shri V K Chopra, *Independent Director*

Capt Surendra Kumar Shukla IRS (retd), *Independent Director*

Smt. Shilpa Sharma, *Independent Director (Women Director) (w.e.f 31.03.2015)*

COMPANY SECRETARY

Rajashree Dubey

CHIEF FINANCE OFFICER

Shri Radhamohan Garg

AUDITORS

A K Bagadia & Co.

BANKERS

Canara Bank

REGISTERED OFFICE

304, Abhay Steel House
Baroda Street, Carnac Bunder
Mumbai – 400009.

ADMINISTRATIVE AND CORPORATE OFFICE

E-5, MIDC Area, Waluj
Aurangabad - 431136
Maharashtra.

REGISTRAR & SHARE TRANSFER AGENTS

Big Share Services Pvt. Ltd.
E-2, Ansa Indl. Estate,
Sakivihar Road, Saki Naka,
Andheri (e), Mumbai-400072
Ph. No. 022- 28473474 / 28473747 / 28470652.

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NOTICE TO MEMBERS

Notice is hereby given that the Twenty Sixth Annual General Meeting of the members of Akar Tools Ltd will be held on 30th September, 2015 at 11.00 a.m. at Y.B. Chavan Centre, General Jagannath Bhosle Marg, Opp. Mantralaya, Nariman Point, Mumbai-400021 to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and the Statement of Profit & Loss Accounts for the year ended 31st March, 2015 together with the Report of the Board of Directors and the Auditors thereon.
2. To declare dividend for the Financial Year ended 31st March, 2015.
3. To appoint a Director in place of Shri. N. K. Gupta (holding DIN 00062268), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify appointment of Statutory Auditors to hold office from conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS:

5. To Consider and if thought fit, to pass with or without modifications, the following resolution:
(As an ORDINARY RESOLUTION)

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force), approval of the Board of Directors of the Company for the financial year ending 31st March, 2016 to M/s B. R. Chandak & Co . Cost Accountants, for conducting Cost Audit of all applicable products, be and is hereby ratified and confirmed.

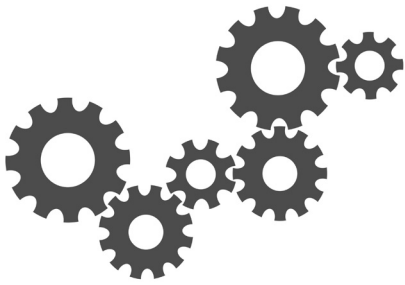
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To Consider and if thought fit, to pass with or without modifications, the following resolution:
(As an ORDINARY RESOLUTION)

"RESOLVED THAT pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for time being in force) read with Schedule IV to the Companies Act, 2013, Smt Shilpa Sharma (holding DIN No 07143207), who was appointed an Additional Director of the Company w.e.f. 31st March, 2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 29th September, 2020 on the terms and conditions referred to in the explanatory statement of material fact annexed to the Notice."

7. To Consider and if thought fit, to pass with or without modifications, the following resolution:
(As a SPECIAL RESOLUTION)

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities including the Central Government in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment and remuneration of, Shri Sunil Todi (DIN:00061952) be and is hereby re-appointed as Managing Director of the Company for a period of Five years w.e.f 17.09.2015 to 18.09.2020 on the remuneration and terms and conditions as set out



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in the explanatory statement with liberty to the Board of Directors (hereinafter referred to the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit and as may be acceptable to Shri Sunil Todi, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof;

RESOLVED FURTHER THAT notwithstanding anything herein, where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company may subject to receipt of the requisite approvals including approval of Central Government, if any, pay to the Managing Director the above remuneration as the minimum remuneration by way of salary, perquisites, performance pay, other allowances and benefits as specified in the explanatory statement annexed to the Notice convening this Meeting and that the perquisites pertaining to contribution to provident fund, superannuation fund or annuity fund, gratuity and leave encashment shall not be included in the computation of the ceiling on remuneration specified in Section II and Section III of part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution."

8. To Consider and if thought fit, to pass with or without modifications, the following resolution:
(As a SPECIAL RESOLUTION)

"RESOLVED THAT in supersession of the ordinary resolution passed by the Members of the Company at the General Meeting, if any and pursuant to the

provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board"), to borrow any sum or sums of money from time to time at its discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other Persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital of the Company and its free reserves subject to such aggregate borrowings not exceeding the amount which is Rs. 150 crore (One Hundred Fifty Crores only) over and above the aggregate of the paid-up share capital and free reserves of the Company that is to say, reserves not set apart for any specific purpose and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

9. To Consider and if thought fit, to pass with or without modifications, the following resolution:
(As a SPECIAL RESOLUTION)

“RESOLVED THAT in supersession of the ordinary resolution passed by the Members of the Company at General Meeting, if any and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the for creation of charge/mortgage/pledge/ hypothecation /security in addition to existing charges such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties, tangible or intangible assets of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company, as the case may be in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings availed/to be availed by the Company by way of loan(s) any, from time to time, subject to the limits approved under Section 180(1)(c) of the Act.

RESOLVED FURTHER THAT the securities to be created

by the Company as aforesaid may rank prior /pari passu /subservient with/to the mortgages and /or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle, and execute such documents, deeds, writings and or agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages / charges as aforesaid.”

By the Order of the Board of Directors

Place : Aurangabad.

Date : 12th August, 2015

Rajashree Dubey
Company Secretary

NOTES FOR MEMBERS' ATTENTION:

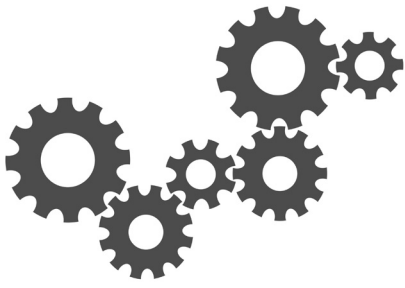
1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten per cent 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 instrument appointing the proxy should, however, is

deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Notice.

2. An explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Businesses to be transacted at the Annual General Meeting is attached hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2015 to 30th September, 2015 (both days inclusive). The dividend, if declared, will be paid to those members whose name appears on the Register of Members of the Company as on 30th September, 2015.
4. To support the 'Green Initiative', the Members who



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have not registered their e-mail addresses are requested to register the same with Registrars and Share Transfer Agent/Depositories.

5. Electronic copy of the Annual Report As part of the Green Initiative of the Ministry of Corporate Affairs, the members who wish to receive notice/documents through e-mail may kindly intimate their e-mail addresses to the Company's Compliance Officer at corporate@akartoolsltd.com.
6. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividend for a period of seven years from the date of transfer to unpaid Dividend Account of the company is credited to the Investor Education and Protection Fund (the IEPF). Accordingly, amounts have been transferred to the Investor Education and Protection Fund from time to time. All persons are requested to note that no claims shall lie against the Company or the said fund in respect of any amounts which were unclaimed and unpaid for a period of 7 years from the dates that they first become due for payment and no payment shall be made in respect of any such claims.
7. Members are requested to send all their documents and communication pertaining to shares to Big Share Services Private Limited , Share Transfer Agent of the Company at their address E-2, Ansa Indl Estate, Sakivihar Road, Saki Naka, Andheri (e), Mumbai-400072, for both physical and demat segments of equity shares.
8. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Big Share Services Pvt Ltd for their doing needful.
9. Members are requested to notify change in address, if any, immediately to Big Share Services Pvt Ltd quoting their folio numbers.
10. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name,

Transmission of shares and Transportation of Shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.

11. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address as soon as possible. The Securities and Exchange Board Of India(SEBI) has made it mandatory for all Companies to use the bank account details furnished by the Shareholders/ Depositories for depositing of dividends.
13. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report 2014-15 will also be available on the Company's website www.akartoolsltd.com for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same. For any communication, the shareholders may also send requests to the Company's investor email id: corporate@akartoolsltd.com.

VOTING THROUGH ELECTRONIC MEANS:

- I In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Company (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an attentive mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 26th Annual General Meeting of the Company.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits

Client ID,

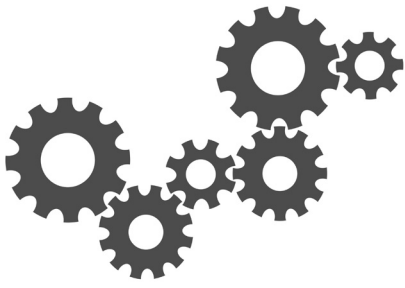
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/ Postal Ballot Form/mail) 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 serial number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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



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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 the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to helpdesk. evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - (B) The voting period begins on 25th September, 2015 at 9:00 a.m. and ends on 26th September, 2015 at 11:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (C) 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.
- II A copy of this notice has been placed on the website of the Company and the website of CDSL.
 - III Shri Pankaj N Desai (COP No 4098), Practising Company Secretary has been appointed as Scrutinizer for conducting the e-voting process in a fair and transparent manner.
 - IV The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
 - V The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.akartoolsltd.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the

Company and communicated to the BSE.

- VI For members who wish to vote through Ballot Forms:
- a. The Ballot Form is provided for the benefits of shareholders, who do not have access to remote E-Voting Facility.
 - b. Pursuant to Clause 35B of the Listing Agreement who do not have access to remote E-voting facility, may exercise their right to vote on business to be transacted at the Annual General Meeting of the Company by submitting the Ballot Form enclosed to this Annual report.
 - c. Shareholders may fill in the Ballot Form enclosed with the Annual report (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to the Scutinizer, viz. Shri Pankaj Desai, Company Secretaries, C/o Akar Tools Ltd, 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai, so as to reach by 5.00 p.m on 29th September, 2015. The Ballot Form received thereafter will be strictly treated as not received.
 - d. A Shareholder can opt for only one mode of voting

either through remote E-voting or by Ballot or by Poll. If a shareholder cast their votes by all modes, then voting done through remote E-voting shall prevail and the Ballot Form shall be treated as invalid.

- e. Shareholders who do not have access to E-Voting and intend to cast their votes through the Ballot Form should follow instructions as mentioned in Ballot Form.

VII. General Instruction:

Members, who have registered their E-mail addresses with the Company or their Depository Participant, are being sent the AGM Notice along with the Annual report, Attendance Slip, Proxy & Ballot Form by email and others are being sent by post.

By the Order of the Board of Directors

Place : Aurangabad.
Date : 12th August, 2015

Rajashree Dubey
Company Secretary

ANNEXURE TO THE NOTICE:

Explanatory Statement as required under Section 102 (1) of the Companies Act, 2013 & the Listing Agreement setting out all material facts relating to the Special Business:

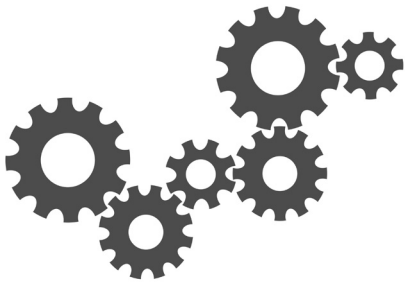
ITEM NO 5:

In Pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors (Board) shall appoint an Individual who is Cost Accountant in practice, as Cost Auditor on the recommendation of the Audit Committee, which shall also recommend remuneration for such auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board and ratified by the Members.

On recommendation of Audit Committee, the Board at their meeting held on 12th August, 2015 has approved appointment and fixed remuneration for M/s B. R. Chandak & Co, Cost Accountants, for conducting of Cost Audit of all applicable products for the Financial Year ending 31st March, 2016.

M/s. B. R. Chandak & Co has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the past several years.

The Board of Directors recommends the proposed resolution for your approval.



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None of the Directors or Key Managerial Personnel or their relative(s) is/are in any way concerned or interested, in passing of the above mentioned resolution.

ITEM NO 6:

Smt Shilpa Sharma has been appointed on 31st March, 2015 as an Additional Director by the Board of Directors of the Company, pursuant to the provisions of Article 121 of the Article of Association of the Company and Section 161 of the Companies Act, 2013. According to the provision of the said Article and the said section, she will hold office only up to the date of this Annual General Meeting.

In the opinion of the Board, Smt Shilpa Sharma fulfills the conditions specified in the Companies Act, 2013 and the rules made there under for her appointment as an Independent Director of the Company and is independent of the management. Copy of draft letter of appointment of Smt Shilpa Sharma as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

It is, therefore, in the Company's interest that the Company should continue to avail of her services as a member of the Board. Accordingly, the Board recommends the resolution in relation to appointment of Smt Shilpa Sharma as an Independent Director, for the approval by the shareholders of the Company.

Except Smt Shilpa Sharma, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in this item of the notice. This explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

ITEM NO: 07

The members at the Extra-Ordinary General Meeting held on 14th June, 2011 has approved the appointment of Shri Sunil Todi as Managing Director of the Company designated as "Managing Director " for a period of 5 years from 16th September, 2010 to 15th September, 2015, and remuneration

in the scale of ` Rs. 1,50,000 to Rs 3,00,000 p.m. The annual increment payable will be due on 01st September each year and will be determined by the Board of Directors on the recommendation of remuneration committee. The term of 5 years of Shri Sunil Todi is expiring on 15th September, 2015.

Considering the significant growth achieved by the Company and the ambitious growth plan for immediate future, the responsibilities borne by the Managing Director and the industry standards, the Board of Directors of the Company at its Meeting held on 12th August, 2015 has pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of members, approved re-appointment and remuneration of Shri Sunil Todi, as the Managing Director under the Companies Act, 2013 to be designated as Managing Director (MD) for a term of 5 years w.e.f. 16th September, 2015 to 15th September, 2020 (both days inclusive). The Managing Director shall also be a Key Managerial Personnel under Section 203 of the Companies Act, 2013.

The material terms of appointment and remuneration as contained in the draft Agreement are given below :

1. Period of appointment : Five years effective from 16th September, 2015.
2. Remuneration:
 - a) Basic Salary : As may be decided by Nomination and Remuneration Committee from time to time in the scale of Rs. 3,00,000 (Rupees Three lacs only) p.m. to Rs. 5,00,000 (Rupees Five lacs only) p.m.
3. Perquisites :
 - a) Medical reimbursement : Expenses incurred for self and family as per the Company's rule.
 - b) Personal Accident Insurance : Premium as per the Company's rule.
 - c) Club Fees : Fees of maximum two Clubs excluding admission and life membership fees.
 - d) Leave Travel Allowance : For self and family once a year in accordance with the rules of the Company.
 - e) Contribution to provident fund, superannuation

- fund to the extent these either singly or put together are not taxable under the Income tax act, 1961.
- f) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - g) Encashment of leave at the end of the tenure.
 - h) Car: Provision for car for use on Company's business will not be considered as perquisites.
 - i) Telephone: Company will reimburse the expenses in connection with the telephone as per the rules of the company
 - j) The shall reimburse actual entertainment and travelling expenses incurred in connection with the company's business.
 - k) Such other allowances, benefits, amenities, and facilities as per the Company's rules and policies.
4. Minimum Remuneration: Notwithstanding anything contained herein, where in any financial year, during the salary of the tenure of the appointee, the company has no profits or its profits are inadequate, the company may, subject to the requisite approval, pay remuneration by way of salary, perquisites not exceeding the maximum limit laid down in Section II of Part II of Schedule V to the companies Act, 2013, as may be agreed by the Board of Directors.

The terms and conditions of the said appointment and/or the Agreement are subject to provisions of Section 196,197 and 198 of the Companies Act, 2013, read with Part II of Schedule V and may be altered, and varied from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations.

In Compliance with the provisions of the Companies Act,2013 the appointment and the terms of remuneration specified above are now being placed before the Members in the Annual General Meeting for their approval. The Board recommends passing of the Ordinary Resolution in the best interest of the company.

Shri Sunil Todi does not hold by himself or for any other person on a beneficial basis, any shares in the company.

The above may be treated as an abstract of the terms of contract between the company and Shri Sunil Todi under section 196 of the Companies Act,2013. A copy of the aforesaid document setting out the terms and conditions is available for inspection without any fees by the Members at the Company's Registered office during normal business hours on working days up to the date of the Annual General Meeting.

The agreement with Shri Sunil Todi can be terminated by Shri Sunil Todi or by the Company by giving 6 months notice period in writing.

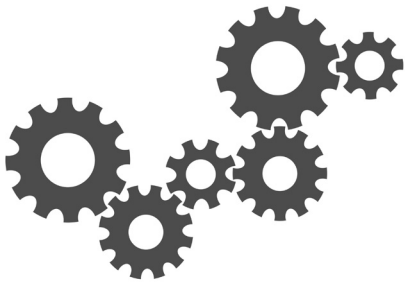
ITEM NO 8 & 9

On 28th September, 2007 the 18th Annual General Meeting, members of the Company held by way of an ordinary resolution accorded their consent & provided to the Board of Directors the power to borrow funds and to mortgage and/or create charge on all or anyone of the moveable /immovable properties or such other assets of the Company, to the extent of Rs 150 Crores in excess of the paid up capital and free reserves of the Company.

Consequent to implementation of Section 180 of the Companies Act, 2013 consent of the Company is required approval of member by way of a special resolution to borrow funds in excess of the paid up capital and free reserves of the Company and to create security for the same.

Accordingly, Item no 08 & 09 have been put forward for your approval. For the avoidance of doubt, it is clarified that these resolutions do not increase the amounts that may be borrowed by the Board of Directors or the amount of charges that may be created that had already been approved by the members of the Company.

The Board of Directors recommends the Resolution at Item No 08 & 09 or our approval as Special Resolutions, Directors, Key Managerial Personnel and their relatives who are members of the Company, may be deemed to be concerned or interested in this resolution to the extent of their shareholding in the Company to the same extent as that of every other member of the Company.



AKAR TOOLS LIMITED

Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting fixed on Wednesday, the 30th September, 2015 as required under clause 49 of the Listing Agreement with Stock Exchanges are given hereunder :-

Name of Director	Shri N. K. Gupta	Smt Shilpa Sharma	Shri Sunil Todi
Date of Appointment	21.06.1989	31.03.2015	16.10.2010
Expertise in specific functional areas	Production & Administration	Administration	Finance & Administration
List of other Directorship held excluding foreign Companies, Companies under section 25 of the Companies Act 1986 and private Companies	1. R. L. Steels & Energy Limited. 2. Gupta Con-Cast Ltd	NIL	R. L. Steels & Energy Limited
Chairman/Member of the committees of the Board of other Companies in which he/she is a Director @	NIL	NIL	NIL
No of Shares held in Company	94850 equity shares of Rs. 10/- each	NIL	NIL
Relationship between Directors Interse*	Son of Shri R. L. Gupta	NIL	NIL

@ Committee positions only of Audit Committee and Shareholders'/Investors' Grievance Committee in Public Companies have been considered.

* Under the Companies Act, 2013.

On Behalf of the Board of Directors

Place: Aurangabad
Date: 12th August, 2015

Rajashree Dubey
Company Secretary

DIRECTORS' REPORT

Dear Shareholders,

Your Directors hereby present their Twenty Sixth Annual Report along with Audited Statement of Accounts of the Company for the year ended March 31, 2015.

FINANCIAL RESULTS AT A GLANCE:

PARTICULARS	(Rs. in Lacs)	
	31st March, 2015	31st March, 2014
Net Revenue from operations	16635.57	14255.59
Other Income	8.29	9.30
Profit before tax and exceptional items	92.90	135.81
Exceptional items	87.77	0.00
Profit before tax	180.67	135.81
Profit After Tax	122.68	68.96
Balance Brought Forward	1110.71	1094.61
Amount available for Appropriation	1233.39	1163.57
APPROPRIATIONS:		
Dividend	37.76	32.36
Dividend Tax	6.42	5.50
General Reserve	0	15.00
Balance Carried Forward	1189.21	1110.71
	1233.39	1163.57
Earnings Per Share	2.27	1.28

The Company achieved total turnover of Rs. 16635.57 lacs against Rs.14255.59 lacs in the previous year which is more than 16.70%. The Net Profit after tax was also increased to Rs.122.68 lacs against Rs 68.96 in the previous year. This could be achieved by adding new customer both in India and abroad.

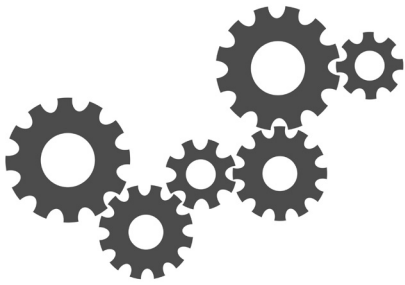
The Company expects to improve its performance during the year, as the addition of new customers will results in increase turnover and profit. The market for the Automobile Industry is still competitive but hope that for Next Quarter of Current Year things will start improving.

DIVIDEND

Your Directors recommend a dividend of 7 % (i.e. Rs. 0.70 per share) on 53, 94, 005 equity shares of Rs.10 each for 2014-15, Subject to the approval of the Shareholders at the Annual General Meeting to be held on 30th September, 2015.

DIRECTORS

Shri N. K. Gupta, Director of the Company will retire by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of Companies Act, 2013 and being eligible and offered himself for re-appointment.



INDEPENDENT DIRECTORS

The Board of Directors of the Company has, on the recommendation of Nomination and Remuneration Committee, appointed Smt Shilpa Sharma as Additional Director w.e.f. 31.03.2015 in the category of Independent & Non- Executive Director.

The Board has received declarations from all Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under Sub-Section (6) of Section 149 of the Companies Act, 2013 and who in the opinion of the Board fulfills the conditions specified in the Act and the rules made there under and are Independent of the Management. Thus the Board recommended their appointment as Independent Directors.

Brief details of the Director, who is to be appointed/re-appointed as mentioned herein above has been furnished along with the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (5) of Section 134 of the companies act, 2013, your directors confirm that:

- 1 in the preparation of annual accounts, the applicable accounting standard had been followed along with proper explanation relating to material departures.
- 2 the Directors had in consultation with Statutory Auditors, 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 Net Profit of the Company for the Financial Year Ended 31st March, 2015.
- 3 the Directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
- 4 the Directors have prepared the annual accounts on a 'going concern' basis.

5 The Directors have laid down adequate Internal Financial Controls to be followed by the Company and such Internal Financial Controls were operating effectively during the Financial Year Ended 31st March, 2015.

6 The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the Financial Year Ended 31st March, 2015.

AUDITORS

The Shareholders of the Company in their Twenty Fifth Annual General Meeting held on 29th September, 2015 had accorded their approval pursuant to the provisions of Section 139, 141 and other applicable provisions of Companies Act, 2013 and rules made there under to appoint M/s A. K. Bagadia & Co., Chartered Accountants, as Statutory Auditor of the Company of the period of three years commencing from the conclusion of Twenty Fifth Annual General Meeting until the conclusion of Twenty Eighth Annual General Meeting.

The Board of Directors of the Company has pursuant to the provisions of Section 139, recommended the ratification of appointment M/s A. K. Bagadia & Co, Chartered Accountants for the approval of the Shareholders from the conclusion of Twenty Sixth Annual General Meeting till the conclusion of Twenty Seventh Annual General Meeting.

The Auditor's report to the Shareholders for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

SECRETARIAL AUDIT

The Secretarial Auditors, M/s KMP & Associates, Company Secretaries, has issued Secretarial Audit Report of the Financial Year 2014-15 pursuant to Section 204 of the Companies Act, 2013, which is annexed to the Director's Report as Annexure I.

COST AUDITOR

Your Directors have appointed M/s B. R. Chandak & Co, Cost Accountants, as the Cost Auditors for the Financial Year 2015-16. M/s B. R. Chandak & Co , Cost Accountants will submit the cost audit report alongwith annexure to the Central Government (Ministry of Corporate Affairs) in the prescribe form within specified time and at the same time forward a

copy of such report to your company.

PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES:

Details of investments made have been given in note no. 12 to the Financial Statement.

Details of Loans given is given note no. 13 to the Financial Statement.

The Company has not given any guarantee pursuant to the provisions of Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

The Company has entered into contract/arrangements with the related parties in the ordinary course of business and on arm's length basis. Thus provisions of Section 188(1) of the Act are not applicable.

CORPORATE GOVERNANCE

Your Company reaffirms and remains committed to high standards of Corporate Governance. The Company believes that appropriate disclosures procedures, transparent accounting policies, strong and independent Board practices and highest levels of ethical standards are critical to enhance and retain investor trust and generate sustainable corporate growth. Your Company established systems and procedures to comply with the amended provisions of the Code of Corporate Governance and complied with all the requirements of the Code of Corporate Governance as per Clause 49 of the Listing Agreement with the stock exchange. A Report separately titled "Corporate Governance" along with Auditors' Certificate, regarding compliance of the same are annexed as a part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

As required under Clause 49 of the Listing Agreement with stock exchange, a management discussion and analysis report, inter-alia, deals adequately with operations and the current and future outlook of the Company is annexed and form as part of this Annual Report.

WHISTLE BLOWER POLICY

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and

ethical conduct. The Company has a Whistle Blower Policy under which the employees are free to report violations of the applicable laws and regulations and Code of Conduct.

Whistle Blower Policy is available on the website of the company at www.akartoolsltd.com.

ANNUAL RETURN

The extract of Annual Return is annexed to Director's Report as Annexure II.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company's internal financial control systems are commensurate with the nature, size and complexity of the businesses and operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and the follow up action are reported to the Audit Committee.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details are required under section 197(12) of the Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 provided in the Board Report as Annexure III.

FIXED DEPOSIT

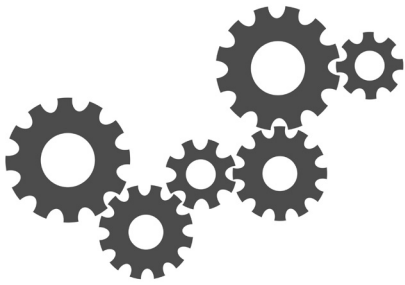
Your Company has not accepted any deposits, covered under Chapter V of the Companies Act, 2013 and hence no details pursuant to Rule 8(v) and 8(vi) of the Companies (Accounts) Rules, 2014 are reported.

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

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention and Prohibition and Redressal) Act, 2013 read with rule 14, the internal committee constituted under the said act has confirmed that no complaint/case has been filed/pending with the Company during the year.

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

The information relating to energy conservation, technology absorption and foreign exchange earnings and outgo as



AKAR TOOLS LIMITED

required to be disclosed under the Companies (Accounts) Rules, 2014 are in Annexed as a part of this Directors Report as Annexure IV.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the assistance and cooperation received from its bankers, customers (domestic as well as overseas), suppliers, shareholders, staff from each level and other business associates for their valuable contribution in the growth of

the organization whose continuous support and cooperation has been a source of strength to the company enabling it to achieve its goals. The Directors look forward to their continued support in future.

By the Order of the Board of Directors

Place : Aurangabad.

(N.K.Gupta)

Date : 12th August, 2015

Chairman

ANNEXURE-I TO DIRECTORS' REPORT:

FORM NO. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st march, 2015

To,
The Members,
Akar Tools Ltd
304 Abhay Steel House Baroda Street,
Carnac Bunder
Mumbai-400009

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information

provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 (hereinafter called "the Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (*Not applicable to the Company during the Audit Period*);
- (v) The following Regulations and Guidelines prescribed

under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- 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)*;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India *(Not applicable to the Company during the Audit Period)*;
- (ii) The Listing Agreements entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the matters reported below:

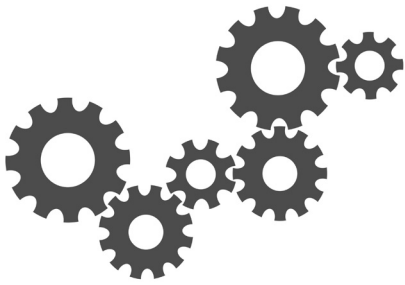
- (i) The Company has filed various returns and forms under the Companies Act, 2013 with the Registrar of Companies, and under the Listing Agreement, with the Stock Exchange, in compliance with the provisions of the respective statutes, beyond the time specified in the Act and/or Rules, on payment of additional fees, wherever applicable. Further, certain events required to be reported to the Registrar of Companies, have not been filed as on the date of the report. However, the company is in the process of complying with this requirement.
- (ii) The disclosures required to be made under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, at the time of creation/release of encumbrance by the promoters on the shares held by them in the Company have not been done.
- (iii) The Company has not adopted any Code for Internal Procedures and Conduct under the SEBI (Prohibition of Insider Trading) Regulations 1992 and has not identified and maintained a list of designated employees, however, the Company is in the process of adopting a Code.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, except the obtaining of deposit of Rs 1 lac from the person proposing candidature for appointment as director.

The Company has reconstituted the Board of Directors as well as the Audit Committee and Nomination and Remuneration Committee in order to comply with the requirement relating to their constitution, in accordance with the provisions of the Companies Act, 2013 and the Listing Agreement and such reconstitution was carried out within the time prescribed under the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda was sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful



AKAR TOOLS LIMITED

participation at the meeting

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes.

Based on the representations given by the Officers of the Company and the information provided to us regarding the compliance system followed by the Company, we further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, as covered in the scope of the audit above.

Based on the representations from the Company and its officers, we further report that, during the audit period, there were no other specific events / actions in pursuance of

the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

**For KMP & Associates
Company Secretaries**

**CS Kajal R. Desai
Partner**

Date: 10th August, 2015

Place: Aurangabad

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

ANNEXURE A

To,
The Members,
Akar Tools Ltd

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other

designated professionals, and is not covered under the scope of statutory audit.

4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For KMP & Associates
Company Secretaries**

**CS Kajal R. Desai
Partner**

Date: 10th August, 2015

Place: Aurangabad

ANNEXURE-II TO DIRECTORS' REPORT:

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS

a.	CIN	L29220MH1989PLC052305
b.	Registration Date	21st June, 1989
c.	Name of the Company	AKAR TOOLS LTD
d.	Category/Sub-category of the Company	Public
e.	Address of the Registered office & contact details	304, Abhay Steel House, Baroda Street Carnac Bunder, Mumbai Maharashtra 400009
f.	Whether listed company	Yes
g.	Name, Address & contact details of the Registrar & Transfer Agent	Bigshare Services Pvt.Ltd. E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri(E),Mumbai-400072

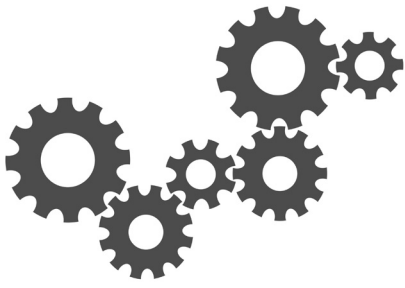
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(Contributing 10% or more of the total turnover)

Sr. No.	Name & Description of main products	NIC Code of the Product / service	% to total turnover of the company
a.	Manufacturing of Drop Forged Hand Tools	25933	67.10
b.	Manufacturing of Leaf Spring	25910	32.90

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/ GLN	Holding/Subsidiary /Associate	% of shares held	Applicable section
1.	NIL.				



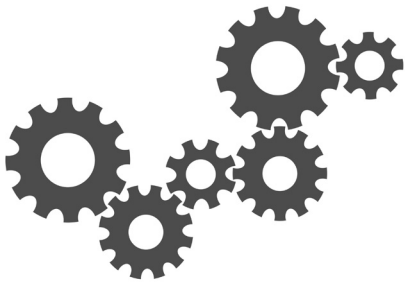
AKAR TOOLS LIMITED

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

i. Category-wise of Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	849275	-	849275	15.74	849275	-	849275	15.74	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	929898		929898	17.23	929898		929898	17.23	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other (Directors and their relatives)	2161740	-	2161740	40.07	2161740	-	2161740	40.07	-
SUB TOTAL: (A) (1)	3940913	-	3940913	73.06	3940913	-	3940913	73.06	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	3940913	-	3940913	73.06	3940913	-	3940913	73.06	-
B. PUBLIC SHARE-HOLDING									
(1) Institutions									
a) Mutual Funds	-	900	900	0.01	-	900	900	0.01	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt/State Govt	-	-	-	-	-	-	-	-	-
d) Venture Capital Fund	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIS	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	900	900	0.01	-	900	900	0.01	-
(2) Non-Institutions									
a) Bodies corporate	196399	4100	200499	3.71	63139	4100	267239	4.95	1.23
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lac	614708	87896	702604	13.02	633600	86996	720596	13.35	0.33
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lac	519993	-	519993	9.64	437436	-	437436	8.10	-1.53
c) Others (specify)	-	-	-	-	-	-	-	-	-
i) Clearing Member	2764	-	2764	0.05	1418	-	1418	0.02	-0.02
ii) Non Resident Indian	6232	20100	26332	0.48	5403	20100	25503	0.47	-0.01
SUB TOTAL (B)(2):	1340096	112096	1452192	26.92	1340996	107096	1452192	26.92	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	1340096	112996	1453092	26.93	1340996	107996	1453092	26.93	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	5281009	112996	5394005	100	5286009	107996	5394005	100	-



AKAR TOOLS LIMITED

ii. Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding 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.	Usha Gupta	1117700	20.72	-	1117700	20.72	16.69	-
2.	R.L.Gupta	619125	11.47	-	619125	11.47	-	-
3.	Kamlesh Gupta	600000	11.12	-	600000	11.12	-	-
4.	Raghunandanlal Gupta	444040	8.23	-	444040	8.23	-	-
5.	Akar Alloys Pvt. Ltd	429398	7.96	3.44	429398	7.96	3.44	-
6.	Shatrunji Investment Pvt. Ltd	196100	3.63	-	196100	3.63	-	-
7.	Lavanaya Finvest Private Limited	160000	2.96	1.85	160000	2.96	1.85	-
8.	Aurangabad Forging Private Limited	125600	2.32	-	125600	2.32	-	-
9.	Gupta Con-Cast Limited	100000	1.85	-	100000	1.85	-	-
10.	Narendrakumar Raghunandanlal Gupta	94850	1.75	-	94850	1.75	-	-
11.	Sushila Devi Gupta	18100	0.33	-	18100	0.33	-	-
12.	Nitin Narendrakumar Gupta	17200	0.31	-	17200	0.31	-	-
13.	Sant Eknath Rolling Mills Pvt. Ltd	14200	0.26	-	14200	0.26	-	-
14.	Kathiawad Investment Pvt. Ltd	4600	0.08	-	4600	0.08	-	-
	Total	3940913	73.06	5.29	3940913	73.06	21.98	-

iii. Change in Promoters Shareholding

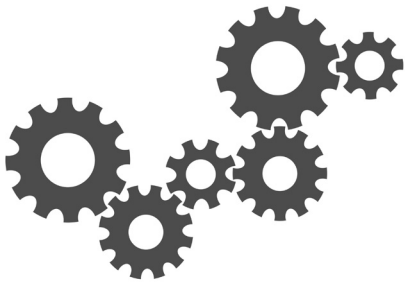
Sr. No.	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	3940913	73.06	3940913	73.06
2.	Date wise increase/decrease in promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)	NIL	NIL	NIL	NIL
3.	At the end of the year	3940913	73.06	3940913	73.06

iv. Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Shareholders Name	Shareholding at the end of the year	
		No. of shares	% of total shares of the company
1.	Sangeetha S	55330	1.02
2.	Dheeraj Kumar Lohia	40838	0.75
3.	Mahendra Girdharilal	38866	0.72
4.	Shah Pradipbhai Babulal	37656	0.69
5.	Rahul Nareshbhai Shah	28382	0.52
6.	Suresh Prasad Baranwal	21563	0.39
7.	Pradip Babulal Shah	19822	0.36
8.	Supriya Vivek Agarwal	19000	0.35
9.	Pankaj Babulal Shah	17596	0.32
10.	Malav Atulbhai Kapadia	17022	0.31

v. Shareholding of Directors & KMP

Sr. No.	For R.L.Gupta Director	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	619125	11.47	619125	11.47
2.	Date wise increase/decrease in promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)	NIL	NIL	NIL	NIL
3.	At the end of the year	619125	11.47	619125	11.47



AKAR TOOLS LIMITED

v. Shareholding of Directors & KMP

Sr. No.	For N. K. Gupta Director	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	94850	1.75	94850	1.75
2.	Date wise increase/decrease in promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)	NIL	NIL	NIL	NIL
3.	At the end of the year	94850	1.75	94850	1.75

vi. Indebtedness

(Rs. in lacs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3288.14	250.00		3538.14
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	3288.14	250.00		3538.14
Change in Indebtedness during the financial year				
Additions		101.82		101.82
Reduction	-120.64	0		-120.64
Net Change	-120.64	101.82		-18.82
Indebtedness at the end of the financial year				
i) Principal Amount	3167.50	350.00		3517.50
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due		1.82		1.82
Total (i+ii+iii)	3167.50	351.82		3519.32

vii. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Key Managerial Personnel & Executive Director

Sr. No.	Particulars of Remuneration	Name of the Key Managerial Personnel				
		Shri Sunil Todi Managing Director	Shri Radhamohan Garg CFO	Ms. Rajashree Dubey Company Secretary	Shri Pradeep Nijampurkar Executive Director	
1.	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	12,54,000	8,19,610	2,06,328	10,32,000	
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	28,13,460	8,06,414	2,39,276	2,85,600	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil	
2.	Stock option	Nil	Nil	Nil	Nil	
3.	Sweat Equity	Nil	Nil	Nil	Nil	
4.	Commission	Nil	Nil	Nil	Nil	
5.	Others, please specify	Nil	Nil	Nil	Nil	
	Total (A)	Gross salary	40,67,460*	16,26,024	4,45,604	13,17,600

*Ceiling as per the Companies Act, 2013: Rs 42,00,000/-

B. Remuneration to other directors:

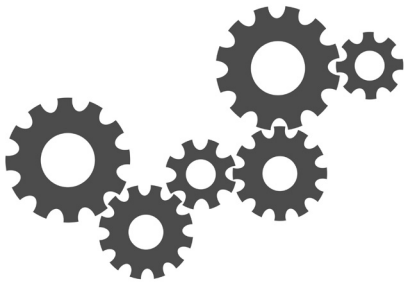
Sr. No.	Particulars of Remuneration	Name of the Directors			Total Amount
1.	Independent Directors	Shri Vijay Kumar Chopra	Shri Surendra Nath Shukla	Smt. Shilpa Vijaykumar Sharma	
	(a) Fee for attending board committee meetings	1,05,000	1,05,000	25,000	2,35,000
	(b) Commission	Nil	Nil	Nil	Nil
	(c) Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	1,05,000	1,05,000	25,000	2,35,000

viii. 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)
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A. COMPANY, DIRECTORS AND OTHER OFFICERS IN DEFAULT

Penalty	NIL
Punishment	
Compounding	



ANNEXURE-III TO DIRECTORS' REPORT:

1. The Ratio of the remuneration of each Director to the median remuneration to the employee of the Company for the financial year 2014-15.

Director's Name	Remuneration (Rs in Lacs)	Median Remuneration (Rs. In Lacs)	Ratio
Shri Sunil Todi	40.67	2.37	17
Shri P.M. Nijampurkar	13.18	2.37	6

*Directors other than Executive Directors have received sitting fees for attending meeting of the Board or its Committees as disclosed in the Corporate Governance Report. The Figures are non-comparable.

2. The Percentage increase in remuneration of each Director, Chief financial officer, Company Secretary in Financial Year 2014-15

Director's/CFO/CS Name	Designation	% increase/decrease in remuneration in the Financial Year 2014-15
Shri Sunil Todi	Managing Director	64%
Shri P. M. Nijampurkar	Executive Director	N.A.
Shri Radhamohan Garg, (Appointed during the year)	Chief Financial Officer	N.A.
Ms. Rajashree Dubey	Company Secretary	10%

3. Percentage increase in the median remuneration of employees in the financial year 2014-15: 17%

4. Number of the Permanent employees on the rolls of the company as on 31.03.2015: 463

5. Explanation on the relationship between average increase in remuneration and the Company Performance.

Particulars	(Rs. in Lacs)	
	2014-15	2013-14
Total Income	16643.86	14264.89
EBIDTA	1027.52	868.03
EBIDTA as % of Total Income	6.2%	6.1%
PBT	180.67	135.81
PBT as % of Total Income	1.1%	1.0%

On an average, employees received an annual increase of 17% in order to ensure that remuneration reflects company's performance. The performance pay of some employees is also linked to organizational performance apart from an individual performance.

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

Aggregate Remuneration of Key Managerial Personal as defined u/s 203 of the companies Act,2013 in the year 2014-15	74.56
Revenue	16635.57
Remuneration of KMP (as % of Revenue)	0.45%
Profit Before Tax (PBT)	180.67
Remuneration of KMP (as % of PBT)	41%

7. Variations in the Market Capitalisation of the Company, Price Earnings Ratio as the Closing date of the Current Financial Year and previous financial year.

Details	31st March 2015	31st March 2014	% increase/decrease
Price Earning Ratio	12.56	12.34	102%
Market Capitalisation (Rs. In Lacs)	1537.29	852.25	180%

8. 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:

Particulars	31st March 2015- (Market Price)	Initial Issue (Year 1995-96)	% Change
Closing Price of BSE India	28.50	30.00	-5%

9. Average percentile increase in salaries of Employees other than 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 average annual increase was around 17%.
The average increase in staff salary for the year 2014-15 was around 23%.
The average increase in Managerial Remuneration for the year 2014-15 was around 28%.

10. Comparison remuneration of each key Managerial Personnel against the performance of the company.

Particulars	Shri Sunil Todi -Managing Director	Shri P. M. Nijam- purkar-Executive Director	Shri Radhamohan Garg* - Chief Financial Officer	Ms. Rajshree Dubey - Company Secretary
Remuneration in FY 15 (Rs in Lacs)	40.67	13.18	16.26	4.45
Total Revenue (Rs in Lacs)	16635.57			
Remuneration as % of Total Revenue	0.24%	0.08%	0.10%	0.03%
Profit before tax (PBT) Rs in Lacs	180.67			
Remuneration (as % of PBT)	22.51%	7.30%	9.00%	2.46%

* Being for the part of the year.

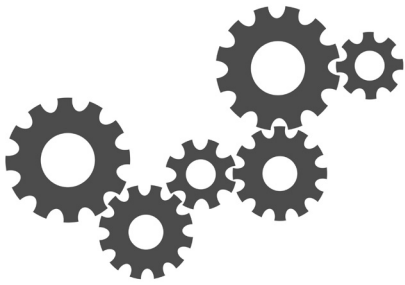
11. Key Parameter for any variable component of remuneration availed by the Director:

No Variable remuneration was given to the Directors.

12. The Ratio of the remuneration of the highest paid director to that of the employees who are directors but receive remuneration in excess the highest paid director during the year: None

13. Affirmation of remuneration is as per the remuneration policy of the company.

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the company.



ANNEXURE-IV TO DIRECTORS' REPORT:

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO: Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. POWER AND FUEL CONSUMPTION:

		2014-15	2013-14
1	ELECTRICITY		
(a)	Purchased		
	Units (KWH)	10,981,686	9,428,010
	Total Amount (Rs.in Lacs)	763.89	628.66
	Rate/Unit Rs.	6.96	6.67
(b)	Own Generation :		
	i) Through diesel generator Unit		
	(Unit per Ltr. Of Diesel oil cost/unit)	NA	NA
	ii) Through steam turbine/generator Units		
	(Units per Ltr. Of fuel oil/gas cost/unit)	NA	NA
2	COAL (specify quality and where used)	NA	NA
	Quantity (tones)		
	Total Cost Rs.		
	Average Rate Per MT		
3	FURNACE OIL & LPG:		
	Quantity (Kg) MT	1,898.21	2512.93
	Total Amount (Rs.in Lacs)	723.15	1079.76
	Average Rate Per MT	38097.35	42968.24
4	OTHER/ INTERNAL GENERATION	NA	NA
	Quantity		
	Total cost		
	Rent/ unit		

B. CONSUMPTION PER UNIT OF PRODUCTION:

		2014-15	2013-14
1	Drop Forged Hand Tools(MT)	5793.59	4656.05
	Electricity Consumption (KW)	1643.17	1687.91
	Fuel	151.27	196.39
2	Leaf Spring (MT)	7943.10	8625.73
	Electricity Consumption (KW)	184	182
	Fuel	128.64	185.23

C. FOREIGN EXCHANGE EARNING & OUTGO:

(Rs. In Lacs)

		2014-15	2013-14
(i)	Earnings:		
	FOB Value of Exports	4402.96	3806.42
(ii)	Expenditures		
	CIF value of Imports		
	Raw materials	76.01	28.69
	Spares & Consumables	6.14	0.54
	Packing Material	1.73	1.81
	Capital Goods	0.00	50.62
	Sales Promotion	0.00	1.41
(iii)	Expenses in Foreign Currency:		
	Travelling / Fare abroad	22.93	23.02
	Commission & Discount	5.11	-

TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

Research and developments of new products, processes and methodologies continue to be important to us. In today's dynamic business environment, innovation through a sustained process of research and development (R & D) is a critical growth driver. R & D will need to focus in the developments and speedy commercialization of globally competitive products, processes and technologies. Your Company pursues R & D strategy premised on best-in-class benchmark research processes to secure sustainable and long term competitiveness for all its business. Its priorities are focused on projects with high research content and high impact. Over the last several years, your Company has assembled a pool of qualified professionals and experts in

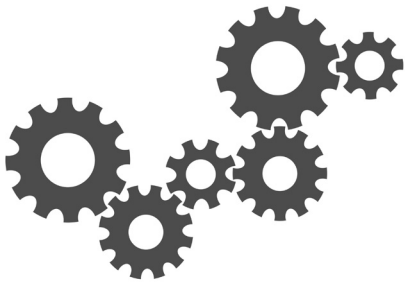
the manufacturing and R & D Department. The Company's Research & Development efforts are focused on the following:

- a. Achieving international quality standards in the process.
- b. Constant improvements in technology thereby optimizing productivity and providing superior products at affordable price.
- c. Improvements in both design and quality of packaging materials to meet international standards.

By the Order of the Board of Directors

Place : Aurangabad.
Date : 12th August, 2015

(N.K.Gupta)
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY SCENARIO

Financial Year 2014-15 was a challenging year. The developments over the last year in the major economic of the world have not been encouraging. The year under review was an eventful year for world economy. The Euro-Zone continued with the economic crisis in the second consecutive year. The market in U.S is showing sign of stabilizing. The automobile industry has witnessed the worst year of its recent history. However the Government has been optimistic to achieve a GDP of 7.4 % for the year 2014-15. Necessary steps like reduction in rate of interest, fiscal and other measures taken by the government to accelerate the economic growth are positive steps in that direction. The economy is witnessing the lower economic growth with the government emphasizing on Make in India and kick starting the economy by spending money on infrastructure projects are the policies in the right directions.

2. OPPORTUNITIES AND THREATS

Opportunities:

The new Government at the centre has expressed a mandate of infrastructure oriented spending for national development. The resultant fiscal spending will give a boost to transport & mining sectors. The changes are however expected towards the later part of the financial year, given the time taken to form and execute policies.

With increasing awareness and education of the Indian customer, a range of non-vehicular products and services like spares, after sales, annual maintenance contracts etc. are also gaining popularity in demand.

India has emerged as a major hub for global manufacturing with its advantage of lower input costs, availability of local supplier base and high domestic demand. As an established domestic manufacturer, the Company is ideally placed to take advantage for targeting lucrative international markets, either through the fully built export or CKD route.

In addition to the above, the Company also has the advantage of a strong in-house design and development facility and professionals. The Company is focusing on increasing its global presence, as an effective hedge against domestic downturn as well as a growth opportunity.

Threats:

Deterioration in global economic conditions: The automotive industry, and the demand for automobiles, is influenced by general economic conditions, including among other things, rates of economic growth, availability of credit, disposable income of consumers, interest rates, environmental and tax policies, safety regulations, freight rates and power cost and commodity prices. Negative trends in any of these factors impacting the regions where the Company operates could materially and adversely affect our business, results of operations and financial condition. The Indian automotive industry is affected materially by the general economic conditions in India and around the world. The progress of the economy also depends on the political situation around the world.

Muted industrial growth in India during FY 2014-15 along with continuing higher inflation and interest rates continue to pose risks to overall growth in this market. The automotive industry in general is cyclical and economic slowdowns in the recent past have affected the manufacturing sector including the automotive and related industries in India.

OUTLOOK

The Indian automotive industry is affected materially by the general economic conditions in India and around the world. Muted industrial growth in India during FY 2014-15 along with continuing higher inflation and interest rates continue to pose risks to overall growth in this market. The automotive industry in general is cyclical and economic slowdowns in the recent past have affected the manufacturing sector including the automotive and related industries in India. Persistence

of negative economic trends or further deterioration in key economic factors such as growth rate, interest rates and inflation as well as reduced availability of financing for vehicles at competitive rates could materially and adversely affect the Company automotive sales in India and results of operations key for this year. The new government emphasis into infrastructure and mining activities. The business for the Company looks to be positive and we will see the improvement from IIIrd Quarter onwards.

RISK AND CONCERNS

The Company has rebuilt systems for risk assessment and mitigation and has a risk policy in place with well-established internal controls and risk management process. Reviews are conducted constantly as per risk based plan.

With rising inflationary pressures, increase in the price of steel and other inputs, weak global recovery, possibility of slow growth rate of Indian Economy and uncertainties of overseas and external factors are the key concerns on the macroeconomic fronts which may have an impact on the company operations in the ensuing year.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations and protecting assets from unauthorized use or losses, compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

DISCUSSION ON THE FINANCIAL PERFORMANCE:

The Company achieved total turnover of Rs. 16635.57 lacs

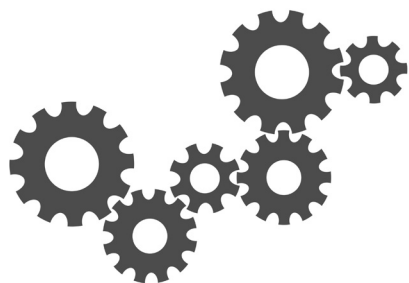
against Rs.14255.59 lacs in the previous year. The net profit after tax was Rs. 122.68 lacs against Rs. 68.96 lacs in the previous year. This could be achieved by adding new customers both in India and abroad.

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

The Company believes that success of any organization depends upon availability of human capital. Our assets are our people who work to innovate beyond and challenge established boundaries. Thus, employees are vital to the Company. We have a favorable work environment that encourages innovation and meritocracy. We focus on attracting the best and brightest talent and the meritocracy is the sole criteria for selection. The Company firmly believes that manpower is the most important asset, above all. The Company has good cordial relation with trade union and employees representatives and views these relationships as contributing positively to the success of the business.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations 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, among others, economic conditions affecting demand /supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.



CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company firmly believes that business is built on ethical values and principle of transparency. Good Governance is an essential ingredient of any business, a way of it rather than a mere legal compulsion. The Company philosophy on Corporate Governance envisages the attainment of high levels of transparency, accountability and equity in all facets of its operations and in all the interaction with its stakeholders, including shareholders, employees, lenders and the Government. The Board of Directors of Company continues to lay great emphasis on the broad principles of Corporate Governance.

II. BOARD OF DIRECTORS

a. Composition of the Board:

As required by the Clause 49 of the Listing Agreement regarding Corporate Governance, the Board of Directors consisted of optimum combination of promoter and Independent Directors. The Board comprises of Total Seven

Directors has a mix of Executive and Non-Executive Directors.

Shri Sunil Todi, Managing Director and Shri P M Nijampurkar, Executive Director are the Whole- time Directors of the Company. The remaining Non-Executive Directors, comprising of three Independent Director and two Non-Independent Directors as on 31st March, 2015 posses the requisite qualifications and experience in general corporate management, finance, banking, insurance, economics and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

b. Number of Meetings of the Board:

During the financial year 2014-15, the Board of Directors met 6 times: on 30th May, 2014, 14th August, 2014, 22nd August, 2014, 12th November, 2014, 11th February, 2015 & 31st March, 2015.

c. Composition/Category of Directors, Attendance Record, Shareholding & Directorship & Membership in other Companies:

The information on composition and category of the Board of Directors as on 31st March 2015, attendance of each Director at Board Meeting held during the financial Year 2014-15 and the Annual General Meeting (AGM) held on 29th September, 2014, Shareholding in the company & directorships positions in other companies are as follows:

Name of the Director	Category	Number of Shares held as on 31.03.2015	Attendance at Meetings		Number of Directorship held in other Companies as on 31.03.2015	
			Board	AGM	Public	Private
1. Shri R. L. Gupta	Promoter and Non- Executive	619125	01	No	02	04
2. Shri N. K. Gupta	Promoter and Non- Executive	94850	06	No	02	00
3. Shri Sunil Todi	Managing Director	Nil	06	Yes	01	00
4. Shri Pradeep Nijampurkar	Executive Director	Nil	04	Yes	01	00
5. Shri V K Chopra	Independent Director	Nil	04	Yes	01	00
6. Capt. Surendra Nath Shukla IRS (Retd)	Independent Director	Nil	04	Yes	00	00
7. Smt. Shilpa Sharma*	Independent Director (Women Director)	Nil	01	No	00	00

* Appointed on 31/03/2015

III. COMMITTEE OF BOARD OF DIRECTORS

AUDIT COMMITTEE:

The term of reference of Audit Committee is according to Clause 49 of Listing Agreement and Section 177 of Companies Act, 2013 which, inter alia, includes to oversee the Company's financial reporting process, to review Director's Responsibility Statement, changes, if any, in accounting policies and reasons for the same, qualifications in the draft audit report, performance & independence of statutory and internal auditors, reports of the Company's internal auditors and financial statements audited by Statutory auditors and also to review the information relating to Management Discussion and Analysis of financial statements and results of operations, statement of significant related party transactions and internal control systems.

The Audit Committee comprises one Executive Director and two Independent Non-Executive Directors. The Audit Committee comprises

1. Shri V K Chopra
2. Capt Surendra Nath Shukla IRS (Retd)
3. Shri Sunil Todi

Shri V K Chopra is the Chairman of the Audit Committee. The Company Secretary acts as the Secretary of the Committee. The Head – Finance also attends the Audit Committee meetings.

During the year, the Committee Meetings were held on 29.05.2014, 11.11.2014, 10.02.2015 & 30.03.2015.

Name of Director	Number of meetings held	Number of meetings attended
Shri V K Chopra*	03	03
Capt Surendra Nath Shukla**	03	03
Shri Sunil Todi	04	04

*Shri V K Chopra has been inducted as Chairman of the Committee w.e.f 22.08.2014.

**Capt Surendra Nath Shukla IRS (Retd) has been inducted as member w.e.f 22.08.2014

The Chairman of the Audit Committee was present at the

Annual General Meeting held on 29.09.2014.

NOMINATION AND REMUNERATION COMMITTEE

The term of reference of Nomination and Remuneration Committee is according to Section 178 of Companies Act, 2013 and Clause 49 of Listing Agreement which inter alia, includes to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down, recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance and to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration for the directors, key managerial personnel and other senior employees.

The Nomination and Remuneration Committee comprises two Independent Director and One Non- Executive Director. The nomination and remuneration committee comprises:

1. Shri V K Chopra
2. Capt Surendra Nath Shukla IRS(Retd)
3. Shri Sunil Todi

Capt Surendra Nath Shukla IRS (Retd) is the Chairman of the Nomination and Remuneration Committee.

During the year, the Committee Meetings were held on 29.05.2014, 11.11.2014, 10.02.2015 & 30.03.2015.

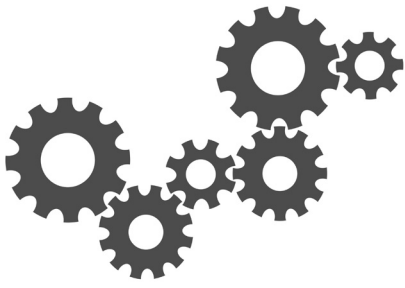
Name of Director	Number of meetings held	Number of meetings attended
Capt Surendra Nath Shukla*	03	03
Shri V K Chopra**	03	03
Shri Sunil Todi	04	03

*Capt Surendra Nath Shukla IRS (Retd) has been inducted as Chairman w.e.f 22.08.2014

**Shri V K Chopra has been inducted as Member of the Committee w.e.f 22.08.2014.

STAKEHOLDERS RELATIONSHIP COMMITTEE

To specifically look into redress of complaints related to



AKAR TOOLS LIMITED

transfer of shares , non-receipt of dividends, non-receipt of annual report etc. received from shareholders/investors and improve the efficiency in investor's service, wherever possible. The Committee comprises

1. Shri Sunil Todi
2. Shri N K Gupta
3. Shri P M Nijampurkar
4. Ms Rajashree Dubey

During the financial year under review four meetings of the committee were held.

Name of the member	Number of meetings held	Number of meetings attended
Shri Sunil Todi	02	02
Shri N K Gupta	02	01
Shri P M Nijampurkar	02	01
Ms Rajashree Dubey	02	02

The Stakeholders Relationship Committee was named earlier as Shareholder's/ Investor's Grievance Committee. The nomenclature of the Shareholders/Investor's Grievance Committee has been changes by the Board of Directors of the Company w.e.f. 22.08.2014 pursuant to the provisions of Companies Act, 2013 and amended clause 49 of Listing Agreement.

Ms Rajashree Dubey, Company Secretary, is the Compliance Officer of the Committee.

The Compliance Officer can be contacted at:

AKAR TOOLS LTD

E – 5, MIDC Area,
Waluj, Aurangabad.(Maharashtra) - 431136
Phone: +91 240-6647200, 6647213, Fax: +91 240-2554640
E-mail ID: corporate@akartoolsltd.com.

The total numbers of complaints received and replied to the satisfaction of the shareholders during the year ended 31st March, 2015 were 04 and there were no complaints outstanding as on 31st March 2015.The Company had no

share transfer requests pending as on 31st March 2015.

RISK MANAGEMENT COMMITTEE:

The terms of reference of Risk Management Committee, inter alia, includes, to assess risks in the operations of business units of the Company, to mitigate and minimize of risks assessed in the operations of business, units, periodic monitoring of risks in the operations of business units and other matters delegated to the Committee by Board of Directors of the Company from time to time. The Committee comprises

1. Shri Sunil Todi
2. Shri P M Nijampurkar
3. Shri Vishwas Pandey

During the financial year under review one meeting of the committee was held.

Name of the member	Number of meetings held	Number of meetings attended
Shri Sunil Todi	01	01
Shri P M Nijampurkar	01	01
Shri Vishwas Pandey	01	01

The Committee was constituted by the Board of Directors of the Company at its meeting held on 22.08.2014.

IV. MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 30th March, 2015, inter alia, to consider:

1. The performance of Non-Independent Directors and the Board as a Whole.
2. The performance of Executive Directors.
3. The quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

V. CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the Senior Management and Independent Director . The Code gives guidance and support

needed for ethical conduct of business and compliance of Law. A copy of Code has been put on the Company's Website (www.akartoolsLtd.com).

The Code of Conduct for the Board Members of the Company has been amended in line with the provisions of the Companies Act, 2013, which includes Code for Independent Directors, which is a guide to professional conduct for Independent Directors of the Company pursuant to Section 149(8) and Schedule IV of the Companies Act, 2013.

VI. FAMILIARISATION PROGRAMME FOR DIRECTORS

The Directors (Independent Director and Non Independent Director) interact with Senior Management Executive and sought all the information sought by them enabling a good understanding of the Company, its various operations and the industry of which it is a constituent.

The role, rights, duties and responsibilities of Independent Directors have been incorporated in the letters of appointment issued to them. The amendment /updates in the statutory provisions are informed from time to time.

The information with respect to the nature of industry in which the Company operates and business model of the company, etc is made known through various presentations on operational performance, strategy, budgets & business forecasts, etc. to the Board of Directors.

The above initiatives help the Directors to understand the Company, its business and the regulatory framework in which the Company operates to effectively fulfill their role as Directors of the Company.

VII. BOARD DIVERSITY

The Board of Directors (Board) ensures that a transparent Board nomination process is in place. The Company has various business sectors which serve different customer segments. Having members of the Board from different fields is therefore important for sustained commercial success of the Company. While selecting the Board members, the Company shall endeavor to include and make good use of diversity in the skills, qualification, age and professional and industry experience, irrespective of race, caste, creed, religion, disability or gender.

Details of remuneration paid to Executive Directors for the Financial Year 2014-15:

Name of Director	Designation	Salary & Allowance	Perks	Commission	Total	Stock Options Granted
Shri Sunil Todi	Managing Director	40,67,460	NIL	NIL	40,67,460	NIL
Shri P M Nijampurkar	Executive Director	13,17,600	NIL	NIL	13,17,600	NIL

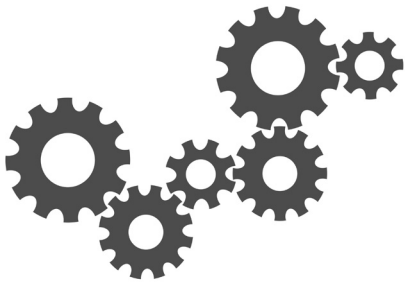
Details of Sitting Fees paid during the Financial Year 2014-15 to Non-Executive Directors:

The Company pays sitting fees of Rs. 25,000/- per director for attending each Board Meeting and Rs. 10,000/- per director for attending Committee Meeting. No commission has been paid to Non- Executive Director during the financial year 2014-15.

VIII. ANNUAL GENERAL MEETINGS

Detail of Annual General Meetings, location and time, where last three Annual General Meetings were held:

AGM	Date & Time	Venue	Special Resolutions Passed (if any)
25th	September 29th 2014. At 11.00 a.m.	Y.B. Chavan Centre, General Jagannath Bhosle Marg, Opp. Mantralaya, Nariman Point, Mumbai- 400021	No.
24th	September 27, 2013. At 11.00 am	Y.B. Chavan Centre, General Jagannath Bhosle Marg, Opp. Mantralaya, Nariman Point, Mumbai- 400021	No.
23rd	September 29, 2012. At 10.30 am	Y.B. Chavan Centre, General Jagannath Bhosle Marg, Opp. Mantralaya, Nariman Point, Mumbai- 400021	No.



IX. DISCLOSURES

- i. **Disclosures on materially significant related party transactions i.e transactions of the Company of material nature, with its promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict of interest of the Company at large:**

During the year 2014-15, the Company had transactions with related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement. The basis of the related party transactions has been placed before the Audit Committee. All these transactions with related parties were in the ordinary course of business and on an Arm's Length basis and do not attract the provision of Section 188 of the Companies Act, 2013. There were no material related party transactions in terms of Clause 49 of the Listing Agreement during the Financial Year. Suitable disclosures as required by the Accounting Standards (AS-18) had been made in the notes to the Financial Statement. The Board of Directors has approved a 'Policy on Related Party transactions' which has been uploaded on the Company's website www.akartoolsltd.com.

- ii. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any authority , on any matter related to capital markets during the last three years:**

The Company has complied with the requirements of Stock Exchanges, SEBI or any other statutory authority, on any matter related to capital markets and no penalties/ strictures have been imposed against the Company during the last three years.

- iii. **Disclosures of relationships between Directors inter-se:**
Shri N K Gupta is the son of Shri R. L. Gupta.

- iv. **Vigil Mechanism/ Whistle Blower Policy:**

The Company has adopted Vigil Mechanism /Whistle Blower Policy(Policy) as approved by the Board of Directors. The Policy encourages whistle blowing against unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Audit Committee and Board of Directors on quarterly basis reviews the Complaints received by the competent

authority received under the Policy. The Vigil Mechanism/ Whistle Blower Policy have been posted on the website of the company www.akartoolsltd.com. During the year under review, no employee was denied access to the Audit Committee.

- v. **Material Subsidiaries:**

The Company does not have any material subsidiary as defined under Clause 49 of the Listing Agreement.

X. MEANS OF COMMUNICATION

- a. The quarterly/half-yearly/annual financial results and material events of the Company are announced within the stipulated period and are published in English and Hindi newspapers. Since the results of the Company are published in the newspapers, half yearly reports are not sent individually to the shareholders.

XI. GENERAL SHAREHOLDERS' INFORMATION

- a) **Company Registration Details:**

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L292220MH1989PLC052305.

- b) **Shareholders/Investors Services**

The Company's Shares & Secretarial department is situated at its Corporate & Administrative Office E- 5, MIDC Area, Waluj, Aurangabad and provides assistance and guidance to shareholders under overall supervision and control of Shri Sunil Todi, Managing Director and Ms Rajashree Dubey, Company Secretary.

- c) **Registrar & Share Transfer Agents**

The entire work of the Company, relating to transfer of shares has been given to an outside agency i.e Big Share Services Pvt Ltd being a SEBI Registered R & T Agent. Shareholders are advised to send all the queries regarding change of their mailing address, share transfer status etc. to the Registrar & Share Transfer Agents at the following address:

BIG SHARE SERVICES PVT. LTD.

E-2, Ansa Indl. Estate,
Sakivihar Road, Saki Naka,
Andheri (e), Mumbai-400072
Ph. No. 022-28473474/28473747/ 28470652

d) **Annual General Meeting**

Date & Time	30th September, 2015 at 11.00 a.m		
Venue	Y.B. Chavan Centre, General Jagannath Bhosle Marg, Opp. Mantralaya, Nariman Point, Mumbai-400021		
Financial Year	01st April, 2014 to 31st March, 2015		
Date of Book Closure	25th September, 2015 to 30th September, 2015 (Both days inclusive)		
Listing Fees	Paid as per the Listing Agreement		
Listing on Stock Exchanges	Symbol	Name of the Stock Exchange	Stock Code
	AKARTOOL EQ	Bombay Stock Exchange	530621
Compliance Officer	Ms. Rajashree Dubey Akar Tools Ltd E – 5, MIDC Area, Waluj, Aurangabad. Phone : +91 240-6647200, 6647213, Fax : +91 0240-2554640 E-mail ID: corporate@akartoolsltd.com		
Financial Calendar	The Accounting Years covers 1st April, 2014 to 31st March, 2015. Financial Reporting for: a) 1st Quarter ending 30th June, 2015 End July/Early August 2015. b) 2nd Quarter/ Half Year ending 30th September, 2015 End October/Early November 2015. c) 3rd Quarter ending 31st December, 2015. End January/Early February, 2015. d) 4th Quarter/Annual Accounts for 2015-16 End April/May 2016. Note: the above calendar is indicative in nature.		

e) **Proposed Dividend**

The Board has proposed a 7% dividend i.e. @ Rs. 0.70 per Equity Shares.

f) **Secretarial Audit for Capital Reconciliation**

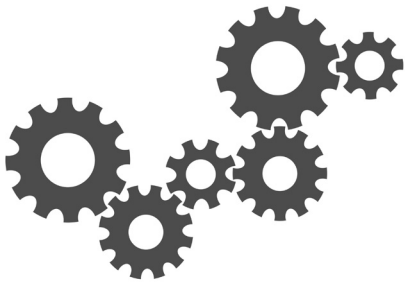
As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and to the Board of Directors. The audit confirms that the total listed and paid up capital is in agreement with the aggregate of the total number of shares in dematerialization form and in Physical form.

g) **Dematerialization of Share and Liquidity**

As per notification issued by the SEBI, with effect from 26th June, 2000, it has become mandatory to trade in the Company's shares in the electronic form. The Company's shares are available for trading in the depository systems of both the National Securities Depositories Ltd (NSDL) and the Central Depositories Services (India) Ltd (CDSL).

As on 31st March, 2015, (97.92%) of the Company's total paid up capital representing 52,81,909 equity shares were held in dematerialized form and the balance 2.07% representing 1,12,096 equity shares were held in physical form.

The ISIN number of the Share is IN E864E01013



AKAR TOOLS LIMITED

h) Stock Market Data

Akar Tools Ltd's Share are listed at Bombay Stock Exchange Ltd

Month	Share Price with BSE		BSE SENSEX	
	HIGH	LOW	HIGH	LOW
Apr-14	20.25	15.45	22939.31	22197.51
May-14	23.10	14.20	25375.63	22277.04
Jun-14	30.35	17.00	25725.12	24270.20
Jul-14	26.20	21.90	26300.17	24892.00
Aug-14	27.40	21.10	26674.38	25232.82
Sep-14	27.75	22.10	27354.99	26220.49
Oct-14	28.40	22.00	27894.32	25910.77
Nov-14	33.35	22.00	28822.37	27739.56
Dec-14	35.95	21.50	28809.64	26469.42
Jan-15	33.80	25.00	29844.16	26776.12
Feb-15	33.40	26.15	29560.32	28044.49
Mar-15	32.70	23.00	30024.74	27889.02

i) Distribution of Shareholding as on March 31st 2015.

Range	No. of Shareholders	% of total Shareholders	No. of Shares held	% of Shareholding
Up to 5000	1765	85.38	2476470	4.59
5001 to 10000	115	5.56	947990	1.75
10001 to 20000	67	3.24	1077240	1.99
20001 to 30000	30	1.45	742770	1.37
30001 to 40000	14	0.67	489890	0.90
40001 to 50000	14	0.67	668440	1.23
50001 to 100000	22	1.06	1506740	2.79
100001 and above	40	1.93	46030510	85.33
Total	2067	100.00	53940050	100.00

j) **Shareholding Pattern**

The distribution of shareholding as on 31st March, 2015 was as under:

Category	Number of shares held	% of shareholding
Indian promoters	3,011,015	55.82
Mutual funds	900	0.02
Private corporate bodies	1,096,109	20.32
Indian public	1,258,618	23.34
NRIs/OCBs	26,053	0.48
Clearing members	1,310	0.02
Total	5,394,005	100

k) **Dividend History for Last Five Years**

2013-14	2012-13	2011-12	2010-11	2009-10
06%	05%	05%	12%	12%

CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT POLICY

To

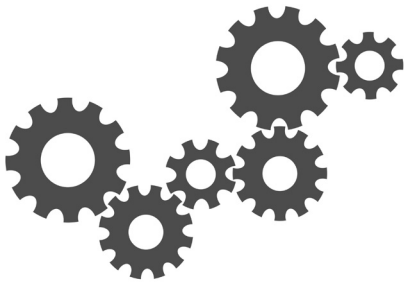
The Shareholders of AKAR TOOLS LTD

On the basis of the written representations received from Members of the Board and Senior Management Personnel in terms of the relevant provision of Clause 49 of the Listing Agreement, we hereby certify that both the members of the board and the senior management personnel of the Company have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the Board of Directors for the year ended 31st March, 2015.

For AKAR TOOLS LTD

Place : Aurangabad
Date : 12th August, 2015

Sunil Todi
Managing Director



AKAR TOOLS LIMITED

CERTIFICATE PURSUANT TO CLAUSE 49 (IX) OF LISTING AGREEMENT

To,
The Board of Directors,
Akar Tools Ltd
Aurangabad

We, Sunil Todi, Managing Director and Shri Radhamohan Garg, Chief Financial Officer responsible for the finance function certify to the Board that :

- a. We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2015 and to the best of our knowledge and belief :
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2015 are fraudulent, illegal or violates the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d. We have indicated to the auditors and the audit committee
 - i. Significant changes in internal control over financial reporting during the year.
 - ii. Significant changes in accounting policy during the year and same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud, if any, of which we have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Aurangabad
Date : 12th August, 2015

Sunil Todi
Managing Director

Radhamohan Garg
Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of AKAR TOOLS LTD

We have examined the compliance of Corporate Governance by Akar Tools Ltd, for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchange.

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in the of 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

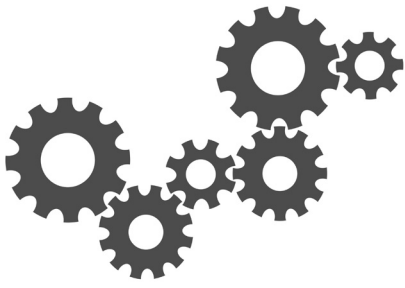
In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further certify 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 A.K. BAGADIA & CO.
CHARTERED ACCOUNTANTS

(A K BAGADIA)
PROPRIETOR
MEMBERSHIP NO. 30520
(FRN 100846W)

Place : Aurangabad
Date : 12th August, 2015



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AKAR TOOLS LTD.

Report on the financial statements

1. We have audited the accompanying financial statements of Akar Tools Ltd, ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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

3. Our responsibility is to express an opinion on these

financial statements based on our Audit.

4. 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.
5. We conducted our audit in accordance with the Standards of Auditing specified
6. 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.
7. 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.
8. 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

9. 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 31 March 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. 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 purpose 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 financial statements dealt with by this report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. on the basis of written representations received from

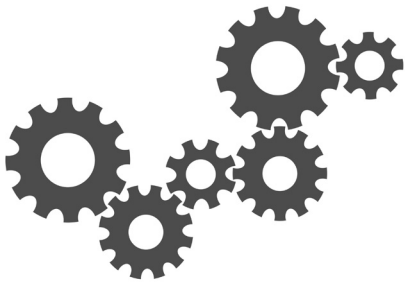
the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act; and

- f. 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. as detailed in Note 28 to the financial statements, the Company has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long-term contracts including derivatives contract for which there were any material foreseeable losses; and
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For A.K. BAGADIA & CO.
CHARTERED ACCOUNTANTS

(A K BAGADIA)
PROPRIETOR
MEMBERSHIP NO. 30520
(FRN 100846W)

Place: Aurangabad
Dated: 30th May, 2015



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF AKAR TOOLS LTD ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

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

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner during the year, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material Discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act.

Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.

- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities except Rs.57.58 Lacs which is outstanding as on 31st March 2015. Further, 5.99 of undisputed amount payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, the amount involved and the forum where disputes are as follows :-

Statute	Nature of Dues	Amount (Rs.in lacs)	Amount paid under Protest (Rs in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income tax and interest	0.44	-	A.Y. 1999-2000	CCIT
	Income tax and interest	5.34	-	A.Y. 2000-2001	CCIT
	Income tax and interest	10.72	-	A.Y.2001-2002	CCIT
	Income tax and interest	3.26	-	A.Y.2002-2003	CCIT
	Income tax and interest	13.65	-	A.Y.2003-2004	CCIT
	Income tax and interest	4.16	-	A.Y.2004-2005	CCIT
	Income tax and interest	28.42	-	A.Y.2006-2007	CIT (A)
	Income tax and interest	1.81	-	A.Y.2007-2008	CIT (A)
	Income tax and interest	2.07	-	A.Y.2010-2011	CIT (A)
Maharashtra Vat Act	Sales Tax and interest	19.64	-	A.Y.2003-2004	Comm. Of ST

(c) A Sum of Rs.0.95 lacs related to FY 2006-07 has been transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder within time.

(viii) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.

(ix) In our opinion, the Company has not defaulted in repayment of dues to any financial institution or a bank or to debenture-holders during the year.

(x) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are

not Applicable.

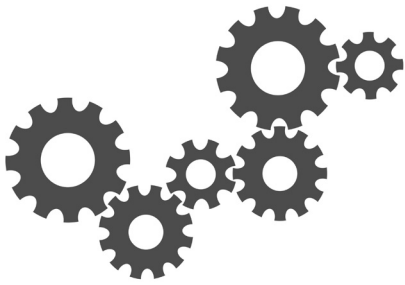
(xi) The Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.

(xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit

For A.K. BAGADIA & CO.
CHARTERED ACCOUNTANTS

(A K BAGADIA)
PROPRIETOR
MEMBERSHIP NO. 30520
(FRN 100846W)

Place: Aurangabad
Dated: 30th May, 2015



AKAR TOOLS LIMITED

BALANCE SHEET as at 31st March, 2015

(Rs. in Lacs)

Particulars	Notes	31st March 2015	31st March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	539.40	539.40
Reserves and surplus	4	1842.31	1944.55
	(A)	2381.71	2483.95
Non-current liabilities			
Long- term borrowings	5	49.94	69.28
Deferred tax liabilities (net)	6	408.05	510.82
	(B)	457.99	580.10
Current liabilities			
Short-term borrowings	7	3059.17	3122.10
Trade payables	8	4978.80	4302.05
Other current liabilities	9	529.20	441.18
Short-term provisions	10	106.09	110.12
	(C)	8673.26	7975.45
TOTAL	(A+B+C)	11512.96	11039.50
ASSETS			
Non Current assets			
Fixed assets	11		
Tangible assets		2947.91	3392.64
Capital work-in-progress		-	38.63
Non-current investments	12	10.80	116.17
Long-term loans and advances	13	250.00	-
	(A)	3208.71	3547.44
Current assets			
Inventories	14	4726.68	4040.66
Trade receivables	15	2811.01	2351.95
Cash and cash equivalents	16	130.89	116.66
Short-term loans and advances	17	627.38	974.71
Other current assets	18	8.29	8.08
	(B)	8304.25	7492.06
TOTAL	(A+B)	11512.96	11039.50
Summary of significant accounting policies	1 & 2		
The accompanying notes are an integral part of the financial statements	27 to 34		

As per our report of even date
For A. K. Bagadia & Co.
 Chartered Accountants
 Firm Registration No. 100846W

A K Bagadia
 Proprietor
 Membership NO. 30520

Place: Aurangabad
 Date: 30th May, 2015

For and on behalf of the board of directors of AKAR TOOLS LTD

R L Gupta
 Director

Radhamohan Garg
 Chief Financial Officer

Place: Aurangabad
 Date: 30th May, 2015

Sunil Todi
 Managing Director

Rajashree Dubey
 Company Secretary

N K Gupta
 Director

STATEMENT OF PROFIT AND LOSS for the year ended 31st, March 2015 (Rs. in Lacs)

Particulars	Notes	Year ended 31st March 2015	Year ended 31st March 2014
CONTINUING OPERATIONS			
Revenue			
Revenue from operations (gross)	19	18205.53	15601.62
Less: Excise duty		(1569.96)	(1346.03)
Revenue from operations (net)		16635.57	14255.59
Other income	20	8.29	9.30
Total revenue (I)		16643.86	14264.89
Expenses			
Cost of raw material and components consumed	21	10328.97	7897.69
Changes in inventories of finished goods and work-in-process and stock in trade	22	(545.00)	(33.54)
Employee benefits expense	23	1299.07	1042.27
Finance costs	24	580.83	490.98
Depreciation and amortization expense	11	266.02	241.24
Other expenses	25	4621.07	4490.44
Total expenses (II)		16550.96	14129.08
Profit before tax and exceptional items		92.90	135.81
Exceptional items	26	87.77	-
Profit before tax		180.67	135.81
Tax expenses			
Current tax expense for the year		68.78	52.68
(less) MAT Credit (Where applicable)		-	(7.17)
Current tax expense relating to prior years		-	(3.34)
Net current tax expense		68.78	42.17
Deferred tax assets		(10.79)	24.67
Total tax expense		57.99	66.85
Profit / (Loss) for the year		122.68	68.96
Nominal value of each share in rupees		10.00	10.00
Basic and diluted earnings per share in rupees on 5394005 shares		2.27	1.28
Summary of significant accounting policies	1 & 2		
The accompanying notes are an integral part of the financial statements	27 to 34		

As per our report of even date
For A. K. Bagadia & Co.
Chartered Accountants
Firm Registration No. 100846W

A K Bagadia
Proprietor
Membership NO. 30520

Place: Aurangabad
Date: 30th May, 2015

For and on behalf of the board of directors of AKAR TOOLS LTD

R L Gupta
Director

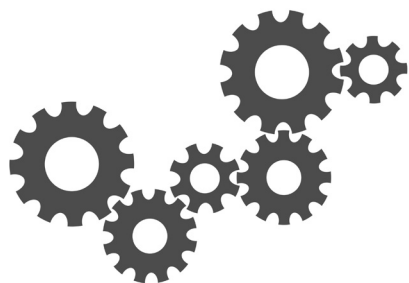
Radhamohan Garg
Chief Financial Officer

Place: Aurangabad
Date: 30th May, 2015

Sunil Todi
Managing Director

Rajashree Dubey
Company Secretary

N K Gupta
Director



AKAR TOOLS LIMITED

CASH FLOW STATEMENT for the year ended 31st March, 2015

(Rs. in Lacs)

Particulars	Notes	Year ended 31st March 2015	Year ended 31st March 2014
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Tax		180.67	135.81
Adjustments for:			
Depreciation and amortisation expenses		266.02	241.24
Interest expense		580.83	490.98
Interest income		(8.29)	(9.30)
Loss/(profit) on sale of fixed assets (net)		(87.77)	-
Operating profit before working capital changes		931.46	858.73
Adjustments for changes in working capital :			
Movement in trade receivables		(459.06)	(78.51)
Movement in Loans & Advances		347.33	(52.45)
Movement in inventories		(686.02)	(68.85)
Movement In other current assets		(0.21)	-
Movement in Long term loans and advances		(250.00)	-
Movement in trade and other payables		760.74	482.42
Cash generated from operations		(287.22)	282.61
Direct Taxes Paid		40.63	42.17
Net cash generated from operating activities	(A)	603.61	1099.17
B. Cash flow from investing activities:			
Purchase of fixed assets		(138.07)	(149.96)
Purchase of Canara Bank Robeco short term fund (Regular growth)		(1.50)	-
Proceeds from sale of fixed assets		136.97	-
Proceeds from sale of investments		106.87	-
increase in unclaimed dividend accounts		3.06	(0.70)
Interest received		8.29	9.30
Net cash used in investing activities	(B)	115.62	(141.36)
C. Cash flow from financing activities:			
Repayment of long term borrowings		(19.34)	(299.99)
Proceeds from working capital finance		(62.93)	(88.25)
Interest paid		(580.83)	(490.98)

Dividend paid		(32.36)	(32.36)
Dividend tax paid		(9.54)	(5.50)
Net cash generated in financing activities	(C)	(705.00)	(917.08)
Net (decrease)/increase in cash and cash equivalents	(A+B+C)	14.23	40.73
Cash and cash equivalents at the beginning of the year		116.66	75.93
Cash and cash equivalents at the end of the year (refer note 16)		130.89	116.66
Components of cash and cash equivalents:			
Cash on hand		0.68	12.14
With banks			
- on current account		18.78	18.72
- on unpaid dividend account		3.81	0.75
- on deposit account		107.62	85.05
Total cash and cash equivalents		130.89	116.66
This is the statement of cash flow referred to in our report of even date		-	-

- Note :
1. Cash and Cash Equivalents represent Cash and Bank Balances. (Refer Note no. 16)
 2. Fixed Deposits of Rs 107.62 Lacs (Previous Year Rs 85.05 Lacs) are pledged with a bank towards Letters of Credit / Bank Guarantees.
 3. Cash and Cash Equivalents include Rs. 3.81 Lacs (Previous Year Rs 0.75 Lacs) of unclaimed dividend not available for use by the Company.
 4. The previous year's figures have been regrouped wherever necessary.

As per our report of even date
For A. K. Bagadia & Co.
Chartered Accountants
Firm Registration No. 100846W

A K Bagadia
Proprietor
Membership NO. 30520

Place: Aurangabad
Date: 30th May, 2015

For and on behalf of the board of directors of AKAR TOOLS LTD

R L Gupta
Director

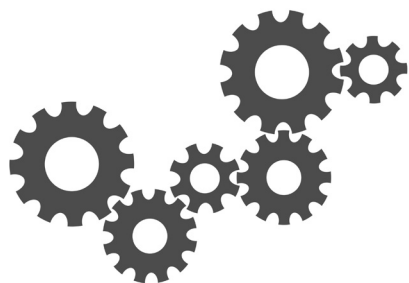
Radhamohan Garg
Chief Financial Officer

Place: Aurangabad
Date: 30th May, 2015

Sunil Todi
Managing Director

Rajashree Dubey
Company Secretary

N K Gupta
Director



NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2015

1 CORPORATE INFORMATION

The Company is in the Business Manufacturing of hand tools, auto leaf spring, parabolic springs and commercial automotive forgings & having its manufacturing facilities around Aurangabad, Maharashtra.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) 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 due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.3 Inventories

- a) Raw Material is valued at cost computed on monthly average basis of the last month after providing for cost of obsolescence.
- b) Finished goods and Work-in-Process are valued at cost or net realizable value whichever is lower. Cost for this purpose includes Raw Material, Wages, Manufacturing expenses, Production Overheads and Depreciation.
- c) Stores and Spares are valued at cost after considering cost of obsolescence and estimated useful life.
- d) Scrap is valued at net realizable value.

2.4 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments in fixed deposits with an original maturity of three months or less.

2.5 Depreciation and amortisation

During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from 1st April, 2014, the company revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation rates are as follows:-

	Previous Depreciation Rates	Revised Useful Life
Buildings	3.34%	30 years
Plant & Machinery	4.75%	15 years
Furniture & Fixtures	6.33%	10 years
Vehicles	9.50%	8 years
Office Equipments	4.75%	5 years
Computer	16.21%	3 years
Container	6.33%	3 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on 1 April, 2014, and has adjusted an amount of Rs 180.73 lacs (net of deferred tax of Rs 91.98 lacs & 10.79 charged to Profit & Loss Account) the opening surplus against balance in the Statement of Profit and loss under Reserves and surplus.

2.6 Revenue Recognition

Sale of Goods

Sales are recognised, net of return and trade discounts, on transfer of significant risks and rewards of ownership to the

buyer which generally coincides with the delivery of goods to customers. Sales include excise duty, sales tax and value added tax.

2.7 Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.

2.8 Tangible Fixed Assets

Fixed Assets are stated at cost net of cenvat credit less accumulated depreciation, cost of acquisition is inclusive of freight, duties, levies and all incidental expenditure attributable to bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital Work In progress

Projects under which assets are not ready for their intended use and other capital work-in progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.9 Foreign currency transactions and translations

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise. As per the amendment of the Companies (Accounting Standard) Rules, 2006-'AS 11' relating to 'The Effects of Changes in Foreign Exchange Rates' exchange difference arising on conversion of long term foreign currency monetary items is recorded under the head 'Foreign Currency Monetary Item Translation Difference Account' and is amortized over period not extending beyond, earlier of March 31, 2020 or maturity date of underlying long term foreign currency monetary items.

Accounting of forward contracts

The company also uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The premium or discount arising at the inception of such forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense in the period in which same is cancelled or rolled over.

2.10 Export benefits/incentives

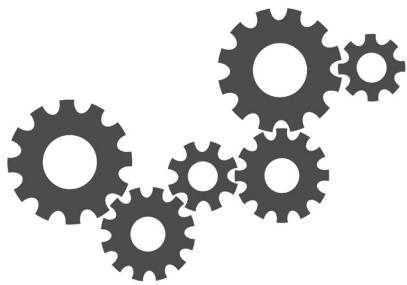
Revenue in respect of duty entitlement pass book scheme and duty drawback scheme is recognized when the entitlement to receive the benefit is established is recorded under operating revenue.

2.11 Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments; all other investments are classified as long term investments. Long term investments are carried at cost less provision (if any) for decline in value which is other than temporary in nature. Current investments are carried at lower of cost and fair market value.

2.12 Employees benefits

The Company's Contribution to provident fund is considered as defined contribution and is charged as an expense as they fall due based on the amount on contribution required to be made.



AKAR TOOLS LIMITED

Provision for Retirement Benefits - Liabilities in respect of Retirement Benefits to employees are accounted for on actual payment basis. No provision is being made for Liabilities on actuarial valuation as required by Accounting Standard AS15.

2.13 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use are complete.

2.14 Segment Reporting

The company is engaged in manufacturing of hand tools and leaf springs business which, as per Accounting Standard 17 (AS-17) Segment Reporting issued by the Institute of Chartered Accountants of India, are considered the reportable business segments of the company.

2.15 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a Straight-Line Basis.

2.16 Earnings per share

Basis earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

2.17 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability. Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

2.18 Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

2.19 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (including retirement benefits) are not discounted to their present value and are determined based on the actual settlement of the obligation at the Balance Sheet date. Contingent liabilities are disclosed in the Notes.

2.21 Hedge accounting

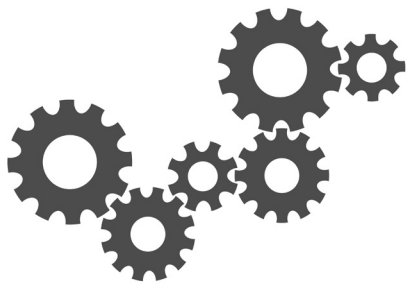
The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.

2.22 Derivative contracts

The Company enters into derivative contracts in the nature of foreign currency swaps, currency options, forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations. Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting. All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

2.23 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.



AKAR TOOLS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 3. SHARE CAPITAL

(Rs. in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
SHARE CAPITAL		
Authorised shares (in numbers)		
1,00,00,000 (31st March 2014: 1,00,00,000) Equity shares of Rs 10/- each	1,000.00	1,000.00
Issued, subscribed and fully paid-up shares (in numbers)		
53,94,005 (31st March 2014: 53,94,005) Equity shares of Rs 10/- each	539.40	539.40
Total issued, subscribed and fully paid-up share capital	539.40	539.40

a. There is no movement of the shares outstanding during the financial year.

b. **Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. During the year ended 31 March 2015, the amount of per share dividend proposed as distributions to equity shareholders is Rs. 0.70/- (31st March 2014: Rs.0.60/-) which is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the assets of the company, in proportion to the number of equity shares held by the shareholders.

c. **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

	Opening Balance	Movement	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2015			
Number of shares	5394005	-	5394005
Amount (Rs. in lacs)	539.40	-	539.40
Year ended 31 March, 2014			
Number of shares	5394005	-	5394005
Amount (Rs. in lacs)	539.40	-	539.40

d. **Details of shareholders holding more than 5% shares in the company:**

Equity shares of Rs. 10/- each fully paid	31 March, 2015		31 March, 2014	
	Nos.	% of holding	Nos.	% of holding
Equity shares with voting rights				
R L Gupta	444040	8.23	444040	8.23
R L Gupta (HUF)	619125	11.48	619125	11.48
Usha Gupta	1177700	20.72	1177700	20.72
Akar Alloys Pvt Ltd	429398	7.96	429398	7.96
Kamlesh Gupta	600000	11.12	600000	11.12

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 4. RESERVES AND SURPLUS

(Rs. in Lacs)

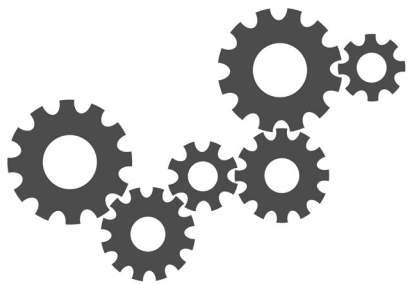
Particulars		As at 31st March 2015	As at 31st March 2014
a Securities premium account			
Balance as per last financial statements (A)		351.00	351.00
b General Reserve			
Balance as per last financial statements		482.83	467.84
Less: Depreciation on fully depreciated assets on adoption of Sch II [refer note 2.5]		(180.73)	-
Add: Amount transferred from statement of Profit and Loss		-	15.00
Closing Balance (B)		302.10	482.84
c Surplus in the statement of Profit and Loss			
Balance as per last financial statements		1110.71	1094.61
Profit for the year		122.68	68.96
		1233.39	1163.57
Less: Appropriations			
Proposed final equity dividend (amount per share Rs. 0.70/- (31st March 2014 Rs.0.60/-))		37.76	32.36
Tax on proposed equity dividend		6.42	5.50
Transfer to general reserve		-	15.00
Total appropriations (C)		44.18	52.86
Net surplus in the statement of Profit and Loss		1189.21	1110.71
d Total reserves and surplus (A+b+c)		1842.31	1944.55

NOTE 5. LONG TERM BORROWINGS

	31 March,2015		31 March,2014	
	Non Current	Current	Non Current	Current
Term Loan- From others				
Secured				
Others	49.94	58.39	69.28	96.76
Unsecured				
Others		351.82		250.00
	49.94	410.21	69.28	346.76

Terms of repayment and security

Secured Loan is against hypothecation of Machinery financed out of the loan amount.



AKAR TOOLS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 6. DEFERRED TAX LIABILITIES (NET)

(Rs. in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Deferred Tax Liability :		
Opening Balance	510.82	486.15
Difference in value of Fixed assets due to depreciation and other allowances		
Transfer to Retained Earning	(91.98)	-
Deferred Tax Expense/(Saving) charge to Profit & Loss	(10.79)	24.67
Deferred tax liabilities (net)	408.05	510.82

NOTE 7. SHORT TERM BORROWINGS

Secured		
From banks		
Working Capital / Short Term Loan From Banks	3059.17	3122.10
Total	3059.17	3122.10

Notes:

- Cash credits/ short term loans/ export packing credits are secured/to be secured by hypothecation of inventories, trade receivable and second charge on fixed assets secured to financial institutions except assets exclusively charged and also further secured by personal guarantees of Directors.
- Cash credit/short term loans /export packing credit of Rs 40.30 crores sanctioned by Canara Bank is repayable on demand and carries interest @ base rate+3.75%= 13.95% per annum.

NOTE 8. TRADE PAYABLES

Acceptances	595.08	492.91
Other than Acceptances *	4383.72	3809.14
Total	4978.80	4302.05

*Based on the information available with the Company, there are no dues outstanding in respect of Micro, Small and Medium Enterprises at the balance sheet date. No amounts were payable to such enterprises which were outstanding for more than 45 days. Further, no interest during the year has been paid or payable in respect thereof. The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditor.

NOTE 9. OTHER CURRENT LIABILITIES

Current maturities of long term debt (refer note 5)	410.21	346.76
Statutory dues payable	77.78	15.76
Advance received from customers	37.40	77.91
Unclaimed Dividend	3.81	0.75
Total	529.20	441.18

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 10. SHORT TERM PROVISIONS

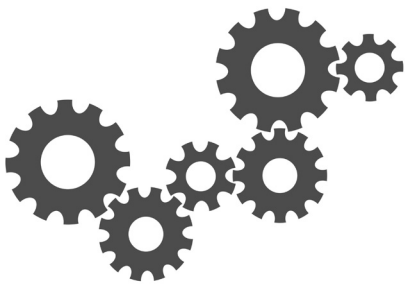
(Rs. in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Provision For Taxation		
Taxation		
(Net of Advance Tax & TDS of Rs 11.75 Lacs (Previous Year Advance Tax & TDS of Rs 1.70 Lacs)	61.91	52.68
Provision For Dividend		
Proposed Final Dividend	37.76	32.77
Tax on Dividend	6.42	24.67
Total	106.09	110.12

NOTE 11. FIXED ASSETS

Assets	Gross Block				Depreciation/Amortisation					Net Block	
	As at 01.04.2014	Addi- tions	Deduc- tions/ Adjust- ment	As at 31.03.2015	As at 01.04.2014	Provi- sion for the year	Depre- ciation Transfer to Reserve	Deduc- tions/ Adjust- ment	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
Land											
Freehold	155.65	-	-	155.65	-	-	-	-	-	155.65	155.65
Leasehold	50.31	-	43.36	6.95	-	-	-	-	-	6.95	50.31
Buildings	1273.15	24.24	-	1297.39	398.87	40.55	(23.46)	-	415.96	881.43	874.28
Plant & Equipment	4108.54	108.33	14.20	4202.67	1851.30	214.65	308.30	8.79	2365.46	1837.21	2257.24
Furniture & Fixtures	18.69	2.89	-	21.58	9.23	1.26	-	-	10.49	11.09	9.46
Vehicles	94.41	-	6.46	87.95	88.58	3.20	(12.99)	6.03	72.76	15.19	5.83
Office Equipment	92.82	7.73	-	100.55	68.79	3.46	6.34	-	78.59	21.96	24.03
Others (specify nature) e.g. Computer, Container etc.	98.14	10.80	-	108.94	82.30	2.90	5.31	-	90.51	18.43	15.84
Total	5891.71	153.99	64.02	5981.68	2499.07	266.02	283.50	14.82	3033.77	2947.91	3392.64
Previous Year	5780.38	111.33	-	5891.71	2257.83	241.24	-	-	2499.07	3392.64	3522.55
Capital Work in progress	-	-	-	-	-	-	-	-	-	-	38.63

Note: Consequent to Schedule II of the Companies Act, 2013 becoming applicable w.e.f. April 1st, 2014 depreciation for the year ended 31st March 2015 has been provided on the basis of revised estimated useful lives as prescribed in Schedule II. An amount of Rs. 180.73 lacs (net of deferred tax 91.98 lacs & 10.79 lacs charged to profit & loss account) has been deducted from the opening balance of retained earnings for the assets where remaining useful life as per Schedule -II was Nil.



AKAR TOOLS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 12. NON CURRENT INVESTMENTS

(Rs. in Lacs)

	As at 31st March 2015			As at 31st March 2014		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Unquoted, trade investments (valued at cost unless otherwise stated)						
Investment in equity instruments in other companies						
Nil (As at 31.03.2014, 1628540) equity shares of R L Steels & Energy Ltd of Rs.10/- fully paid up	-	-	-	-	106.87	106.87
9300 (As at 31.03.2014,9300) equity shares of Gupta Concast Ltd. of Rs.100/- fully paid up	-	9.30	9.30	-	9.30	9.30
In Mutual Funds (Quoted)						
9544.0490 (as at 31.03.2014,nil) units of Canara Bank Robeco Short Term Fund (Regular growth)	1.50	-	1.50	-	-	-
Total	1.50	9.30	10.80	-	116.17	116.17
Aggregate amount of quoted investments - Gross						
Cost			1.50			-
Market Value			1.52			-
Aggregate amount of unquoted investments (Cost/Book Value) Gross			9.30			116.17

NOTE 13. LONG - TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

Security Deposits	250.00	-
Total	250.00	-

NOTE 14. INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)

Raw Materials	831.79	700.21
Work-in-Progress	2762.78	2324.37
Finished goods (other than those acquired for trading)	775.47	672.75
Scrap & Packing Material	29.80	25.92
Stores & Spares	326.84	317.41
Total	4726.68	4040.66

NOTE 15. TRADE RECEIVABLES

Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	150.65	213.27
Other debts		
Unsecured, considered good	2660.36	2138.68
Total	2811.01	2351.95

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 16. CASH AND BANK BALANCES

(Rs. in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
a Cash and cash equivalents (As per AS-3)		
Balance with Banks - In Current Accounts	18.78	18.72
Cash on Hand	0.68	12.14
Total (A)	19.46	30.86
b Other bank balances		
Earmarked balances with banks		
Unpaid Dividend	3.81	0.75
In Deposit Accounts (with original maturity of more than 3 months and upto 12 months - under margin money)	37.50	-
In Deposit Accounts (With original maturity of more than 12 months - Under margin money)	70.12	85.05
(B)	111.43	85.80
Total (A+B)	130.89	116.66

NOTE 17. SHORT TERM LOANS AND ADVANCES

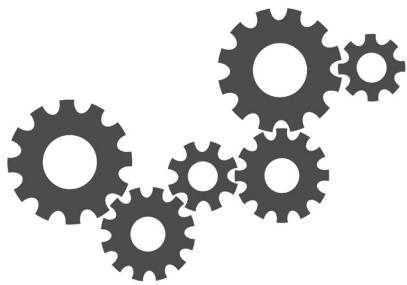
Unsecured, considered good		
Loans and Advances to Related Parties (Refer Note No. 30)	-	125.29
Prepaid Expenses	5.64	3.48
Security Deposits	62.55	39.72
Loans and Advances to Employees	5.03	8.18
Balances with Government authorities		
Cenvat Receivable	118.59	228.78
VAT Receivable	45.62	106.03
Service Tax Receivable	30.22	20.90
Advances to Suppliers	202.36	156.35
Other loans and advances	157.37	285.98
Total	627.38	974.71

NOTE 18. OTHER CURRENT ASSETS

Interest accrued on fixed deposits with banks	8.29	8.08
Total	8.29	8.08

NOTE 19. REVENUE FROM OPERATIONS

a Sale of products - Export Sales	4402.96	3806.42
Sale of products - Domestic Sales	12547.70	10679.20
b Other operating revenues	1254.87	1116.00
	18205.53	15601.62
Less:		
c Excise duty	(1569.96)	(1346.03)
Total	16635.57	14255.59



AKAR TOOLS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 20. OTHER INCOME

(Rs. in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Interest on Fixed Deposits with Banks	8.29	9.30
Total	8.29	9.30

NOTE 21. COST OF MATERIALS CONSUMED

Opening stock	700.21	718.55
Add: Purchases	10460.55	7879.35
	11160.76	8597.90
Less: Closing stock	831.79	700.21
Cost of material consumed	10328.97	7897.69
Material consumed comprises:		
Raw material	9807.87	7579.45
Job work Expenses	521.10	318.24
Total	10328.97	7897.69

NOTE 22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Inventories at the end of the year		
Finished goods	775.47	672.76
Work-in-process	2762.78	2324.37
Stock-in-trade	29.80	25.92
	3568.05	3023.05
Inventories at the beginning of the year		
Finished goods	672.76	889.05
Work-in-process	2324.37	2062.83
Stock-in-trade	25.92	37.63
	3023.05	2989.51
Net (decrease) / increase	(545.00)	(33.54)

NOTE 23. EMPLOYEE BENEFIT EXPENSES

Salaries, wages and bonus	1183.57	927.10
Contribution to provident and other funds	72.69	68.22
Staff welfare expenses	42.81	46.95
Total	1299.07	1042.27

NOTE 24. FINANCE COSTS

Interest expense on:		
Borrowings	504.04	429.98
Other borrowing costs	76.79	61.00
Total	580.83	490.98

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 25. OTHER EXPENSES

(Rs. in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Consumption of stores and spare parts	983.99	891.30
Consumption of packing materials	460.35	388.87
Power and fuel	1539.57	1786.56
Water charges	11.40	7.11
Repairs and maintenance - Buildings	6.34	17.26
Repairs and maintenance - Machinery	73.88	51.85
Repairs and maintenance - Others	18.52	11.60
Insurance	7.05	14.29
Rates and taxes	737.49	657.63
Communication	13.45	11.39
Travelling and conveyance	90.42	97.48
Printing and stationery	11.66	11.10
Freight and forwarding	499.30	365.16
Sales discount	52.19	53.00
Business promotion	34.94	32.37
Donations and contributions	0.73	1.97
Legal and professional	37.95	54.09
Payment to Statutory Auditors	1.50	0.50
Miscellaneous expenses	40.34	36.91
Total	4621.07	4490.44

NOTE: OTHER EXPENSES (CONTD.)

Payments to the auditors comprises		
As auditors - statutory audit	1.25	0.40
For taxation matters	0.25	0.10
Total	1.50	0.50

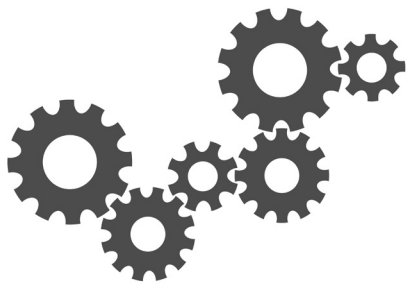
NOTE 26. EXCEPTIONAL ITEMS

Profit on Sale of Fixed Assets (Land)	81.64	-
Profit on Sale of Fixed Assets (Machinery)	6.37	-
Loss on Sale of Fixed Assets (Vehicle)	-0.24	-
Total	87.77	-

Exceptional items consists of Profit on Sale of Land, Machinery and Loss on sale of vehicle.

NOTE 27. EARNING PER SHARE

Profit after tax	122.68	68.96
Weighted Average No. of Equity Shares Outstanding	5394005	5394005
Nominal Value of shares (in Rs.)	10.00	10.00
Basic & Diluted Earnings Per Share (In Rs.)	2.27	1.28



AKAR TOOLS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 28. CONTINGENT LIABILITIES

(Rs. in Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
a Guarantees issued by banks on behalf of the company and out-standing	47.00	106.19
b Liabilities against the Company not acknowledged as debts		
for Income tax	69.87	69.87
for sales tax	19.64	19.64
c Foreign Bills and Inland bills discounted and outstanding	319.38	321.67
d Letters of Credit for Purchases	500.00	500.00

NOTE 29. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Total outstanding dues to Micro and Small enterprises	355.19	218.97
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The above details are furnished based on the information available with the company in respect of Micro, Small and Medium Enterprises (as defined in the Micro, Small and Medium Enterprises Development Act 2006). The Company is regular in making payments of dues to such enterprises before due dates agreed upon. Hence the question of payment/provision of interest towards belated payments does not arise. During the year there was no interest payment under the above statute

NOTE 30. RELATED PARTY DISCLOSURE

Information given in accordance with the requirements of Accounting Standard 18 - Related Party disclosures notified by Ministry of Corporate Affairs Under sub section (3C) of Section 211 of the Companies Act, 1956 read with General circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs.

1. Name of the party and relationships

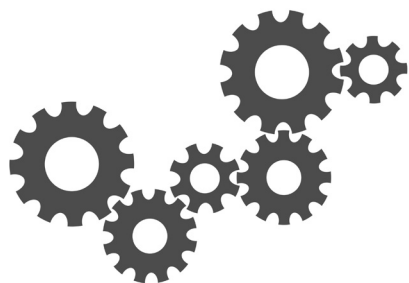
SL No.	Description of Relationship	Name of Related Parties
1	Enterprises over which Key Managerial Personnel are able to exercise significant influence	R.L. Steels & Energy Ltd. Akar Alloy Pvt Ltd Aurangabad Forgings P Ltd. Gupta concast Ltd Akar Industries Pvt Ltd Lavanya Investments Pvt Ltd. Shatrunji Investments Pvt Ltd
2	Key Management Personnel	R L Gupta - Chairman Sunil Todi - Managing Director Shri Pradeep Nijampurkar -Executive Diector N K Gupta - Director Radhamohan Garg- Chief Financial Officer Rajshree Dubey- Company Secretary
3	Relatives of Key Management Personnel	Nitin Gupta Usha Devi Gupta Shushila Devi Gupta

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

2. Disclosure of transactions between the Company and related parties and the status of outstanding balances as on 31st March, 2015

(Rs in Lacs)

Sl No.	Particulars	Enterprises over which Key Managerial Personnel are able to exercise significant influence		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	Part 1: Transaction During the Period								
1	Sale of Goods								
	R.L. Steels & Energy Ltd	1359.06	1612.58					1359.06	1612.58
2	Purchase of Goods								
	R.L. Steels & Energy Ltd	9238.29	8363.67					9238.29	8363.67
	Akar Industries Pvt Ltd.	14.61	46.50					14.61	46.50
3	Loan/Advances Given								
	Shushila Devi Gupta	-	-			61.55		-	61.55
	Akar Alloys Pvt Ltd.	-	2.00					-	2.00
	Akar Industries Pvt Ltd.	-	121.79					-	121.79
	Lavanya Investments Pvt Ltd.	-	0.50					-	0.50
	Shatrunji Investments Pvt Ltd	-	1.00					-	1.00
4	Rent Paid								
	Aurangabad Forgings P Ltd.	3.00	3.00					3.00	3.00
	Gupta Concast Ltd	6.00	16.50					6.00	16.50
	Shatrunji Investments Pvt Ltd	0.78	0.52					0.78	0.52
5	Security Deposits (Agt Rent)								
	Gupta Concast Ltd	250	-					250.00	-
6	Remuneration								
	Usha Devi Gupta					9.00	9.00	9.00	9.00
	Sunil Todi			40.67	24.83			40.67	24.83
	Shri Pradeep Nijampurkar			13.18	13.18			13.18	13.18
	Radhamohan Garg			16.26	-			16.26	-
	Rajashree Dubey			4.45	4.05			4.45	4.05
7	Sitting Fees								
	R.L. Gupta			-	0.40			-	0.40
	N.K. Gupta			-	0.40			-	0.40
	Part 2: Balance at the end of the period								
1	Trade Payable								
	R.L. Steels & Energy Ltd	3368.71	2518.15					3368.71	2518.15
	Akar Alloy Pvt Ltd		2.00						2.00
	Akar Industries Pvt Ltd		10.22						10.22
	Lavanya Investments Pvt Ltd.	0.50	0.50					0.50	0.50
	Nitin Gupta					-	2.10		
	Shatrunji Investments Pvt Ltd		18.42						18.42
	Gupta concast Ltd	42.13						42.13	
2	Loans & Advances								
	Akar Alloy Pvt Ltd		37.35						37.35
	Aurangabad Forgings P Ltd.	7.70	3.90					7.70	3.90
	Gupta concast Ltd	-	256.52					-	256.52
	Akar Industries Pvt Ltd	69.68						69.68	
	Shushila Devi Gupta					49.35	-		
3	Security Deposits (Agt Rent)								
	Gupta concast Ltd	250.00	-					250.00	-
4	Managerial Remuneration (payable/recoverable)								
	Sunil Todi			2.46	23.18				
	R.L. Gupta			-	(3.05)				



AKAR TOOLS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 31. SEGMENT REPORTING

The Company is engaged in the business of "Hand Tools" and "Leaf Spring" which, as per the Accounting Standard – 17 Segment Reporting are considered as the only reportable primary business segments.

(Rs. in Lacs)

	For the year ended 31st March, 2015			For the year ended 31st March, 2014		
	Business segments		Total	Business segments		Total
	Hand Tools	Leaf Spring		Hand Tools	Leaf Spring	
Revenue						
External Sales	12184.23	6021.30	18205.53	9875.35	5726.27	15601.62
Total Revenue	12184.23	6021.30	18205.53	9875.35	5726.27	15601.62
Results						
Segment Results	172.57	7.90	180.47	741.02	(605.21)	135.81
other Information						
Segment Assets	7023.14	4479.02	11502.16	10069.24	854.09	10923.33
Investments	10.80		10.80	116.17	-	116.17
Total	7033.94	4479.02	11512.96	10185.41	854.09	11039.50
Segment Liabilities	3844.70	4878.50	8723.20	4298.08	3746.65	8044.73
Share Capital & Reserve	4873.50	(2491.79)	2381.71	5623.51	(3139.56)	2483.95
Un-allocable D. Tax Liability	408.05	-	408.05	263.82	247.00	510.82
Total	9126.25	2386.71	11512.96	10185.41	854.09	11039.50

NOTE 32. DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS ITEMS

a. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL CONSUMED

	As at 31 March, 2015		As at 31 March, 2014	
	Rs in Lacs	% of Total Consumption	Rs in Lacs	% of Total Consumption
Imported	76.01	0.77%	28.69	0.38%
Indigenous	9731.86	99.23%	7550.76	99.62%
Total	9807.87	100.00%	7579.45	100.00%

b. VALUE OF IMPORTED AND INDIGENOUS STORES & SPARES CONSUMED

	As at 31 March, 2015		As at 31 March, 2014	
	Rs in Lacs	% of Total Consumption	Rs in Lacs	% of Total Consumption
Imported	6.14	0.62%	0.54	0.06%
Indigenous	977.85	99.38%	890.76	99.94%
Total	983.99	100.00%	891.30	100.00%

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 33. EARNINGS AND EXPENSES IN FOREIGN CURRENCY AND CIF VALUE OF IMPORTS

(Rs. in Lacs)

	As at 31 March, 2015	As at 31 March, 2014
a. CIF Value of Imports		
Raw Material & Traded Goods	76.01	28.69
Stores & Spares	6.14	0.54
Capital Goods	-	50.62
Packing materials	1.73	1.81
Sales promotion	-	1.41
b. Expenditure in foreign currency		
Foreign Travelling	22.93	23.02
Commission	5.11	-
c. Earnings in foreign currency		
Value of Export Sales (FOB Basis)	4402.96	3806.42

NOTE 34. PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped and reclassified where necessary to conform to this year's classification.

As per our report of even date
For **A. K. Bagadia & Co.**
Chartered Accountants
Firm Registration No. 100846W

A K Bagadia
Proprietor
Membership NO. 30520

Place: Aurangabad
Date: 30th May, 2015

The accompanying notes are an integral part of the financial statements.
For and on behalf of the board of directors of AKAR TOOLS LTD

R L Gupta Director	Sunil Todi Managing Director	N K Gupta Director
Radhamohan Garg Chief Financial Officer	Rajashree Dubey Company Secretary	

Place: Aurangabad
Date: 30th May, 2015

AKAR TOOLS LIMITED

Regd. Office: 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai-400009

CIN: L29220MH1989PLC052305

BALLOT FORM

Twenty Sixth Annual General Meeting, 30th September, 2015

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

Sr. No	Particulars	Details
1	Name of the Member(s)	
2	Postal address	
3	Registered Folio No./Client ID No	
4	No. of Shares	

We hereby exercise my/our vote(s) in respect of the Resolutions to be passed for the business set out in the Notice of the Annual General Meeting of the Company to be held on Wednesday 30th September, 2015 at 11:00 A.M. by sending my/ our assent or dissent to the said resolution (s) by placing the tick (✓) mark at the appropriate box below:

Reso. No.	Description	No of equity shares	For	Against
			I/We assent to the resolution	I/We dissent to the resolution
Ordinary Business				
1	Adoption of the Audited Statement of Profit and Loss for the Financial Year ended 31st March, 2015, the Balance Sheet as on that date, the Board and the Auditors' Reports thereon.			
2	Declaration of dividend on equity shares for the Financial Year Ended 31st March, 2015			
3	Appoint a Director in place of Shri. N. K. Gupta, who retires by rotation and being eligible, offers himself for re-appointment.			
4	Ratify appointment of Statutory Auditors to hold office from conclusion of this meeting until the conclusion of Twenty Seventh AGM and to fix their remuneration.			
Special Business				
5	Appointment and ratification of remuneration of M/s B. R. Chandak & Co, Cost Accountants.			
6	Appointment of Smt. Shilpa Sharma as an Independent Director (Women Director) of the Company.			
7	Re-appointment of Shri. Sunil Todi as Managing Director and to fix their remuneration.			
8 & 9	To increase in borrowing power of the company U/S 180 (1)(c) and to create charge U/S 180 (1) (a) of the Companies Act, 2013.			

Place:

Date:

Signature of Member

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

INSTRUCTIONS

- a. Members may fill up this Ballot Form (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to the Scutinizer, viz. Shri Pankaj Desai, Company Secretaries. C/o Akar Tools Ltd, 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai, so as to reach by 5.00 p.m on 29th September, 2015. The Ballot Form received thereafter will be strictly treated as not received.
- b. A Shareholder can opt for only one mode of voting either through remote E-voting or by Ballot or by Poll. If a shareholder cast their votes by all modes, then voting done through remote E-voting shall prevail and the Ballot Form shall be treated as invalid.
- c. The Ballot form should be signed by the member (s) as per the specimen signature registered with the Company/ the Depositories. In case of joint holding, the form should be completed and signed by the first named Member and in his/her absence, by the next joint holder. The right of voting by Ballot Form shall not exercised by a Proxy.
- d. In case the shares are held by companies, trusts, societies, trusts etc. the duly completed Ballot Form Should be accompanied by a certified true copy of the relevant Board Resolutions/ Authorization.
- e. The voting rights of Members be in proportion to their shares of the paid up equity share capital of the Company as on 20th September, 2015.
- f. Unsigned, incomplete , improperly or incorrectly marked Ballot forms shall be rejected. The decision of the Scutinizer on the validity of the Ballot Form will be final.

AKAR TOOLS LIMITED

Regd. Office: 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai-400009
CIN: L29220MH1989PLC052305

FORM OF PROXY

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

Name of Member (s)	
Regd. Address	
Email id	
Folio No./ DP Id & Client Id	

I / We, being the member(s) of _____ shares of the Akar Tools Ltd, hereby appoint:

1. Name : _____ Address : _____

Email Id: _____ Signature : _____

2. Name : _____ Address : _____

Email Id: _____ Signature : _____

as my/our Proxy to attend and vote (on a poll) for me/us on my/our behalf at the 26th Annual General Meeting of the Company to be held on Wednesday 30th September, 2015 at 11:00 A.M. and at any adjournment thereof in respect of resolutions as are indicated below:

Resolution No.	Description	For	Against
Ordinary Business			
1	Adoption of the Audited Statement of Profit and Loss for the Financial Year ended 31st March, 2015, the Balance Sheet as on that date, the Board and the Auditors' Reports thereon.		
2	Declaration of dividend on equity shares for the Financial Year Ended 31st March, 2015		
3	Appoint a Director in place of Shri. N. K. Gupta, who retires by rotation and being eligible, offers himself for re-appointment.		
4	Ratify appointment of Statutory Auditors to hold office from conclusion of this meeting until the conclusion of Twenty Seventh AGM and to fix their remuneration.		
Special Business			
5	Appointment and ratification of remuneration of M/s B. R. Chandak & Co, Cost Accountants.		
6	Appointment of Smt. Shilpa Sharma as an Independent Director (Women Director) of the Company.		
7	Re-appointment of Shri. Sunil Todi as Managing Director and to fix their remuneration.		
8 & 9	To increase in borrowing power of the company U/S 180 (1)(c) and to create charge U/S 180 (1) (a) of the Companies Act, 2013.		

Signed this _____ day of _____ 2015

Signature of shareholder: _____

Affix Re. 1
Revenue
Stamp


Note: This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting

AKAR TOOLS LIMITED

Regd. Office: 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai-400009

CIN: L29220MH1989PLC052305

(ATTENDANCE SLIP)



Regd. Folio No.		Name	
DP ID		No. of Shares held	
Client ID		Proxy No.	

I hereby record my presence at the 26th Annual General Meeting of the Company held at Y.B. Chavan Centre, General Jagannath Bhosle Marg, Opp. Mantralaya, Nariman Point, Mumbai – 400021 on Wednesday the 30th September, 2015 at 11.00 a.m.

Member/Proxy's Name (in Block Letter)

Member's/Proxy's Signature

NOTE: Member/Proxy Attending The Meeting Must Fill-In this Attendance Slip and Hand It Over at the Entrance of the Venue of the Meeting.



BOOK-POST

If undelivered, please return to:



AKAR TOOLS LIMITED
Registered office
304, Abhay Steel House
Baroda Street, Carnac Bunder,
Mumbai - 400009